











## Protecting Important Agricultural Land in Hawaii



Department of Natural Resources and Environmental Management 1910 East-West Road, Sherman Lab 101 Honolulu 96822, Hawaii



#### **Consent to Participate in Research Project:**



#### <u>Protecting Important Agricultural Land in Hawaii</u>

The purpose of this research is to evaluate agricultural land owners' perspectives on voluntary long term protection programs of agricultural land. Participation involves 15 minutes to complete a survey.

Survey participation is voluntary. While you may receive no direct benefits from participating, the results of this survey may help state legislators to protect agricultural land more efficiently. If you are uncomfortable at any time you may skip a question, take a break, stop, or withdraw altogether, without penalty.

All the survey responses will be kept in a secure location. Only project researchers will have access to the unprocessed data, although legally authorized agencies, including the UH Committee on Human Studies, have the right to review research records. Your answers will be analyzed with the answers of other participants. Your name or any other personally identifying information will not be reported at any time. By returning this Survey you agree to participate in the study. You can change your mind about participating in this project, at any time, by notifying the researcher.

If you have any questions about this project, please contact the research team via phone at (808) 627-5747 or e-mail at <a href="mailto:nabejon@hawaii.edu">nabejon@hawaii.edu</a>. If you have any questions about your rights as a research participant, in this project, you can contact the UH Committee on Human Studies (CHS), by phone at (808) 956-5007 or by e-mail at <a href="mailto:uhirb@hawaii.edu">uhirb@hawaii.edu</a>.

Please keep this portion of the consent form for your records.

This survey focuses on owners of prime agricultural land. Some questions are directed specifically to single owners ("Only owners" will appear before the text of the question), some are directed to corporations/organizations/companies ("Only organizations" will appear before the text of the question) and some questions are directed to both (nothing will appear before the text of the question). In the case that you are the president/CEO of the organization, please answer all the questions.

1.	Are you an individual owner of agricultural land or are you completing this survey on behalf of a company/corporation?						
	☐ I am the owner						
	☐ A company/corporation owns the agricultural land						
2.	How do you rate your knowledge	level on	the fo	llowing a	agriculture	protection	
	programs: agricultural easements, Important Agricultural Lands, and purchase of						
	development rights? (Please place an 'X' in the column that indicates your level of						
	knowledge)						
	(Please select one for each row)	Poor	Fair	Good	Excellent	I do not know	
	Agricultural easements						
	Important Agricultural Lands						
	Purchase of development rights						

Now we would like to provide you with some background information about agricultural easements and Important Agricultural Land legislation.

#### **Agricultural Easements**

An agricultural easement is the purchase of development rights for an agricultural parcel by a non-profit organization such a land trust, a governmental agency or a combination of both. The land can be subject to all common transactions since it can be sold, bought, inherited or leased, although it will have no development rights. Another commonly used variation is the donation of the development rights by the owner to a non-profit organization, a governmental agency or a combination of both.

#### Important Agricultural Lands Legislation (IAL)

Important Agricultural Lands (IAL) is a new piece of legislation in Hawaii that creates a new land use designation called IAL in addition to the four conventional land uses of rural, urban, conservation and agriculture present in the state. Currently, counties can change the land use designation for parcels smaller than 15 acres from urban/rural or agricultural to another use. However, counties would be unable to change IAL designated land. Only the Land Use Commission will decide IAL land use changes. Owners of IALs also receive refundable qualified agricultural cost tax credits and the possibility of reclassifying up to 15% of the IAL surface in another agricultural parcel.

<ul> <li>Yes</li> <li>No</li> <li>I believe I am</li> <li>I am not sure</li> </ul> Please select one of the agricultural parcels you own with a size greater than 20 acres, if possible. Please provide the Tax Map Key Number (TMK), if possible, to aid in contextualizing your parcel, and an approximation of the parcel's total size. This specific parcel will be the object of the rest of the questions in the survey. TMK: Size (acres): 4. Would you consider participating in any of the following agricultural protection programs? (Mark all that apply) <ul> <li>□ Classifying my land as IAL</li> <li>□ I do not have enough information about either of these programs to decide</li> <li>□ Purchase or donation of the development rights for my land as an agricultural</li> </ul>
□ I believe I am □ I am not sure  Please select one of the agricultural parcels you own with a size greater than 20 acres, if possible. Please provide the Tax Map Key Number (TMK), if possible, to aid in contextualizing your parcel, and an approximation of the parcel's total size. This specific parcel will be the object of the rest of the questions in the survey.  TMK: Size (acres):  4. Would you consider participating in any of the following agricultural protection programs? (Mark all that apply) □ Classifying my land as IAL □ I do not have enough information about either of these programs to decide
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programs? (Mark all that apply)  Classifying my land as IAL  I do not have enough information about either of these programs to decide
easement  No. Please indicate why you would not consider it below:
<ul> <li>5. Would you consider donating the development rights of the property in return for income tax credits?</li> <li>Yes</li> <li>No</li> <li>Unsure</li> </ul>

