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October 11, 2017

Mr. Daniel Orodener
Executive Officer
Land Use Commission
235 South Beretania Street, Suite 406
Honolulu, Hawaii 96813

Dear Mr. Orodener:

Subject: Docket No. DR17-60
Petition for Declaratory Order to Designate Important
Agricultural Lands in Naiwa, Molokai
Tax Map Key: 5-2-012-004
Total Area: 1,084.079 acres

Thank you for the opportunity to comment on this important petition. The Department of Agriculture (DOA) expresses its appreciation to the petitioner for their interest in and effort to identify potential Important Agricultural Lands (IAL) (petition area). We note that the petitioner is not seeking a reclassification of land pursuant to Section 205-45(b), Hawaii Revised Statutes (HRS) in conjunction with this petition to designate IAL. The petitioner is also voluntarily waiving all rights to claim any credits due pursuant to Section 205-45(h), HRS (Petition, p. 17). This is the second IAL petition involving agricultural lands on the island of Molokai and the thirteenth IAL petition statewide.

In the following, we provide responses to the petitioner's statements as to how the petition area meets the eight criteria for identifying IAL (Section 205-44, HRS).

Land Currently Used for Agricultural Production

According to the Agricultural Land Assessment (ALA) found in Exhibit 4 of the petition, the majority of the 1,084.079 acres sought for IAL designation is currently in agricultural production (ALA, p. 4). The table below shows the breakdown of agricultural uses of the petition area:



Use	Acres	Percent
Agricultural Production		
Crop Production	524.400	
Seed	498.180 (approximate)	
Soy	26.220 (approximate)	
Coffee	115.500	
Sunn Hemp	8.000	
Total	647.900	60%
Soil Conservation	210.000	19%
Other	226.179	21%
Totals	1,084.079	100%

The total amount of acres within the petition area in agricultural production is approximately 647.9 acres or 60% of the petition area.

Approximately 524 acres of the proposed IAL designation is in active seed corn or soy production, with 498 acres planted in seed corn and the remaining 26 acres planted in soy (ALA, p. 7). Approximately one-third of the seed and soy fields are actually in crop production at any given time, with the remaining two-thirds of the fields in a “rested” state. A field is only used for one crop per year, and is rested when out of crop production (ALA, p. 5). During rest periods, the fields are planted with cover crops of cowpeas, sunn hemp, mung beans, canola, mustard, radish, buckwheat, sunflower, and okra (ALA, p. 5). The DOA considers seed corn production as “agricultural production” under Section 205-44, HRS. This is consistent with our general position of considering seed corn production as a “crop” under 205-2(d)(1) and 205-4.5(a)(1), HRS.

The petition area also has a Conservation Plan developed in conjunction with the United States Department of Agriculture’s Natural Resources Conservation Service. The Plan includes the use of vegetative terraces, grassed waterways, sediment basins, drip irrigation, cover crops, windbreaks, field borders including native species, and other dust mitigation measures (ALA, p. 5).

The petition area contains approximately 115.5 acres that is leased to COHI, Inc, for coffee cultivation. COHI, Inc. has a long-term lease to farm the 115.5 acres, expiring in 2031 (Petition, p. 7). The petition area also contains approximately 8 acres that is leased to an individual for the cultivation of sunn hemp (Petition, p. 7).

The remaining balance of the petition area of approximately 438 acres (40% of the petition area) consists of 210 acres dedicated to soil conservation measures, roads, and water infrastructure, and 226 acres identified as “other” or “non-classified” acres such as gulches or the Kualapuu Hill (identified as “Pu’u Uala”) (Petition, pp. 7-8; Exhibit 5, p. 3).

Land with soil qualities and growing conditions that support agricultural production of food, fiber, or fuel- and energy-producing crops

With irrigation, according to the Land Study Bureau's Detailed Land Classification (LSB) for the Island of Molokai, 849 acres (70.4%) of the petition area is rated "A", 247.17 acres (22.8%) is rated "B", 1.298 acres (.1%) is rated "C", and 72.538 acres (6.7%) is rated "E" (ALA, p.8). Most of the "A" and "B" rated lands within the petition area would fall to an "E" or a "D" rating if unirrigated (Petition, p. 9). The Department notes that much of the Pu'u Uala lands are rated "E" and does not improve with irrigation (see ALA, Figure 4b).

