State of Hawai'i
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Forestry and Wildlife
Honolulu, Hawai'i 96813

February 13, 2015

Chairperson and Members
Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawai'i

Board Members:

SUBJECT: REQUEST TO AMEND A FISCAL YEAR 2012 GRANT FROM THE LEGACY LAND CONSERVATION PROGRAM TO ALA KAHAKAI TRAIL ASSOCIATION BY ADDING A CONSERVATION EASEMENT TO BE HELD BY THE HAWAIIAN ISLANDS LAND TRUST

SUMMARY:

Through the Fiscal Year 2012 (FY12) Legacy Land Conservation Program (LLCP), the Board of Land and Natural Resources awarded funds to the Ala Kahakai Trail Association (AKTA) for the purchase of 34.63 acres in North Kohala, Island of Hawaii. On behalf of AKTA, the Division of Forestry and Wildlife ("DOFAW") is seeking approval to add a conservation easement, to be held by the Hawaiian Islands Land Trust, to the project.

BACKGROUND:

At its meeting of May 11, 2012, under agenda item C-4, the Board of Land and Natural Resources (BLNR) awarded $1,449,555 to AKTA for the acquisition of 34.63 acres in North Kohala, Island of Hawaii. Following this award, the Board and AKTA entered into a grant agreement defining the terms and conditions of this award. On December 5, 2014, the grant agreement was amended to extend the time of performance for AKTA to December 31, 2015 (Attachment 1).

The coastal parcel to be acquired by AKTA is within the ahupua'a of Kaiholena and contains coastal access trails and a portion of the Ala Kahakai National Historic Trail. The land also contains cultural sites and is within view of the Lapakahi State Historical Park. AKTA initially proposed to use a combination of private, nonprofit, and National Park Service funding to complete the acquisition.

In a letter dated November 23, 2014, AKTA listed the proposed sources of funding for completing this project, which included $89,945 from HILT. As a condition for funding the project in the amount of $89,945, HILT would be requesting a conservation easement over the property. AKTA stated that the original project had not contemplated a conservation easement to HILT, and requested an approval for this change to the project (Attachment 2).

ITEM C-2

HILT is a local nonprofit organization, tax-exempt under 501(c)(3) of the Internal Revenue Code (IRC). HILT's mission is: "To protect the lands that sustain us for current and future generations." It is an accredited land trust according to the Land Trust Accreditation Commission, an independent program of the national Land Trust Alliance.

DISCUSSION:

Under Chapter 173A, HRS, the Legacy Land Conservation Commission and the Senate President and House Speaker may advise the Board of Land and Natural Resources regarding project selection. Accordingly, when a project proposes a substantive change to what was initially approved; the Department seeks the advice of the Commission and these legislators.

At the December 5, 2014, meeting of the Legacy Land Conservation Commission, the Commission recommended approval of the addition of a conservation easement to the project (Attachment 3). Subsequent to this meeting, DOFAW consulted with the Senate President and Speaker of the House of Representatives; both legislators replied with no comments or objections regarding the proposed project change in letters dated and January 12, 2015, and January 22, 2015, respectively (Attachment 4).

DOFAW supports allowing AKTA to include a conservation easement to HILT as part of the approved project. Partnering with HILT, a larger accredited land conservation organization, can provide AKTA with additional organizational capacity and land management expertise that would be beneficial for the long-term protection of the land.

Pursuant to Chapter 173A, HRS, the Department, with assistance with the Dept. of the Attorney General, will require that HILT include language within the conservation easement to clarify that HILT must return a portion of net proceeds equal to the proportion that the grant by the State bears to the original cost of the land in the event of a sale or disposal of the conservation easement for proceeds.

RECOMMENDATIONS:

That the Board:

1. Authorize the revision of the approved grant from "Kaiholena South; the Ala Kahakai Trail Association (AKTA) at $1,449,555 for purchase of 34.63 acres in North Kohala, Island of Hawai'i, for protection of coastal lands, cultural resources and a portion of the Ala Kahakai National Historic Trail." to "Kaiholena South; the Ala Kahakai Trail Association (AKTA) at $1,449,555 for purchase of 34.63 acres in North Kohala, Island of Hawai'i, including a conservation easement to the Hawaiian Islands Land Trust, for protection of coastal lands, cultural resources and a portion of the Ala Kahakai National Historic Trail."

2. Authorize the Chairperson to execute an amendment to the December 31, 2012, Legacy Land Conservation Program Grant Agreement with Ala Kahakai Trail Association as amended by Amendment No. 1 to Legacy Land Conservation Program Grant Agreement, dated December 5, 2014, in order to effectuate the addition of a conservation easement to the project, subject to:

a. Review and approval by the Department of the Attorney General; and

b. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully submitted,

LISA HADWAY, Administrator
Division of Forestry and Wildlife

APPROVED FOR SUBMITTAL:

CARTY S. CHANG, Acting Chairperson
Board of Land and Natural Resources

ATTACHMENTS:

Attachment 1: November 23, 2014, letter from Ala Kahakai Trail Association

Attachment 2: December 31, 2012, Legacy Land Conservation Program Grant Agreement with Ala Kahakai Trail Association, and Amendment No. 1 to Legacy Land Conservation Program Grant Agreement, dated December 5, 2014

Attachment 3: December 5, 2014, draft minutes of the Legacy Land Conservation Commission

Attachment 4: Consultation replies from the Senate President and Speaker of the House of Representatives, dated January 12, 2015, and January 22, 2015, respectively

Ala Kahakai Trail Association
P.O. Box 2338
Kamuela, HI 96743
(808) 326-6012

Legacy Land Conservation Commission
Department of Lands and Natural Resources
1151 Punchbowl Street, Room 325
Honolulu, HI 96813

November 23, 2014

Re: Modification to Kaiholena project, North Kohala, TMK 5-8-01:023

Dear Legacy Land Conservation Commissioners:

The Ala Kahakai Trial Association is very happy to share that we have secured all the required cash and in-kind funding for closing the project at Kaiholena. This effort has been a great partnership between ATA, the National Park Service Ala Kahakai National Historic Trail, and the Kohala Community.

The project total is $2,106,500 and all cash and in-kind match is secured per the funders listed below.

Atherton Family Foundation	$15,000	cash secured
Dorrance Family Foundation	$50,000	cash secured
Hawaii Islands Land Trust	$89,945	cash secured
Malama Kohala Kahakai	$1,000	cash secured
EWM Enterprises, LLP,	$497,000	land value donation + $4,000 closing fees
Legacy Land Conservation Fund	$1,449,555	cash secured

We are especially grateful for the final $89,945 from the Hawaii Islands Land Trust. HILT's contribution is secured (cash-in-hand) and as a condition of the funding, HILT is requiring a conservation easement.

Our original application to did not anticipate funding from HILT or requirement for a conservation easement (CE). *Therefore, we are requesting an approval for a modification to our project, the addition of the conservation easement, so that we can close this project ASAP.*

In September 2014, ATA requested a time extension for closing and we understand that the extension will likely be approved. However, the seller, EWM Enterprises LLP, needs to close very soon as the extremely long escrow has been a hardship for the seller. We are hopeful that at your December 2014 meeting the Commission will approve our request for a modification to our project, including a conservation easement to be held by HILT as a condition of HILT's funding.

Thank you for your consideration and we remain grateful for your tremendous support to preserve this incredible parcel that includes the highest concentration of intact, pre-contact cultural and archeological sites in the State and a number of endangered species.

