

From: [Stephen Arnett](#)
To: [DLNR.BLNR.Testimony](#)
Cc: [LANIHAU-rsmith](#)
Subject: [EXTERNAL] FW: Hawaii Island Paddlesports Association
Date: Wednesday, June 21, 2023 10:36:24 PM
Attachments: [1.pdf](#)
[2.pdf](#)

Per your request, I have converted the JPEG files to PDF. Resending my testimony in its entirety. Mahalo for your help! Aloha, Steve

Aloha DLNR Board Members,

In relation to the June 23, 2023 BLNR Board Meeting, Agenda Item J-3. Our permit is listed on, Exhibit E, Page 9, Revocable Permit #7 - Hawaii Island Paddlesports Association (HIPA) a 501(c) 3 non-profit organization.

HIPA appreciates the BLNR continuation of our Revocable Permit. HIPA also is asking The Board to consider a change of our non-profit rental status to nominal rent pursuant to HRS 171-43.1. Our annual rent is \$9,072, when the nominal rate for non-profits with an IRS designation of a 501 (c) 3, is \$480 annually. I have attached our IRS determination letter, to confirm our status. We are asking for similar treatment to the other canoe clubs/organizations throughout the State (the following organizations on your Exhibit E receive the non-profit rate): North Shore Canoe #51; Lanikai Canoe Club #52; Manu O Ke Kai #122; Hui Nalu Canoe Club #127; Ka Lahui Kai Canoe Club #128.

In the year 2000, when our corporation was formed, our non-profit entity was assigned a designation of 501 (c) 4, by the IRS. The current administration is entirely different from the officers and directors who formed our non-profit corporation. The current administration was unaware of the incorrect designation until June 2021, when we were told by DLNR that because of our 501 (c) 4 designation, we could not be considered for a long-term lease. Since that IRS designation was in error, we applied for a change of designation to the IRS. That change took several months, but the IRS did agree with us and changed our non-profit designation to a 501 (c) 3, effective January 31, 2022 (see the attachment).

HIPA has been a good steward of our rental space and a contributing organization in our community. Our programs relative to our mission statement follows:

1. Our entity provides community benefit to an average of 50 to 75 paddlers on a daily basis. The HIPA total membership is approximately 350 members, island wide.
2. HIPA keeps our leased area and surrounding area clean and neat.
3. HIPA maintains a junior vaa program with approximately 20-25 members. Our juniors have impressive finishes in many races. One of our junior crew took first place in the one person Molokai to Oahu relay race a few weeks ago. Another one of our junior vaa paddlers paddled the Molokai to Oahu distance solo, with an escort boat. He is 12 years old.

4. HIPA sponsors races throughout the Hawaii Island, from Honokohau Harbor, Keauhou, Keoua (Honaunau), Waikoloa, Hilo, Keokea (North Kohala), Four Seasons (Kaupulehu) and before the Kilauea eruption, Pohoiki boat ramp. HIPA sponsors between 12 to 14 competitive races annually for adults and juniors.
5. HIPA meets with officials to provide all of the necessary DLNR permits for all of our races throughout the island.
6. HIPA provides our building for all kinds of functions, including after race events, funerals, birthday celebrations and others.
7. Membership is open to any canoe or surf ski paddler.
8. HIPA is a volunteer organization with no employees.

HIPA is engaged in the conservation and preservation of our marine resources. HIPA promotes sportsmanship among youth and adults of the community through our race schedule and practice workouts. We provide a healthy alternative to youth, that have idle time. One of our paddlers was recently featured in the Hawaiian Airlines inflight magazine. He paddles before work, does his construction job, returns in the afternoon and paddles again. HIPA's goal is to educate all members to be good stewards of the ocean by keeping the ocean and harbor clean and healthy.

On April 30, 2023, HIPA sent a proposal to Richard Howard and Kimberly Kahaleua requesting that our revocable lease be placed before the DLNR board for a change to a long-term lease.

Subsequent to our request, we were told by Mr. Ed Underwood that the task force formed to create a master plan for the Honokohau Harbor would be revisited.

As a result of the foregoing, we appreciate that DLNR will be extending our revocable lease. However, HIPA would greatly appreciate an opportunity have our lease rent be reduced to the non-profit rate of \$480 annually. In addition, HIPA would love the opportunity to meet before the DLNR board to consider a long-term lease for our halau. Such a long term disposition will enable us to be eligible for expanded funding opportunities, so that we can install the capital improvements necessary, so that our site can continue to be a long term asset to the community and to the Department.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,



Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
P.O. Box 2508
Cincinnati, OH 45201

HAWAII ISLAND PADDLESPOUNTS ASSOCIATION
P.O. BOX 839
KEALAKEKUA, HI 96750

Date: 07/28/2022
Employer ID number: 90-0338668
Person to contact: Name: Kimya D Hayes
ID number: 10076
Telephone: 877-829-5500
Accounting period ending: December 31
Public charity status: 509(a)(2)
Form 990 / 990-EZ / 990-N required: Yes
Effective date of exemption: January 31, 2022
Contribution deductibility: Yes
Addendum applies: No
DLN: 26053433005282

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter. Your exemption under IRC Section 501(c)(3) is effective as of the date listed at the top of this letter. You were exempt under Section 501(c)(4) prior to this date.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.