Lands identified under agricultural productivity ratings systems, such as the Agricultural Lands of Importance to the State of Hawaii (ALISH) system adopted by the Board of Agriculture on January 28, 1977

According to the Agricultural Lands of Importance to the State of Hawaii (ALISH) classification system, the petition area is comprised of 975.729 acres (90%) in "Prime", 7.453 acres in "Other Important", and 100.897 acres (9.3%) is not classified according to ALISH (see ALA, p.15). The lands in the petition area that are not in ALISH generally overlap the lands designated as "E" by the LSB, with the exception of the "E" rated LSB lands within Pu'u Uala.

Land types associated with traditional native Hawaiian agricultural uses, such as taro cultivation, or unique agricultural crops and uses, such as coffee, vineyards, aquaculture, and energy production

The petition mentions that coffee production on the petition area has been ongoing for the past 30 years (Petition, p. 12). Currently 115.5 acres within the petition area is leased for coffee production.

Lands with sufficient quantities of water to support viable agricultural production

Much of the petition area is irrigated by water supplied from the Molokai Irrigation System (MIS) that is operated by the Agricultural Resource Management Division (ARMD) within the DOA. The entire petition area is within the MIS Service Area (Petition, p. 14; Exhibit 8), and the petitioner is able to use water from the MIS system for agricultural purposes. The three year monthly average water usage for the petition area during fiscal years 2015, 2016, and 2017 ranged from 10,175,550 to 12,952,833 gallons per month (Petition, Exhibit 9). The Department notes that the MIS system is not owned or operated by the petitioner, and that water availability in the petition area from the MIS system can change (Petition, p. 16). The petitioner must also take mandatory cuts in water usage in times of drought as deemed necessary by ARMD (Petition, p. 16). There were mandatory water cuts for non-homestead users in the

past. Currently, non-homestead users are on a “voluntary” 10% reduction in water usage. The petition area also receives an average of 22 to 34 inches of rain annually (Petition, p. 16). The petition area appears to have an adequate supply of irrigation for agricultural production when there are no mandatory water cuts.

ARMD reviewed the petition’s water section (p. 12, paragraph 1.5.2.5), and makes the following comments for clarity:

- Page 14 of the petition states that “[i]n the absence of a DOA determination of cultivatable acres for a given user, a two acre minimum is used.” ARMD comment: Section 4-157-3(g), Hawaii Administrative Rules, states that “there shall be levied a minimum acreage assessment equivalent to two acres for those potential consumers who are land occupiers within the boundaries of the irrigation district but do not apply for water service connection.” (emphasis added).
- Page 14, footnote 7 states that “[a]ll members of the Advisory Board must be users of the MIS system and residents of the island of Molokai.” ARMD comment: Section 167-23, HRS, states that “[a]ll members of the Advisory Board shall be 1) Molokai irrigation system users or their agents, officers, or employees; and 2) Residents of the island of Molokai” (emphasis added).

Land whose designation as Important Agricultural Lands is consistent with general, development, and community plans of the County

The petition area is entirely within the State Agricultural District, and is zoned as “Agriculture” and “Interim” by Maui County (ALA, Appendix 2). Agricultural uses are a permitted use under the Interim Zoning Ordinance (ALA, p. 22). The 2001 Molokai Community Plan’s land use map designates the petition area as “Agriculture.” (ALA, p. 20).

Land that contributes to maintaining a critical land mass important to agricultural operating productivity

The petition area is 1,084 contiguous acres of agricultural land.

Land with or near support infrastructure conducive to agricultural productivity, such as transportation to markets, water, or power

The petition area surrounds the Kualapuu Reservoir, which is part of the MIS system, and has a capacity of 1.4 billion gallons (Petition, p. 13). MIS infrastructure runs through the northern half of the petition area (see Petition, Exhibit 8). The petition area

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is bordered by and has access to Maunaloa Avenue and Farrington Highway (Petition, p. 18).

CONCLUSION

The Department of Agriculture believes the petition satisfactorily addresses each of the eight IAL identification criteria for the majority of the petition lands. The petition represents a request for IAL designation in an area containing among the most productive agricultural lands on Molokai and serviced by the MIS. The majority of lands in the petition area are in agricultural production, or soil conservation.

The Department notes that a portion of land within the Pu'u Uala area, identified as "E48" by the ALA's "Land Study Bureau (LSB) Detailed Land Classification System" map (see ALA, Figure 4b), does not appear to be in agricultural production, is rated "E" by the LSB, is not irrigated, and has slopes greater than 20 percent. The Department would not be opposed to the exclusion of this area from designation as IAL.

Sincerely,



Scott E. Enright, Chairperson
Board of Agriculture

c: Office of Planning