Sincerely,

Alan Brown
Vice President

ALA KAHAKAI

STATE OF HAWAII
AMENDMENT NO. 1
TO LEGACY LAND CONSERVATION PROGRAM
GRANT AGREEMENT
(CONTRACT NO. 61878)

This Amendment, entered into on December 5, 20 14, by and between the BOARD OF LAND AND NATURAL RESOURCES, STATE OF HAWAII ("STATE"), by its Chairperson, whose address is 1151 Punchbowl Street, Honolulu, Hawaii 96813, and the Ala Kahakai Trail Association ("AWARDEE"), a nonprofit corporation under the laws of the State of Hawaii, whose business address and federal and state taxpayer identification numbers are as follows: P.O. Box 2338 Kamuela, HI 96743; 27-1398470; 0357117101.

Federal and state taxpayer identification numbers

RECITALS

A. WHEREAS, the STATE and the AWARDEE entered into a State of Hawaii Legacy Land Conservation Program Grant Agreement dated December 31, 2012, (hereinafter referred to as the "Agreement"), whereby the AWARDEE agreed to the terms described in the Agreement; and

B. WHEREAS, the parties now desire to amend the Agreement to extend the time of performance.

NOW, THEREFORE, the STATE and the AWARDEE mutually agree to amend the Agreement as follows:

The Time Schedule set forth as Attachment 2 to the Agreement is hereby amended to extend the time of performance from "AWARDEE shall complete the acquisition of the Property and record the conveyance no later than December 31, 2014," to "AWARDEE shall complete the acquisition of the Property and record the conveyance no later than December 31, 2015."

The Compensation and Payment Schedule set forth as Attachment 3 to the Agreement is hereby amended to extend the time of performance from "The request for payment must be received by the LLCP by December 17, 2014," to "The request for payment must be received by the LLCP by December 17, 2015."

The Compensation and Payment Schedule set forth as Attachment 3 to the Agreement is hereby amended to extend the time of performance from "Within thirty (30) days of acquiring the Property, but no later than December 31, 2014, AWARDEE shall submit to the STATE a copy of the recorded conveyance document transferring ownership of 34.63 acres, more or less, in North Kohala, Island of Hawaii to AWARDEE," to "Within thirty (30) days of acquiring the Property, but no later than December 31, 2015, AWARDEE shall submit to the STATE a copy of the recorded conveyance document transferring ownership of 34.63 acres, more or less, in North Kohala, Island of Hawaii, to AWARDEE."

The entire Agreement, as amended herein, shall remain in full force and effect.

IN VIEW OF THE ABOVE, the parties execute this Amendment by their signatures, to be effective as of the date first above written.

STATE

_____
Chairperson
Board of Land and Natural Resources

AWARDEE

By _____

Its Treasurer *
(Title)

Hakalahai Trail Association

APPROVED AS TO FORM:

_____
Deputy Attorney General

*Evidence of authority of the AWARDEE's representative to sign this amended agreement for the AWARDEE must be attached.

AWARDEE'S ACKNOWLEDGMENT

STATE OF HAWAII)
) SS.
COUNTY OF Hawaii)

On this 22nd day of October, 20 14, before me personally appeared Ray Broggini, to me personally known, who being by me duly sworn, did say that he/she is the Treasurer of Ala Kahakai Trail Association, the AWARDEE named in the foregoing instrument, and that he/she is authorized to sign said instrument on behalf of the AWARDEE, and acknowledges that he/she executes said instrument as the free act and deed of the AWARDEE.

CHARLENE M. LOPES
NOTARY PUBLIC
No. 83-482
STATE OF HAWAII

Charlene M Lopes
Notary Public, State of Hawaii Charlene M Lopes

My commission expires: 12/15/2015

Notary Seal Affixed:

Doc. Date: Undated # Pages 3

Notary Name Charlene M. Lopes Third Circuit

Doc. Description State of Hawaii Amendment No. 1
To Legacy Land Conservation Program Grant Agreement (Contract No. 61878)

Charlene M Lopes 10/22/14
Notary Signature Date

CHARLENE M. LOPES
NOTARY PUBLIC
No. 83-482
STATE OF HAWAII

ALA KAHAKAI

CORPORATE RESOLUTION

At a meeting of the Board of Directors of the Ala Kahakai Trail Association held on May 6, 2014, it was unanimously agreed that any one of the following members of the Executive Committee is duly authorized to sign all documents pertaining to the purchasing, selling, assigning, mortgaging, exchanging, leasing or any other function in connection with the property situated at Kaiholena Lots, 14-1-F with Tax Map Key (3) 5-8-001-023 and an assessed area of 34.628 acres located on the Kohala Coast of the Island of Hawaii in Hawaii County:

Dennis Hart, President
Alan Brown, Vice President
Kaleo Linda Paik, Secretary
Ray Broggini, Treasurer

Date: 5/24/14

By: Treasurer

By: VP

By: Secretary

Ala Kahakai Trail Association Board of Directors					
Name		**Phone**	**Cell**	**Email**	**Mailing Address**
Alan L. Brown	Vice Chair	922-4569	989-6984	alanainamalu@mac.com	3115 Noela Dr. Honolulu, HI 96815
Dennis D.K. Hart	Chair		937-6039	dennishart47@yahoo.com	PO Box 1441 Kealakekua, HI 96750
Linda Kaleo Paik	Secretary	485-8964	354-7765	kaleopaik@yahoo.com	98-070 Lokowai St. Aiea, HI 96701
M. Kalani Souza		776-1077	987-0705	mkalani@hawaii.rr.com	PO Box 305 Laupahoehoe, HI 96764
Ray E. Broggini	Treasurer	775-1051	557-9818	musicmund2@hawaiiantel.net	PO Box 12 Kamuela, HI 96743
Sheryl-Ann Waimakalani Iona			333-0336	waimakalani@yahoo.com	PO Box 44483 Kawaihae, HI 96743
Ulu Ching			936-9556	moanac@hawaii.edu	73 Kaikuono St. Hilo, HI 96720
rev 07/13					

STATE OF HAWAII
LEGACY LAND CONSERVATION PROGRAM
GRANT AGREEMENT

This Agreement, entered into on December 31, 2012, by and between the BOARD OF LAND AND NATURAL RESOURCES, STATE OF HAWAII ("STATE"), by its Chairperson, whose address is 1151 Punchbowl Street, Honolulu, Hawaii 96813, and the Ala Kahakai Trail Association ("AWARDEE"), a nonprofit corporation under the laws of the State of Hawaii, whose business address and federal and state taxpayer identification numbers are as follows: P.O. Box 2338 Kamuela, HI 96743 27-1398470 0357117101.

Business address Federal and state taxpayer identification numbers

EXHIBITS

Exhibit A Project Application

Exhibit B Checklist for Legacy Land Conservation Program Projects

Exhibits A and B are hereby made a part of this Agreement.

RECITALS

WHEREAS, Chapter 173A, Hawaii Revised Statutes ("HRS"), establishes standards for disbursing public funds to state agencies, counties, and nonprofit land conservation organizations to fulfill public purposes;

WHEREAS, the AWARDEE has requested funding from the STATE for the project described in Exhibit A and Attachment 1 of this Agreement;

WHEREAS, the STATE finds that the AWARDEE's performance as described in Attachment 1 of this Agreement will fulfill the public purpose set forth therein;

WHEREAS, the STATE desires to contract with the AWARDEE to fulfill the specified public purpose, and the AWARDEE are agreeable to performing under this Agreement;

WHEREAS, money is available to fund this Agreement pursuant to: Chapter 173A, HRS, LNR 101 (S-12-317-514) in the following maximum amount: One Million, Four Hundred and Forty-Nine Thousand, Five Hundred and Fifty-Five and No/100 Dollars ($1,449,555);

NOW, THEREFORE, in consideration of the promises contained in this Agreement, the STATE and the AWARDEE agree as follows:

A. SCOPE OF PERFORMANCE

The AWARDEE shall perform, in a proper and satisfactory manner as determined by the STATE, the project described in the "Scope of Performance" set forth in Attachment 1, which is hereby made a part of this Agreement.