June 22, 2023

ATTN: Ms. Dawn Chang, Chairperson
Board of Land and Natural Resources
Kalanimoku Building
1151 Punchbowl St., Room 132
Honolulu, Hawai'i 96813
Submitted via Email at blnr.testimony@hawaii.gov

SUBJECT: Support for Agenda Item F-3, Request for Approval to Authorize the BLNR Chairperson to Enter into a Contract Between BLNR and Mālama Pūpūkea-Waimea for a Pūpūkea MLCD Carrying Capacity Study with FY23 General Funds; BLNR Meeting, 9:15 a.m., June 23, 2023

Aloha pumehana kākou:

Kua'āina Ulu 'Auamo (KUA) submits this letter in **strong support** of the Board of Land and Natural Resources (BLNR) approval to contract with Mālama Pūpūkea-Waimea (MPW) to conduct a three-year pilot program as part of Act 31 (2022) to assess carrying capacity in the Pūpūkea Marine Life Conservation District (MLCD) for sustainable management solutions to ensure the health and abundance of this area's priceless natural resources, biodiversity, and marine life habitats.

KUA works to increase our communities' resiliency, adaptation, and transformation through community-based biocultural resource management, currently supporting three major networks of: (1) almost 40 mālama 'āina (caring for our 'āina or "that which feeds") community groups collectively referred to as E Alu Pū (moving forward together); (2) over 40 loko i'a (fishpond aquaculture systems unique to Hawai'i) in varying stages of restoration and development, with caretakers, stakeholders, and volunteers known as the Hui Mālama Loko I'a ("caretakers of fishponds"); and (3) the Limu Hui made up of over 50 loea (traditional experts) and practitioners in all things "limu" or locally-grown "seaweed." Our shared vision is to once again experience what our kūpuna (ancestors) referred to as 'āina momona – abundant and healthy ecological systems that sustain our community resilience and well-being.

MPW has participated with KUA for several years through the E Alu Pū network, including serving on the council and contributing to strategic planning. MPW is also a member of our Limu Hui, participates in weekly KUA-led Lawai'a Pono meetings, and partnered with KUA on several legislative efforts over the years. Last year, KUA supported MPW particularly with the passage of Senate Bill 3330 that was passed into law as Act 31 to create the carrying capacity program at hand. We further supported MPW through the procurement process with the Division of Aquatic Resources, as we believe that MPW is an excellent community partner that is capable of effectively working with many diverse stakeholders to achieve the healthy 'āina momona (abundance) and that our community greatly needs. MPW's established and intimate connection to the needs of the Pūpūkea MLCD make it the most practical and best choice to conduct this program.



Please approve and execute the contract between BLNR and MPW to carry out this Pūpūkea MLCD Carrying Capacity Program.

‘O ke aloha ‘āina momona nō,

Pūpūkahi i holomua e ho‘okanaka!
Let us all unite to better the human condition

Me ka mahalo a me ka ‘oia‘i‘o nō,

Kevin K.J. Chang
Executive Director

Olan Leimomi Fisher
Kua‘āina Advocate



Mālama Pūpūkea-Waimea
Post Office Box 188
Hale'iwa, HI 96712

Board of Directors

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Keelan Barcina
Sydney Covell
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Maxx E. Phillips, Esq.
Bill Quinlan
Palakiko Yagodich

Staff

Jenny Yagodich,
Director of Educational
Programs & Community
Outreach

Federal Nonprofit Organization
501(c)(3) FEIN 27-0855937

Testimony for June 23, 2023 BLNR Hearing
blnr.testimony@hawaii.gov

Dawn Chang, Chair & Members of the Board
Board of Land & Natural Resources
1151 Punchbowl Street Room 330
Honolulu, Hawaii 96813

Item F-3. Request for Approval To Authorize the Board of Land and Natural Resources (BLNR) Chairperson To Enter Into a Contract Between BLNR and Mālama Pūpūkea-Waimea for a Pūpūkea Marine Life Conservation District Carrying Capacity Study (\$269,990) with Fiscal Year 23 General Funds.

Aloha Chair Chang and BLNR Members,

Mālama Pūpūkea-Waimea (MPW) is a Hawai'i non-profit organization founded on the North Shore of O'ahu in 2005. Our mission is "working to replenish and sustain the natural and cultural resources of the Pūpūkea and Waimea ahupua'a for present and future generations through active community stewardship, education, and partnerships."

For eighteen years, we have focused our stewardship, education, and partnership efforts on the Pūpūkea Marine Life Conservation District (MLCD) (one of only three MLCDs on O'ahu). 2023 is the 40th anniversary of the Pūpūkea MLCD and an opportune time to assess and mitigate the impact of high levels of human use in certain shallow water areas of the marine reserve.

For these reasons, MPW appreciated the opportunity to submit an extensive proposal in response to the Division of Aquatic Resources' RFP for Act 31 (SLH 2022), the three-year Carrying Capacity Program for the Pūpūkea MLCD. A full copy of our proposal is in the Board materials.

MPW is deeply grateful for the letters of support for its proposal from DOCARE and seven non-profit and academic organizations. In addition, MPW's proposal includes seven highly qualified consultants/subcontractors in marine science, social science, technical planning services, and management; and over eighty volunteer expert/community advisors who have committed to assist the project.

We would be honored to receive the Act 31 contract and, more importantly, to continue to share kuleana with DLNR and other partners for the stewardship of the Pūpūkea MLCD.

Mahalo nui for your consideration.

Denise Antolini
President, MPW