World Café

What is the most significant incentive from the landowner’s perspective?

Farmland Protection

- Return to shareholder for keeping land in ag
- Ability to lease smaller parcels without subdividing which is costly
  - Hawaii County has farm subdivision law that allows leasing (no houses) w/o subdivision
- Availability of dependable, low-cost water
- Real property tax policy that maintains assessment value based on ag productivity-3
  - Evaluate tax structure to see if current tax benefits supporting the promotion of ag
    - Requires enforcement
    - Examine policy for highest and best use of lands
  - Need to quantify benefit and redirect it so it’s more effective (doesn’t go to “gentlemen’s estates”)
    - Need to close loop holes for gentlemen estates and encourage good planning by counties
- Vertically integrated operations (e.g. biotech) on large tracts of land
- Landowners benefits for ag easements
- Create incentives/tools for keeping land in ag & for facilitating development of non-ag lands 2
  - Term easements
  - TDR/PDR
  - Fast Tracking
  - Like-kind exchanges (1031)
- Create permanent funding for tools 2
  - Term easements
  - PDR
  - Conservation easements
- Support for cluster subdivisions-2
  - Preserves open space
  - Contributes to security against ag theft
  - Less susceptible to “gentlemen’s estates”
- Flexibility to develop some of land that is not “core” ag land
  - Allow larger land owners reasonable amount of land for development
Increase the capability to develop lands that don’t have ag potential

**Capital Formation**
- Access to low cost funding

**Ag Viability**
- Designate Ag district programs
  - Program to develop special districts for agriculture with well developed incentives
    - Voluntary designation of ag lands
    - Ensure regulatory efforts support ag
      - Right to Farm
      - Environmental regulations
  - Tax credits for investment in infrastructure
  - Identify and create state lands for agricultural enterprises
    - Tax incentives
    - Start-up funding
  - Support for lowering development costs, e.g. subdivision requirements for real ag subdivisions
    - Support true ag subdivisions
      - Provide tools to that area
  - Finding profitable farmers
    - Teach farming and business skills

**Regulatory**
- Transparency and consistency of environmental laws and related to landowner and farmer liability
- Limit liability if compiled with laws at the time
- Environmental regulations that favor ag activity
- No leasehold conversions
- Clarification of state government’s commitment to ag
From the farmer/producer’s standpoint, what is the most significant incentive?

Profits
What’s the definition of an incentive? Things in place that will help me make a decision to start farming. Or, if already in business, this will enhance ability to be profitable.

If want farming to occur, what “essentials” need to exist for it to occur or be enhanced?

What are things that positively impact farming and create profitability?

Ag Viability
- Lower the cost of inputs and increase profitability
- Land security/long term tenure
  o Stable land tenure-2
  o Incentives for long term leases -3
  o Ability to purchase lands
  o Availability of affordable land and water -2
- Access to low cost, dependable water -3
  o Ensure that water code supports agriculture
- Certainty and sustainability re: land, water, market -2
- Education
  o Education to improve farmers ability to be successful
    ▪ How system works
    ▪ Need for business skills, entrepreneurial skills, mentoring 2
    ▪ Increase profitability
- Managing information
  o Clearinghouse where a farmer could call to get info they need to get info and make connections (e.g. where resources exist, information dissemination, networking)
  o Expand UH extension capabilities
- Infrastructure
  o Availability of Infrastructure
  o Infrastructure tailored to farmers’ needs
  o Support distribution systems (including transportation systems)
    ▪ Vacuum cooling plant
    ▪ Refrigerated facilities at airport
    ▪ Adequate air lift capacity
    ▪ Holding facilities for animals
    ▪ Get rid of Jones Act
    ▪ Inter-island shipment integrated rate that sustains shipping options
- Minimal interference to farming operations
- Support for research
  o High-end and value-added products requires research, market development and product development
• Profitability of markets
• Import replacement

• Marketing channels, direct, more options, export markets and staying competitive globally -3
  • Ensure ability to reach export markets (see “distribution systems” under “Infrastructure” above)
  • More direct marketing opportunities
  • Identify reliable markets not price driven “niche markets”
    • Create brand
  • Create local consumer demand
    • Partnerships (eg. KTA)
    • Need consistent supply and quantity
    • Create satisfied consumers
  • Mechanisms that create collaboration for marketing
    • Government already has a local procurement preference, but must have dependable supply

• Grower coops to share equipment

Capital Formation
• Access to low cost funding
• Financing especially for smaller farmers and start-ups federal and state loans and guarantees

Tax Incentives
• Supportive Tax Policy, real property tax based on productivity
• GET credit for farmers getting started
• Tax credits for investment (e.g. infrastructure)

Regulatory issues
• Reasonable environmental regulations