B. TIME OF PERFORMANCE

The performance required of the AWARDEE under this Agreement shall be completed in accordance with the "Time Schedule" set forth in Attachment 2, which is hereby made a part of this Agreement.

C. COMPENSATION

Subject to the availability of funds, the AWARDEE shall be compensated for performance of the project under this Agreement according to the "Compensation and Payment Schedule," set forth in Attachment 3, which is hereby made a part of this Agreement.

D. STANDARDS OF CONDUCT DECLARATION

The "Standards of Conduct Declaration" by AWARDEE, set forth in Attachment 4, is hereby made a part of this Agreement.

E. OTHER TERMS AND CONDITIONS

The "General Conditions for Legacy Land Conservation Program Grant Agreements," set forth in Attachment 5, is hereby made a part of this Agreement.

IN WITNESS WHEREOF, the STATE and the AWARDEE have executed this Agreement effective as of the date first above written.

STATE

By _____
Chairperson
Board of Land and Natural Resources

AWARDEE

By _____
Its Treasurer *
(Title)

APPROVED AS TO FORM:

_____
Deputy Attorney General

*Evidence of authority of the AWARDEE's representative to sign this Agreement for the AWARDEE must be attached.

AWARDEE'S ACKNOWLEDGMENT

STATE OF HAWAII)
) SS.
COUNTY OF Hawaii)

On this 29th day of October, 2012, before me personally appeared Ray E. Broggini, to me personally known, who being by me duly sworn, did say that he/she is the Treasurer of Ala Kahakai Trail Association, the AWARDEE named in the foregoing instrument, and that he/she is authorized to sign said instrument on behalf of the AWARDEE, and acknowledges that he/she executes said instrument as the free act and deed of the AWARDEE.

Notary Public, State of Hawaii

My commission expires: 11/13/2015

Notary Seal Affixed:

LEKEISHA-KIM ANCHETA DEMELLO
NOTARY PUBLIC
No. 11-364
STATE OF HAWAII

LEKEISHA-KIM ANCHETA DEMELLO
NOTARY PUBLIC
No 11-364
STATE OF HAWAII

Doc Date: undated # Pages 3

Notary Name: Lekeisha-Kim Ancheta DeMello Third Circuit

Doc Description State of Hawaii legacy land Conservation Program Grant agreement

Notary Signature 10/29/12 Date

Attachment 1

SCOPE OF PERFORMANCE

Project Description

The AWARDEE shall use funds from the Legacy Land Conservation Program ("LLCP") for land acquisition of: 34.63 acres, more or less, in North Kohala, Island of Hawaii ("Property") for the protection of resource values stated in Sections "C," "D," and "G" of the Project Application attached hereto as Exhibit A. Property acquired with LLCP funding from the Land Conservation Fund shall be held and managed in a manner designed to protect the Property's resource values.

Performance

The AWARDEE is required to do the following:

1. Submit a request for payment containing all documentation required in Attachment 3 ("Compensation and Payment Schedule") to the satisfaction of the STATE.

2. Complete acquisition of the Property and record a document of conveyance of the Property to the Ala Kahakai Trail Association.

3. The document of conveyance to the Ala Kahakai Trail Association, shall include the following paragraphs:

> "The property has been acquired with funds from a grant by the State of Hawaii, Department of Land and Natural Resources, Legacy Land Conservation Program ("LLCP") through grant agreement number _____, dated December 31, 2012, and is subject to all of the terms and conditions of the grant agreement. Title of the property conveyed by this deed shall vest in Ala Kahakai Trail Association, subject to disposition instructions from the State of Hawaii, Department of Land and Natural Resources ("DLNR"), or its successor agencies. The property shall be managed consistently with the purposes for which it was awarded a LLCP grant and Chapter 173A, Hawaii Revised Statutes.
>
> The Ala Kahakai Trail Association, for itself, its successors and assigns, and in consideration of the LLCP grant, does hereby covenant that it shall not dispose of, encumber its title or other interests in, or convert the use of this property without the written approval of the DLNR or its successor agencies. Upon notice from Ala Kahakai Trail Association, that it intends to dispose of, encumber the title or other interests in, or convert the use of the property, the DLNR may:
>
> 1. Require Ala Kahakai Trail Association, to place on the property, a deed restriction or covenant to protect the resource values for which Ala

Kahakai Trail Association was awarded a LLCP grant, to an appropriate land conservation organization or county, state, or federal resource conservation agency. The deed restriction or covenant shall run with the land and be recorded with the appropriate state agency.

2. Require to be placed on the property, a conservation easement or agricultural easement under Chapter 198, Hawaii Revised Statutes, to an appropriate land conservation organization or county, state, or federal resource conservation agency, that shall run with the land and be recorded with the appropriate state agency.

3. Require subsequent landowners to enter into a contract with the DLNR for the protection of the resource values consistent with the purposes for which the LLCP grant was awarded.

The Ala Kahakai Trail Association, further covenants that if the property is sold, leased, rented, or otherwise disposed of by the Ala Kahakai Trail Association , that portion of the net proceeds (sale price less actual expenses of sale) of such sale, rental, or proceeds equal to the proportion that the state grant bears to the original cost of the property shall be paid to the State of Hawaii."

4. Cooperate with the STATE in all efforts to document the condition and status of the resource values for which the grant funds were provided.

5. Any substantive changes to the Project Application must be agreed to by the AWARDEE and the Chairperson of the Board of Land and Natural Resources in writing.

6. The AWARDEE shall maintain the same proportion of matching funds to awarded funds as set forth in Section F. of the Project Application, attached hereto as Exhibit A.

Attachment 2

TIME SCHEDULE

This Agreement shall be in effect beginning December 31, 2012. AWARDEE shall complete acquisition of the Property and record the conveyance no later than December 31, 2014. If any of the performances required in the Scope of Performance are not completed within the time stated, AWARDEE may be required to return all funds previously received by it pursuant to this Agreement. The Chairperson of the Board of Land and Natural Resources may extend the time for performance of any requirement. Requests for extension must be submitted by AWARDEE in writing 90 days prior to December 31, 2014, or they will not be considered.

Attachment 3

COMPENSATION AND PAYMENT SCHEDULE

In full consideration of the services to be performed under this Agreement, from Chapter 173A, Hawaii Revised Statutes, and LNR 101 (S-12-317-514), the STATE and the AWARDEE agree to the following:

a) AWARDEE's requests for payment, in the form of either a single invoice or multiple invoices, shall be delivered personally or sent by United States first class mail, postage prepaid to:

Legacy Land Conservation Program
Division of Forestry and Wildlife
Department of Land and Natural Resources
1151 Punchbowl Street, Room 325
Honolulu, Hawaii 96813

The STATE may withhold any portion of the payment until all commitments are verified as complete to the satisfaction of the STATE.

Reimbursement will be the method for all costs except for grant funds used to purchase land. All requests for payment must be received by the LLCP by December 17, 2014. A single payment or multiple payments, not exceeding the total amount of One Million, Four Hundred and Forty-Nine Thousand, Five Hundred and Fifty-Five and No/100 Dollars ($1,449,555), shall be made upon:

i. AWARDEE's completion of the Checklist for Legacy Land Conservation Program Projects attached hereto as Exhibit B to the satisfaction of the STATE;
ii. AWARDEE's compliance with all LLCP policies and practices;
iii. the STATE's receipt of an original invoice and copies of all bills, invoices, and receipts; and
iv. the STATE's receipt of AWARDEE's tax clearances from the Hawaii State Department of Taxation and the Internal Revenue Service and DLIR Certificate of Compliance.