		hat would be your main motives for <u>donating</u> the development rights of your ricultural land? (Please rank your top three choices with 1, 2 and 3)
		I believe it is the right thing to do for society.
		I have a strong sense of attachment to this specific piece of land.
		I want to promote environmental protection of the land and its natural resources.
		I want to slow or reduce agricultural land conversion for development.
		My agricultural practices have an important cultural and traditional value due to the methods used or crops planted.
		My family's heritage or legacy with this piece of land extends over a generation and I want to continue the tradition.
		My property is very important for the local community and I want my agricultural land to remain as agricultural land in perpetuity
		Other (please specify):
7.	14	
		hat would be your main motives for <u>selling</u> the development rights of your land?
		lease rank your top three choices with 1, 2 and 3)
		lease rank your top three choices with 1, 2 and 3)  I believe is the right thing to do for society.
		lease rank your top three choices with 1, 2 and 3)
		lease rank your top three choices with 1, 2 and 3)  I believe is the right thing to do for society.
		lease rank your top three choices with 1, 2 and 3)  I believe is the right thing to do for society.  I have a strong sense of attachment to this specific piece of land.
		lease rank your top three choices with 1, 2 and 3)  I believe is the right thing to do for society.  I have a strong sense of attachment to this specific piece of land.  I want an additional source of income.
		lease rank your top three choices with 1, 2 and 3)  I believe is the right thing to do for society.  I have a strong sense of attachment to this specific piece of land.  I want an additional source of income.  I want to promote environmental protection of the land and its natural resources.
		lease rank your top three choices with 1, 2 and 3)  I believe is the right thing to do for society.  I have a strong sense of attachment to this specific piece of land.  I want an additional source of income.  I want to promote environmental protection of the land and its natural resources.  I want to slow or reduce agricultural land conversion for development.  My agricultural practices have an important cultural and traditional value due to
		lease rank your top three choices with 1, 2 and 3)  I believe is the right thing to do for society.  I have a strong sense of attachment to this specific piece of land.  I want an additional source of income.  I want to promote environmental protection of the land and its natural resources.  I want to slow or reduce agricultural land conversion for development.  My agricultural practices have an important cultural and traditional value due to the methods used or crops planted.  My family's heritage or legacy with this piece of land extends over a generation

8.	If you were to sell the development rights to your land, what would be your asking price?
	\$ per acre
	I am not interested in selling
9.	In the case of selling or donating your development rights, would you prefer a local land trust, a national non-governmental organization (NGO) or a governmental agency to own your development rights? (please check one)
	A local land trust
	A national NGO
	A local governmental agency
	A federal government agency
	I do not care
10	What do you feel the parcel's value is at present?
	\$ per acre
	I do not know
11	If you had sold the development rights, what price do you feel the land would sell for at present (without development rights)?
	\$ per acre
	I do not know
12	To what extent do you agree with this statement: "The parcel has a high risk of being developed in 10 years"?
	Strongly agree
	Somewhat agree
	Neither agree nor disagree
	Somewhat disagree
	Strongly disagree
	No opinion

# 13. If you were to sell the development rights of your parcel, how important would these factors be in the transaction? (Please place an 'X' in the column that indicates your level of importance)

Factor (select one per row)	Very Unimportant	Somewhat Unimportant	Somewhat Important	Very Important	I do not know
Reward you receive (cash, tax credits or priority to convert)					
Degree of development rights protection over time (10, 30 years) or perpetuity					
Type of agency holding the development rights (national land trust, local land trust or a local government agency)					

### <u>Please take time to carefully read the following instructions before proceeding.</u>

The following 12 questions have the same structure. For each question you will chose between two options. Assume that option A and option B are the only ones available. They present the attributes for a hyphothetical purchase of development rights for your selected parcel. The attributes described for each option include the expected reward for the development rights of your parcel, the length of time that the development right will be protected, and the agency holding the development rights. Please choose only one option in each situation. Your answers will permit us the assessment of the attribute preferences of owners and to estimate the value of the attributes.