The STATE may accept from AWARDEE a current Certificate of Vendor Compliance from Hawaii Compliance Express (HCE) as a substitute for the Hawaii State Department of Taxation and the Internal Revenue Service tax clearances and DLIR Certificate of Compliance.

All invoices should:

- Identify costs,
- Reference the contract number, and
- Have a line that states "this is an original invoice" with a signature (in a pen color other than black) to certify this statement.

The final invoice should be marked as "Final" when submitted and should be accompanied by a Certification of Compliance for Final Payment.

b) Within thirty (30) days of acquiring the Property, but no later than December 31, 2014, AWARDEE shall submit to the STATE a copy of the recorded conveyance document transferring ownership of the 34.63 acres, more or less, in North Kohala, Island of Hawaii, to AWARDEE. AWARDEE shall also submit any other documentation of the transaction that is requested by the STATE.

c) The total amount awarded under this Agreement will be dependent upon the project being completed with no substantive changes to the Project Application. The amount of the award shall not be increased, but the STATE may reduce the award if the project changes in any way that the STATE deems substantial. For example, a reduction in acreage, purchase price, or fair market value may be deemed substantial and sufficient justification for a reduction in the award. The AWARDEE is shall maintain the same proportion of matching funds to awarded funds as set forth in Section F. of the Project Application, attached hereto as Exhibit A.

d) All payments under this Agreement are subject to availability of funds and allotment by the Director of Finance in accordance with chapter 37, HRS. Furthermore, all payments shall be made in accordance with and subject to chapter 40, HRS.

The AWARDEE acknowledges and agrees that the availability of funds from the Land Conservation Fund established under the laws of the State of Hawaii shall be subject to the approval and release of the budgeted funds by the Governor of the State of Hawaii. If insufficient funds are released or otherwise made available to the STATE to pay the AWARDEE, the STATE may, without liability to the STATE, reduce or eliminate the amount of compensation to the AWARDEE, upon written notification by the STATE to the AWARDEE.

Attachment 4

STANDARDS OF CONDUCT DECLARATION

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of the Ala Kahakai Trail Association , AWARDEE, the undersigned does declare as follows:

1. AWARDEE ☐ is ☒ is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).

2. AWARDEE has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Agreement within the preceding two years and who participated while so employed in the matter with which the Agreement is directly concerned. (Section 84-15(b), HRS).

3. AWARDEE has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Agreement and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Agreement, if the legislator or employee has been involved in the development or award of the Agreement. (Section 84-14(d), HRS).

4. AWARDEE has not been represented on matters related to this Agreement, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Agreement. (Sections 84-18(b) and (c), HRS).

AWARDEE understands that the Agreement to which this document is attached is voidable on behalf of the STATE if this Agreement was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source for the declarations above.

Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

AWARDEE:

By _____
(Signature)

Print Name Ray Brossini

Print Title Treasurer

Name of AWARDEE Alakahakai Trail Association

Date 10/29/12

Attachment 5
(rev. 8-8-2008)

GENERAL CONDITIONS FOR LEGACY LAND CONSERVATION PROGRAM GRANT AGREEMENTS

1. Awardee's Qualifying Standards.

   a. The AWARDEE is a state agency, county, or a nonprofit land conservation organization.

   b. If the AWARDEE is a non-profit land conservation organization, the AWARDEE has been determined by the Internal Revenue Service to be a non-profit organization, and AWARDEE has a governing board whose members have no material conflict of interest and serve without compensation.

2. Recordkeeping Requirements. The AWARDEE shall, in accordance with generally accepted accounting practices, maintain fiscal records and supporting documents and related files, papers, receipts, reports, and other evidence that sufficiently and properly reflect all direct and indirect expenditures and management and fiscal practices related to the AWARDEE's performance under this Agreement. The AWARDEE shall retain all records related to the AWARDEE's performance under this Agreement for at least three (3) years after the date of submission of the AWARDEE's Final Project Report.

3. Audit of AWARDEE. The AWARDEE shall allow the STATE full access to records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and assuring the proper expenditure of the grant. This right of access shall last as long as the records and other related documents are retained. The AWARDEE shall respond to any requests from the STATE for information regarding monitoring, measuring the effectiveness, and assuring the proper expenditure of the grant within 60 days.

4. Nondiscrimination. No person performing work under this Agreement, including any employee or agent of the AWARDEE, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

5. Inspection of Property. The AWARDEE shall permit the STATE and its agents and representatives, at all reasonable times, the right to enter and examine the Property to ensure compliance with chapter 173A, Hawaii Revised Statutes, and the terms of this Agreement. The STATE shall provide either written or verbal notice to the AWARDEE forty-eight hours prior to entering the Property.

6. Conflicts of Interest. The AWARDEE represents that neither the AWARDEE, nor any employee or agent of the AWARDEE, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or

might conflict in any manner or degree with the AWARDEE's performance under this Agreement.

7. Compliance with Laws. The AWARDEE shall comply with chapter 173A, Hawaii Revised Statutes, chapter 343, Hawaii Revised Statutes, and all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the AWARDEE's performance under this Agreement.

8. Indemnification and Defense. The AWARDEE shall defend, indemnify, and hold harmless the State of Hawaii, the contracting agency, and their officers, employees, and agents from and against all liability, loss, damage, and cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefore, arising out of or in resulting from the acts or omissions of the AWARDEE or AWARDEE's employees, officers, or agents under this Agreement. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Agreement.

9. Cost of Litigation. In case the STATE shall, without any fault on its part, be made a party to any litigation commenced by or against the AWARDEE in connection with this Agreement, the AWARDEE shall pay all costs and expenses incurred by or imposed on the STATE, including attorneys' fees.

10. Title insurance. AWARDEE must obtain title insurance in the full amount of the purchase price, insuring that the title to the Property is vested in the AWARDEE.

11. Relationship of Parties; Independent Contractor Status and Responsibilities, Including Tax Responsibilities.

    a. In the performance of this Agreement, the AWARDEE is an "independent contractor," with the authority and responsibility to control and direct the performance required under this Agreement; however, the STATE shall have a general right of inspection to determine whether, in the STATE's opinion, the AWARDEE is in compliance with this Agreement.

    b. The AWARDEE and the AWARDEE's employees and agents are not by reason of this Agreement, agents or employees of the STATE for any purpose, and the AWARDEE, and the AWARDEE's employees and agents shall not be entitled to claim or receive from the STATE any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to state employees.

    c. The AWARDEE shall be responsible for the accuracy, completeness, and adequacy of AWARDEE's performance under this Agreement. Furthermore, the AWARDEE intentionally, voluntarily, and knowingly assumes the sole and entire liability to the AWARDEE's employees and

agents, and to any individual not a party to this Agreement, for all loss, damage, or injury caused by the AWARDEE, or the AWARDEE's employees or agents, in the course of their employment.

d. The AWARDEE shall be responsible for payment of all applicable federal, state, and county taxes and fees which may become due and owing by the AWARDEE by reason of this Agreement, including but not limited to (i) income taxes, (ii) employment related fees, assessments, and taxes, (iii) general excise taxes, (iv) real property taxes, and (v) conveyance taxes. The AWARDEE is also responsible for obtaining all licenses, permits, and certificates that may be required in order to perform this Agreement.

e. The AWARDEE shall obtain a general excise tax license from the Department of Taxation, State of Hawaii, in accordance with section 237-9, Hawaii Revised Statutes, and shall comply with all requirements thereof. The AWARDEE shall obtain a tax clearance certificate from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of the Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the AWARDEE have been paid and submit the same to the STATE prior to commencing any performance under this Agreement. The AWARDEE shall also be solely responsible for meeting all requirements necessary to obtain the tax clearance certificate required for final payment under sections 103-53 and 103D-328, Hawaii Revised Statutes.

f. The AWARDEE shall obtain a certificate of compliance issued by the Department of Labor and Industrial Relations, State of Hawaii, in accordance with section 103D-310, Hawaii Revised Statutes, and section 3-122-112, Hawaii Administrative Rules, that is current within six months of the date of issuance.

g. In lieu of the above-certificates from the Department of Taxation and the Department of Labor and Industrial Relations, the AWARDEE may submit proof of compliance through the State Procurement Office's designated certification process.

h. The AWARDEE is responsible for securing all employee-related insurance coverage for the AWARDEE and the AWARDEE's employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.

12. Payment Procedures: Tax Clearance. All payments under this Agreement shall be made only upon submission by AWARDEE of (i) original invoices specifying the

amount due and certifying that it has completed performance in accordance with the Agreement, and (ii) tax clearances from the Hawaii State Department of Taxation and the Internal Revenue Service. Such payments are subject to availability of funds and allotment by the Director of Finance in accordance with chapter 37, Hawaii Revised Statutes. Further, all payments shall be made in accordance with and subject to chapter 40, Hawaii Revised Statutes.

13. Publicity.

a. The STATE Legacy Land Conservation Program shall be credited as a sponsor on all advertising and promotional materials and activities wherever and whenever possible. The AWARDEE shall not refer to the STATE, or any office, agency, or officer thereof, or any state employee, in any of the AWARDEE's brochures, advertisements, or other publicity of the AWARDEE without consultation and written permission from the Public Information Office of the State of Hawaii, Department of Land and Natural Resources.

b. The AWARDEE consents to the STATE's use of AWARDEE and the Property's name, photograph, image, or likeness in brochures, advertisements, or other publicity relating to the Legacy Land Conservation Program. The STATE shall have complete ownership of all material which is developed, prepared, assembled, or conceived for brochures, advertisements, or other publicity relating to the Legacy Land Conservation Program.

14. Confidentiality of Material.

a. All material given to or made available to the AWARDEE by virtue of this Agreement, which is identified as proprietary or confidential information, will be safeguarded by the AWARDEE and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

b. All information, data, or other material provided by the AWARDEE to the STATE shall be subject to the Uniform Information Practices Act, chapter 92F, Hawaii Revised Statutes.

15. Suspension and Termination of Agreement.

a. The STATE reserves the right at any time and for any reason to suspend this Agreement for any reasonable period, upon written notice to the AWARDEE. Upon receipt of said notice, the AWARDEE shall immediately comply with said notice and suspend all performance under this Agreement at the time stated.

b. If, for any cause, the AWARDEE breaches this Agreement by failing to satisfactorily fulfill in a timely or proper manner the AWARDEE's obligations under this Agreement or by failing to perform any of the promises, terms, or conditions of this Agreement, and having been given reasonable notice of and opportunity to cure such default, fails to take satisfactory corrective action within the time specified by the STATE, the STATE shall have the right to terminate this Agreement by giving written notice to the AWARDEE of such termination at least seven (7) calendar days before the effective date of such termination. Furthermore, the STATE may terminate this Agreement without statement of cause at any time by giving written notice to the AWARDEE of such termination at least thirty (30) calendar days before the effective date of such termination.

c. Upon termination of the Agreement, the AWARDEE, within thirty (30) calendar days of the effective date of such termination, shall compile and submit in an orderly manner to the STATE an accounting of the work performed up to the date of termination. In such event, the AWARDEE shall be paid for the actual cost of the services rendered, if any, but in no event more than the total compensation payable to the AWARDEE under this Agreement.

d. If this Agreement is terminated for cause, the AWARDEE shall not be relieved of liability to the STATE for damages sustained because of any breach by the AWARDEE of this Agreement. In such event, the STATE may retain any amounts which may be due and owing to the AWARDEE until such time as the exact amount of damages due to the STATE from the AWARDEE has been determined. The STATE may also set off any damages so determined against the amounts retained.

16. Disputes. No dispute arising under this Agreement may be sued upon by the AWARDEE until after the AWARDEE's written request to the Chairperson of the Board of Land and Natural Resources ("CHAIRPERSON") to informally resolve the dispute is rejected, or until ninety (90) calendar days after the CHAIRPERSON's receipt of the AWARDEE's written request whichever comes first. While the CHAIRPERSON considers the AWARDEE's written request, the AWARDEE agrees to proceed diligently with the performance necessary to complete the Project unless otherwise instructed in writing by the CHAIRPERSON.

17. State Remedies. The AWARDEE understands that in the event that it no longer meets all of the standards set forth in paragraph 1 of these General Conditions, or in the event that AWARDEE fails to comply with any of the other requirements, provisions, or conditions set forth in this Agreement, that the STATE may refuse to make further payments to AWARDEE or may seek reimbursement for payments made to AWARDEE under this Agreement. In addition to the remedies

set forth above, the STATE shall be entitled to pursue any other remedy available at law or in equity.

18. Modifications of Agreement. Any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Agreement permitted by this Agreement shall be made by written amendment to this Agreement, signed by the AWARDEE and the STATE.

19. Notices. Any written notice required to be given by a party to this Agreement shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid, to the CHAIRPERSON at the CHAIRPERSON's office in Honolulu, Hawaii or to the AWARDEE at the AWARDEE's address as indicated in the Agreement. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The AWARDEE are responsible for notifying the CHAIRPERSON in writing of any change of address.

20. Waiver. Prior to the disbursement of funds, the CHAIRPERSON, in his or her discretion, may waive certain conditions set forth in this Agreement. No waiver shall be effective unless in writing executed by the CHAIRPERSON. The failure of the STATE to insist upon the strict compliance with any term, provision, or condition of this Agreement shall not constitute or be deemed to constitute a waiver or relinquishment of the STATE's right to enforce the same in accordance with this Agreement. The fact that the STATE specifically refers to one section of the Hawaii Revised Statutes, and does not include other statutory sections in this Agreement shall not constitute a waiver or relinquishment of the STATE's rights or the AWARDEE's obligations under the statutes.

21. Severability. In the event that any provision of this Agreement is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this Agreement.

22. Governing Law. The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by the laws of the State of Hawaii. Any action at law or in equity to enforce or interpret the provisions of this Agreement shall be brought in a state court of competent jurisdiction in Honolulu, Hawaii.

23. Survival. AWARDEE's obligations and the STATE's remedies shall survive the funding of the grant and the acquisition of this Property by AWARDEE.

24. Entire Contract. This Contract sets forth all of the agreements, conditions, understandings, promises, warranties, and representations between the STATE and the AWARDEE relative to this Agreement. This Agreement supersedes all prior agreements, conditions, understandings, promises, warranties, and representations, which shall no further force or effect. There are no agreements,

conditions, understandings, promises, warranties, or representations, oral or written, express or implied, between the STATE and the AWARDEE other than as set forth or as referred to herein.

25. Counterparts. Furthermore, the parties agree that this Agreement may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same agreement, binding all of the parties hereto, notwithstanding all of the parties are not signature to the original or the same counterparts. For all purposes, duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

26. Suspension. Upon a breach of this Agreement, the STATE may impose sanctions against AWARDEE, including, but not limited to: suspension of all grant payments; and suspension of the AWARDEE's participation in STATE grant programs; until such time as all breaches are cured to the STATE's satisfaction. Sanctions may also include repayment of all state funds expended and any sanctions included as provisions herein.