Situation 1: If these were your options, what option would you chose, option A or option B?				
Features	OPTION A	OPTION B		
Reward	Tax credits:  1 <sup>st</sup> year: Up to \$625,000 of the qualified agricultural cost of the tax payer  2 <sup>nd</sup> year: Up to \$250,000  3 <sup>rd</sup> year: Up to \$125,000	\$24,500 per acre		
Development Rights Protection	10 years	30 years		
Agency holding the development rights	National land trust	Local land trust		

Situation 2: If these were your options, what option would you chose, option A or option B?			
Features	OPTION A	OPTION B	
Reward	\$24,500 per acre	Priority to convert 15% of the acreage in other agricultural parcel in the county to other use different from agriculture	
Development Rights Protection	10 years	In perpetuity	
Agency holding the development rights	Local land trust	Land Use Commission (State Government)	

Situation 3: If these were your options, what option would you chose, option A or option B?				
Features	OPTION A	OPTION B		
Reward	Tax credits:  1 <sup>st</sup> year: Up to \$625,000 of the qualified agricultural cost of the tax payer  2 <sup>nd</sup> year: Up to \$250,000  3 <sup>rd</sup> year: Up to \$125,000	Priority to convert 15% of the acreage in other agricultural parcel in the county to other use different from agriculture		
Development Rights Protection	In perpetuity	30 years		
Agency holding the development rights	Land Use Commission (State Government)	National land trust		

Situation 4: If these were your options, what option would you chose, option A or option B?				
Features	OPTION A	OPTION B		
Reward	Tax credits:  1 <sup>st</sup> year: Up to \$625,000 of the qualified agricultural cost of the tax payer  2 <sup>nd</sup> year: Up to \$250,000  3 <sup>rd</sup> year: Up to \$125,000	\$24,500 per acre		
Development Rights Protection	30 years	In perpetuity		
Agency holding the development rights	Local land trust	National land trust		

Situation 5: If these were your options, what option would you chose, option A or option B?					
Features	OPTION A	OPTION B			
Reward	Tax credits:  1 <sup>st</sup> year: Up to \$625,000 of the qualified agricultural cost of the tax payer  2 <sup>nd</sup> year: Up to \$250,000  3 <sup>rd</sup> year: Up to \$125,000	Priority to convert 15% of the acreage in other agricultural parcel in the county to other use different from agriculture			
Development Rights Protection	In perpetuity	10 years			
Agency holding the development rights	National land trust	Land Use Commission (State Government)			

Situation 6: If these were your options, what option would you chose, option A or option B?			
Features	OPTION A		OPTION B
Reward	Priority to convert 15% of the acreage in other agricultural parcel in the county to other use different from agriculture		\$24,500 per acre
Development Rights Protection	10 years		30 years
Agency holding the development rights	National land trust	-	Land Use Commission (State Government)

Situation 7: If these were your options, what option would you chose, option A or option B?				
Features	OPTION A	OPTION B		
Reward	Priority to convert 15% of the acreage in other agricultural parcel in the county to other use different from agriculture	Tax credits:  1 <sup>st</sup> year: Up to \$625,000 of the qualified agricultural cost of the tax payer  2 <sup>nd</sup> year: Up to \$250,000  3 <sup>rd</sup> year: Up to \$125,000		
Development Rights Protection	In perpetuity	10 years		
Agency holding the development rights	Local land trust	Land Use Commission (State Government)		

Situation 8: If these were your options, what option would you chose, option A or option B?				
Features	OPTION A	OPTION B		
Reward	\$24,500 per acre	Priority to convert 15% of the acreage in other agricultural parcel in the county to other use different from agriculture		
Development Rights Protection	30 years	10 years		
Agency holding the development rights	National land trust	Local land trust		

Situation 9: If these were your options, what option would you chose, option A or option B?				
Features	OPTION A		OPTION B	
Reward	Tax credits:  1 <sup>st</sup> year: Up to \$625,000 of the qualified agricultural cost of the tax payer  2 <sup>nd</sup> year: Up to \$250,000  3 <sup>rd</sup> year: Up to \$125,000		\$24,500 per acre	
Development Rights Protection	In perpetuity		30 years	
Agency holding the development rights	National land trust		Land Use Commission (State Government)	

Situation 10: If these were your options, what option would you chose, option A or option B?				
Features	OPTION A		OPTION B	
Reward	Priority to convert 15% of the acreage in other agricultural parcel in the county to other use different from agriculture		\$24,500 per acre	
Development Rights Protection	30 years		In perpetuity	
Agency holding the development rights	Local land trust		Land Use Commission (State Government)	