Exhibit A

Ala Kahakai Trail Association
Project Application

Legacy Land Conservation Program
2011 - 2012 (Fiscal Year 2012)

APPLICATION TO THE STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LEGACY LAND CONSERVATION PROGRAM

ALA KAHAKAI
TRAIL ASSOCIATION

Submitted by the Ala Kahakai Trail Association
September, 2011
Kaiholena, North Kohala TMK (3) 5-8-001:023

LAND
Conservation

2011-2012 GRANT APPLICATION FORM
Legacy Land Conservation Program
Department of Land and Natural Resources

Please read the Grant Application Instructions (above) and the Grant Program Guidelines, available at http://hawaii.gov/dlnr/dofaw/llcp, prior to completing this Grant Application Form. The signed Grant Application Form and Required Preliminary Documentation must be sent by **September 16, 2011, 4:30 p.m.**, Hawaii-Aleutian Standard Time (HST), in Portable Document Format (PDF) to legacylandconservationprogram@gmail.com and (postmarked or hand-delivered) in hard copy format to:

Legacy Land Conservation Program
Hawaii Department of Land and Natural Resources
1151 Punchbowl Street, Room 325
Honolulu, HI 96813

ATTENTION: This request for applications may be cancelled and any or all proposals rejected in whole or in part, without liability, when it is determined to be in the best interest of the State. Final awards are subject to the availability of funds and are also subject to budget restrictions and procedures implemented under Executive Biennium Budget Instructions.

CERTIFICATION:

I/We hereby certify that the statements and information contained in this Legacy Land Conservation Program Grant Application, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, this application may be rejected.

Ray Broggini	Secretary, Ala Kahakai Trail As
Name* (please type)	Title
Ray Broggini	September 15, 2011
Signature* (sign after printing)	Date

Co-applicant (if applicable):

Name* (please type)	Title
Signature* (sign after printing)	Date

* Must be authorized to sign on behalf of agency or organization.

PROJECT TITLE: Kaiholena South

APPLICANT: Ala Kahakai Trail Association

PROJECT LOCATION: North Kohala (*District*) Hawaii (*Island*)

APPLICATION PACKAGE CHECKLIST Check the boxes if the following items are attached and provide an explanation if they are not.

- [x] Letter from current landowner acknowledging project and indicating willingness to sell
- [x] A general location map and a parcel map
- [x] At least one (1), but no more than three (3) photos of the property
- [x] FOR NONPROFIT LAND CONSERVATION ORGANIZATIONS
  - Copy of mission statement and
  - IRS 501 (c) (3) or (c) (1) non-profit status determination letter
- [ ] WHERE INTENDED HOLDER OF PROPERTY IS OTHER THAN APPLICANT:
  - the intended holder must sign this form as a co-applicant and provide any forms required of applicants AND provide a letter indicating willingness to participate
- [x] A preliminary title report
- [x] Any concise and relevant appended/supplementary materials (optional)

PRIORITY CHECKLIST Please indicate which of the following Legacy Land acquisition priorites this project will meet. Explain and demonstrate your answer while filling out the application.

- [x] Lands having exceptional value due to the presence of:
  - Unique aesthetic resources;
  - Unique and valuable cultural or archaeological resources; or
  - Habitats for threatened or endangered species of flora, fauna, or aquatic resources;
- [x] Lands that are in imminent danger of development;
- [ ] Lands that are in imminent danger of being modified, changed, or used in a manner to diminish its value;
- [ ] Lands providing critical habitats for threatened or endangered species that are in imminent danger of being harmed or negatively impacted;
- [x] Lands containing cultural or archaeological sites or resources that are in danger of theft or destruction;
- [ ] Lands that are unique and productive agricultural lands.

SECTION A. APPLICANT INFORMATION

Agency / Organization Name	Ala Kahakai Trail Association
Mailing Address (PO Box or Street, City, State, Zip)	P.O. Box 2338 Kamuela, Hi 96743
Contact Person and Title	Aric Arakaki, Board Member
Phone Numbers (best contact, work, cellular)	(808) 217-0307 (cell)
Email Address	aric.arakaki@hotmail.com
Agency / Organization Website (include URL to any specific pages regarding this project)	http://www.nps.gov/alka/supportyourpark/upload/ATA-brochure-060111.pdf

SECTION B. TYPE OF ACQUISITION

1. We are requesting funding for the acquisition of:

Fee simple interest in private land	☒
Permanent conservation or agricultural easement	☐

2. We intend for the property interest to be held by:

State of Hawaii:	☐
County of:	☐
Other (indicate entity)*: Ala Kahakai Trail Association	☒

* If the intended holder of the interest in land is an entity other than the applicant, the entity that will hold title to the interest in land must be a co-applicant and supply all required documentation for application, and must also attach a letter acknowledging its participation in the project.

SECTION C. DESCRIPTION OF LAND (SUMMARY)

1. Location of property (please be as specific as possible; for example, "Moloaa, makai, located on the north shore of Kauai"):

Coastal land within the Auhpuaa of Kaiholena in the district of North Kohala on the Island of Hawaii

2. Tax Map Key(s) (use the following format: "(4) 5-6-007:008)"):

(3) 5-8-001:23

3. Size of property (indicate acreage or square footage):

34.63 acres

4. What types of easement(s) are located on the property? (for example: vehicular, pedestrian for beach access, utility, etc.):

None.

5. Does the seller have full undivided fee ownership of property ("clear title")? If not, please explain. Attach a preliminary title report (see instructions).

Yes.

6. Will the public have access to property or easement? ☒ Yes ☐ No

7. Please provide the following land use information:

State Land Use Designation	Ag
County Zoning	Agriculture - 5 acres
County General /Community Plan Designation	CDP: cultural preservation. GP: Open, Ag.
Flood Zone Designation	Zone X and VE

8. Is property located in a Special Management Area? ☒ Yes ☐ No

9. Please describe any structures (e.g. size, location, use, condition, etc.) on the property.

None, but numerous cultural and archeological sites which meet the criteria for the National Historic Register as described below.

10. What kinds of land uses/activities are underway on the property? Please describe land uses/activities underway on the subject property and on bordering properties.

Occasional use by cultural practitioners. Bordering properties have no active land uses. Undeveloped state land borders the south. County of Hawaii is purchasing the land to the north to preserve in open space.

11. What types of surveys or documented analyses, if any, have been conducted regarding the property (e.g. environmental assessments, cultural assessments, environmental impact statements, biological field surveys, archeological surveys, Special Management Area permit applications)?

Cultural Resources Inventories, 1980 and 1988; Arch inventory & Survey, 2001 and revised 2003; Burial Treatment Plan, 2005; N. Kohala Community Development Plan, 2008; County Resolutions 106-09 & 644-08, 2008 and 2009.

SECTION D. PRESERVATION PURPOSES

1. We propose that the property be acquired for the following preservation purpose(s) (check all that apply, and then provide more information regarding the preservation purposes in numbers 2 through 10 below for *checked areas only*):

Watershed protection	☒	Parks	☒
Coastal areas, beaches and ocean access	☒	Natural areas	☒
Habitat protection	☒	Agricultural production	☐
Cultural and historical sites	☒	Open spaces and scenic resources	☒
Recreational and public hunting areas	☒		

2. Watershed Protection: Please describe the watershed function of this property: (elevation gradient, type/condition of vegetation, presence of perennial or ephemeral streams or drainage channels, other water bodies, etc.).

A 2006 University of Hawaii, Hilo report heavily criticized the impact that development along the South Kohala Coast has and is having on ocean resources. Creating a buffer between development and the ocean along the more pristine North Kohala coast will help protect reefs and other aquatic resources. Upslope development seven miles south of this property has significantly impacted the off shore reef. Because of Kaiholena's steep slopes, easily erodible lands, and development immediately mauka (upslope of Akoni Pule Hwy), preserving Kaiholena in open space will protect the near-shore marine environment.

(character limit 1,200)

3. **Coastal areas, beaches and ocean access: Please describe the environmental significance of this property (e.g. length of shoreline, intertidal areas, type/amount of beach, coastal strand vegetation, extent of erosion, etc.). Please describe the type and extent of ocean access.**

The Property includes 6.97 acres of coastal access easements to the tide pools and the rocky shoreline and to portions of the Ala Kahakai National Historical Trail administered by the National Park Service. The Ala Kahakai, which translates as "Beach Trail," is a network of trails stretching 175 miles along the coastline of the island of Hawai'i. Portions of the trail were also known as the Ala Loa. Although the landscape is dominated by invasive kiawe, native coastal strand vegetation such as `ilima (Sida fallax) and 'uhaloa (Waltheria indica) are present.

(character limit 1,200)

4. **Habitat Protection: Please describe the types of habitat present within the property, including the types of wildlife species that use the area and the elevation range of the property. Describe the condition of habitat, including the presence of both threatened & endangered and invasive species. Describe the size/diversity of wildlife populations. Note if the habitat is formally designated (e.g. critical habitat, wildlife refuge, etc.). Note also the condition and extent of wildlife habitat on adjacent lands.**

The North Kohala coast hosts some of the last remaining healthy, intact reef systems. Kaiholena is home to, or frequented by threatened and endangered species including green sea turtle (Chelonia mydas), hawksbill turtles (Eretmochelys imbricate), Hawaiian monk seals (Monachus schauinslandi), and the Hawaiian hoary bat (Lasiurus cinereus semotus). The coastal areas offshore of the Property are located just south of the Lapakahi Marine Life Conservation District, noted for its abundance and biodiversity of marine species. Large populations of fish, including uhu, aholehole, akule, and `opelu are found in the waters offshore of the Property. Native coastal strand vegetation such as `ilima (Sida fallax) and 'uhaloa (Waltheria indica) are also present, although the landscape is largely dominated by invasive kiawe.

(character limit 1,200)

5. Cultural and historic sites: Please identify the presence, location and condition of cultural or historic structures or sites (e.g., heiau, lo`i, burials, burial caves, dunes, or remnant walls) on the property. Identify any sites that are listed on or eligible for the National Register of Historic Places.

The most numerous intact, pre-contact Hawaiian archeological and cultural sites in the State of Hawaii are located on the North Kohala coast, with the highest concentration of sites at Kaiholena. This area is of local and national significance. According to a recent archeological inventory survey, Kaiholena is home to over 202 archeological sites that meet the criteria for the State and National Register of Historic Places. This includes three intact villages that span from as early as the 16th century to early historic times. Heiau, ahu, burials, and a holua are included among the sites. Some of the compounds and walls are massive in nature. More recent archeological work conducted by the University of Hawaii and the University of California-Berkeley is demonstrating the significant data potential, historical and cultural importance of the sites in Kohala. There have been many surveys and inventories of Kaiholena because of its richness in pre-contact, higher ranking spiritual and habitation sites: Kenneth Emory,1920; Soehren,1964; William Bonk, 1968; Soehren,1969; Aki Sinoto, 1979; Rose Schilt and Sinoto,1980; and T.S. Dye, 2003 w/preservation & burial plans in 2004, 2005.

(character limit 1,200)

6. Recreational and public hunting areas: Please identify ongoing types and levels of public recreational activity on the property and describe the level of public access. Please identify the types of activities anticipated after acquisition of the property. Is public hunting currently underway on the property? Is the property within a Game Management Area?

The Property is frequently used by the local community for access to fishing, swimming, snorkeling, diving, camping, hiking, and wild-life watching. After acquisition, the Ala Kahakai Trail Association (ATA) anticipates allowing these uses to continue. The ATA is not aware of any game hunting on the Property.

(character limit 1,200)

7. Parks: Is the parcel within or adjacent to a Federal, State or County Park? If so, please describe.

The Property provides access to the National Park Service Ala Kahakai National Historical Trail. The County, State, and the National Park Service have a signed MOU regarding collaborating on implementing the Ala Kahakai NHT Comprehensive Management Plan. The Property is surrounded by State and County unencumbered land and the eastern border (mauka border) is Akoni Pule Highway. Although the State and County lands are not officially designated as Parks, these lands provide the public with access to the shoreline for recreational activities described above. The Property is located just south of the Lapakahi State Historical Park. The County land to the north is deed restricted open space.

(character limit 1,200)

8. Natural Area: Please describe the natural resources on the property (e.g. streams, estuaries, anchialine ponds, dunes, caves, forest, etc.). Is the property within or adjacent to a formally designated natural area (e.g., Natural Area Reserve, Refuge, Sanctuary, etc.)?

The Property is located just south of the Lapakahi Marine Life Conservation District, and the off shore area boasts large populations of uhu, aholehole, akule, and `opelu. Lava tubes are present on the Property and there are numerous near shore freshwater springs. The Property is also iocated approximately 8,000 feet south of the Lapakahi State Historical Park, which is listed in the National and State Registers of Historic Places for the collection of well-preserved pre-contact archeological and cultural sites that reflect Hawaiian village culture. A The sites at Kaiholena will add to and complement the sites at Lapakahi.

(character limit 1,200)

9. Agricultural Production: Please describe the types and extent of agricultural activities underway on the property or adjacent to the property. Note if there is a record of past agricultural activities.

During the mid-1800s much of the Kohala coast was leased to the Waimea Grazing and Agricultural Company. No records were found regarding grazing on Kaiholena, but no fences or extensive walls separate Kaiholena from areas previously grazed, so it is possible parts of Kaiholena were grazed. Generally, the land makai of Akoni Pule Highway in this area are not grazed anymore due to cost of and safety concerns for cattle crossing the highway and a drying trend along the coast which has pushed foraging areas mauka.

(character limit 1,200)

10. Open spaces or scenic resources: Please describe the open space values of the property. Is the property readily visible from surrounding and/or distant areas? Describe the view plane from the property. Does the property itself have unusual or exceptional value as a site from which to view and appreciate scenic vistas?

By acquiring and protecting this Property ATA will be preserving sweeping view planes that include much of the Kohala, parts of the Kona coast, and Maui. This purchase secures the preservation of seven miles of coastal open space - Kaiholena is the last private parcel under immediate threat of development (requiring no additional permits or public review before building) in the middle of a stretch State and County land. Purchasing this Property will remove the threat of private development marring miles of open space and view planes and will ensure private development does not disturb the cultural context of the incredible number and inter-connectedness of archeological and cultural sites at Kaiholena. The County General Plan and No. Kohala Comm. Dev. Plan (recognize the view planes and need to protect open space along this coast. The No. Kohala CDP prioritizes Kaiholena for purchase.

(character limit 1,200)

SECTION E. ENVIRONMENTAL HAZARDS

1. If there are suspected or potential hazards associated on or related to this property, please check all the following that apply and describe each:

There are no known hazards.	☒
The property is a designated brownfield (former industrial use).	☐
There has been illegal dumping /hazardous materials.	☐
The property is prone to flooding or is a natural drainage basin.	☐
The property is prone to falling rocks or mudslides.	☐
The features of the property's surface are potentially hazardous (i.e. uneven, rocky, or fallow terrain, overgrowth of flora, etc.).	☐
Other suspected or potential hazards:	☐

SECTION F. FUNDING REQUEST

1. What is the fair market value of the fee simple property?

$ 2,097,000.00

2. What is the fair market value of the conservation / agricultural easement?

$

3. How were the estimated values determined?

	Fee Simple	Easement
Appraisal Report (indicate date & author of report)	October 26, 2009, ACM Consultants Inc Waluku, Maui	
Current County Tax Assessed Value		
Other (please specify)		

4. Is the property or easement currently listed for sale or has it been listed for sale within the past two years?

☒ Yes. Asking price: $ 2,097,000.00

☐ No.