Situation 11: If these were your options, what option would you chose, option A or option B?				
Features	OPTION A	OPTION B		
Reward	\$24,500 per acre	Tax credits:  1 <sup>st</sup> year: Up to \$625,000 of the qualified agricultural cost of the tax payer  2 <sup>nd</sup> year: Up to \$250,000  3 <sup>rd</sup> year: Up to \$125,000		
Development Rights Protection	In perpetuity	10 years		
Agency holding the development rights	Local land trust	National land trust		

Situation 12: If these were your options, what option would you chose, option A or option B?				
Features	OPTION A	OPTION B		
Reward	Tax credits:  1 <sup>st</sup> year: Up to \$625,000 of the qualified agricultural cost of the tax payer  2 <sup>nd</sup> year: Up to \$250,000  3 <sup>rd</sup> year: Up to \$125,000	Priority to convert 15% of the acreage in other agricultural parcel in the county to other use different from agriculture		
Development Rights Protection	30 years	10 years		
Agency holding the development rights	Land Use Commission (State Government)	National land trust		

14. If you could design your ideal situation for the purchase of development rights situation by selecting one alternative for each factor, what would it look like?

(Please select one available alternative for each factor)

**Factor** 

#### **Available Alternatives**

Reward	\$24,500 per acre
(select only one option)	Priority to convert 15% of the acreage in other agricultural parcel in the county to other use
	different from agriculture
	Tax credits:
	1 <sup>st</sup> year: Up to \$625,000 of the qualified
	agricultural cost of the tax payer. 2 <sup>nd</sup> year: Up to
	\$250,000. 3 <sup>rd</sup> year: Up to \$125,000
Development rights	10 years
protection	30 years
(select only one option)	In perpetuity
,	,
Agency holding the	Land Use Commission
development rights	Local land trust
(select only one option)	National land trust

15. How many acres of agricultural land and how many independent TMK parcels did you or your organization own in 2010?

 _Number of acres owned.
 _Number of independent TMK parcels.

If you are a single owner, please continue to question 16.

If you are representing an organization, please skip to question 20.

City: State/Country:			
(Only owners) What (please check one)	t is the highest level of	education that you h	nave completed?
No completed de	gree		
High school or GE	ED		
Associates degree	e (AD)		
Bachelor's degree	e (BA/BS)		
Graduate degree	(MA/MS/PhD)		
Professional degr	ee (MD, DDS, JD, MBA	)	
Other			
	ch of the following bro	_	
	ch of the following bro from all sources in 201 \$30,001 – \$50,000	_	
household income f	rom all sources in <b>201</b> \$30,001 -	0? (please check one)	\$70,001 –
household income f	\$30,001 - \$50,000	\$50,001 - \$70,000 \$200,001 - \$500,000	\$70,001 - \$100,000
household income f	\$30,001 - \$50,000 \$150,001 - \$200,000	\$50,001 - \$70,000 \$200,001 - \$500,000	\$70,001 - \$100,000

If you are an owner, this is the end of your survey. We thank you for taking the time to complete this questionnaire. Your assistance in providing this information is very much appreciated. If there is anything else you would like to tell us about this survey, or if you want to expand your answers, please do so in the space provided on the last page.

20.	(Only organizations	) Where are the organi	zation headquarters	5?
	City:	Sta	ate/Country:	
21.	(Only organizations)	Approximately how m	any employees wor	k at this
	organization in Haw	ai'i?		
	Number of employee	es:		
22.	(Only organizations)	Which of the following	g broad categories b	est describes the
	organization revenu	e from all sources in 20	110? (please check o	ne)
	< \$100,000	\$100,000 - \$200,000	\$200,000 <b>–</b> \$500,000	\$500,000 - \$1M
	S1M - \$5M	S5M - \$10M	\$10M - \$30M	\$30M - \$50M
	\$50M - \$100M	\$100M - \$200M	\$200M - \$400M	>\$400M
23.	(Only organizations) check one)	What is the principal i	ndustry of the orgar	nization? (please
	Agriculture	Management Companies	Util	ities or Manufacturing
	Construction	Real Estate	☐ Wh	olesale trade
	Finance and Insurance	Retail Trade	Oth	ner: (please specify)

### Thank you for taking the time to complete this questionnaire.

Your assistance in providing this information is very much appreciated. If there is	
anything else you would like to tell us about this survey, or if you want to expand you	ır
answers, please do so in the space provided below or in an attached piece of paper.	
If you want to receive the results of the research please mark your preferable method	d:
E-mail (preferable). Please provide your e-mail here:	
Mail. Please provide your mailing address:	