5. Please provide an estimated timeline for acquisition (note that funding will expire two years from date of award agreement):

September 2011 - LLCF application submitted, letter of intent signed with landowner
October-November 2011 - Option agreement signed with landowner
December 2011 - LLCF Commission meets and makes recommendations
January 2011-March 2012 - BLNR accepts LLCF recommendations
March-June 2012 - Governor decides whether to release funds
August 2012 - July 2013 - Secure match funds
December 2013 Projected Closing

(character limit 500)

6. What is the total estimated cost for acquisition? Please use the table below:

Estimated Acquisition Cost Worksheet				
Expense Item	Estimated Cost	% of Costs to be Paid by:		
		Land Owner	Applicant	Other (specify)
Appraisal report	Completed			100% County of Hawai
Title report and title insurance	Completed	100%		
Property survey	Completed	100%		
Escrow fees	$9,000	50%	50%	
Environmental investigation	Arch reports done			
Baseline documentation				
Subtotal	$ 9,000.00			
Estimated Value of Property	$ 2,097,000.00			
TOTAL ANTICIPATED COST OF ACQUISITION	$ 2,106,000.00	%	%	%

7. What are the anticipated matching funds? Please use table below:

Estimated Matching Funds Worksheet			
Type (cash, grant, in-kind, land value)	$ Amount	Source of Funds or Basis of Valuation	Status* (Secured/Pending)
Cash	$167,760	Landowner 8% in-kind match	secured
Cash	$1,000	Malama Kohala Kahakai	secured
Grants	$483,185	NOAA, NPS	pending
Cash	$4,500	Landowner - 1/2 closing costs	secured
TOTAL MATCHING FUNDS	$ 656,445	(31.2)%	
AMOUNT BEING REQUESTED FROM THE LEGACY LAND PROGRAM	$ 1,449,555	(68.8)%	
TOTAL ANTICIPATED COST OF ACQUISITION	$ 2,106,000	(100)%	

* Please describe the current status of any pending funds and indicate the date that any pending funds will become available if they are awarded:

*Pending
The staff of the National Park Service Ala Kaha Kahai National Historic Trail has made assisting ATA to secure matching funds for this project a priority. Application drafted for NPS LARS funding. Awards available July, 2012. Application will be submitted to NOAA for CELP. Awards available July 2013.

(character limit 500)

Project: Kaiholena, North Kohala, Hawaii Island

SECTION G. PROJECT DESCRIPTION

Please attach answers to the questions below on a separate sheet and attach it to the application form. Make sure to number your answers so they correlate with the numbered questions below. Please limit the length of your answers to Questions 1 and 2 to one single spaced page, Times New Roman 12-point font, 1 inch margins.

1. Briefly describe the overall significance and importance of the property and/or easement.
This Property has the highest concentration of archeological and cultural sites on the North Kohala coast and this coastline has the most numerous, intact sites in the State. With over 200 documented archeological and cultural sites that meet the criteria for the State and National Register of Historic Place, Kaiholena is a cultural piko for this coast and a jewel that needs to be preserved. These sites are part of three distinct villages at Kaiholena and include at least two heiau, ahu, a holua, burials, massive compounds, habitation areas, etc. Two sites are registered with the State of Hawaii Register of Historic Places. *Records from the Great Mahele show that whatever is at Kaiholena or was moved to Kaiholena is so important that the most sacred lands in the Kingdom were traded for Kaiholena by individuals and descendents who worked for Kamehameha the Great.* More recent archeological work conducted by the University of Hawaii and the University of California-Berkeley is demonstrating the significant data potential, historical and cultural importance of the sites in Kohala. Additionally, Kaiholena is the in the heart of a stretch of unencumbered government owned land. Preserving Kaiholena preserves a view plane of undeveloped land from the land and ocean that stretches for miles and creates a seven-mile expanse of open space free of any development. This open space has many inherent economic and environmental values, including providing a buffer between the ocean and any upslope development. North Kohala has a healthy reef systems. Seven miles south of Kaiholena upslope development has decimated the reef.

2. Identify any conditions that threaten the significance and importance of the subject site. This may include anticipated uses of neighboring lands, environmental conditions (e.g.sedimentation, runoff, invasive species, conflicting activities, etc.).
Building can proceed at anytime on this Property with no more additional permits or public review required of the developers. Development will permanently destroy significant cultural and natural resources, the physical and spiritual interconnectedness and cultural context of these sites as well as the view sheds from the land and ocean. Development will negatively impact the traditional practices of Hawaiians and will have very negative impacts on Hawaiian health with intergenerational consequences. (Dr. Liu and Dr. Crabbe, 2008). Although the landowner is supportive of this project, if funding is not secured, the landowners will sell this land for development.

The North Kohala Community Development Plan specifically identifies Kaiholena as a key parcel to preserve in open space, free of development. The County's Public Access, Open Space, and Natural Resources Commission ranked Kaiholena as a priority for preservation and the Hawaii County Council has authorized preservation of this Property per Resolution 644-08 and 106-09 (see attachments). The General Plan recognizes the unique view planes and resources of the North Kohala coast. State resolutions were passed in 2001 (no. 146, S.D.1), 1994 (nos. 116, 84), and 1988 (no. 179) supporting acquisition of these parcels. Over 8,000 signatures have been collected calling for the preservation of this area.

Project: Kaiholena, North Kohala, Hawaii Island

SECTION H. STEWARDSHIP AND MANAGEMENT

Please attach an answer to the question below on a separate sheet and attach it to the application form. Please limit your answer to Question 3 to two single-spaced pages, Times New Roman 12-point font, 1-inch margins.

3. Briefly describe the proposed use of the acquired property or easement including any short and long term goals, resource management plan, sources of start up funding, operation and maintenance funding. Disclose any intended commercial uses. Will any intended activities on the land require permits? What entity (if not the applicant) will manage the property/easement? Please describe the expertise and experience of the managing entity. How will any cultural resources that are present integrate into the overall preservation/protection and use of the property?

The Ala Kahakai Trail Association's (ATA) objectives for this project are to (1) eliminate the immediate threat of development by purchasing the Property, and 2.) once acquisition is accomplished, support the existing partnerships of local community organizations and public agencies to manage and care for the land. ATA's stewardship work is guided by the NPS Ala Kahakai Trail Management Plan and informed by the North Kohala community.

In the near-term, the ATA plans to allow continued public access to the shoreline for fishing, hiking, and recreational and cultural purposes. Research shows that the Kohala coast is well cared for by the community in general and passive management is sufficient for now. In the long term, the ATA will work with the local community and federal state agencies to plan for future uses and management of the area. There are no commercial intentions for the area.

This project is supported by a broad cross-section of interested partners and parties with land management, conservation and cultural preservation expertise. The National Park Service strongly supports this purchase and has a signed MOU with the County regarding managing coastal lands, including Kaiholena, along the Ala Kahakai Historical Trail. See the NPS letter of support, which details their commitment to ensure the ATA has the capacity to secure the remaining needed matching funds and to manage the land with success. This acquisition is part of a 40+ year documented effort by the North Kohala community to preserve this coastline. See attachment. This project has the strong support of many North Kohala nonprofits and organizations including Kamakani O Kohala Ohana, Malama Kohala Wahi Pana, Maka'i Kamakani O Kohala, the Kohala Historic and Cultural Preservation Group, Malama Kohala Kahakai, and the North Kohala Public Access Group, which works to implement the public access and open space recommendations in the County's Community Development Plan for North Kohala. Over 30 Kohala businesses and organizations petitioned the Mayor in to protect these lands. 8,000+ signatures have been collected on three petitions (1988, 2001, 2002) calling for the protection of this coast.

Committed community assets for managing the land and developing the recreational opportunities include: local scientists to assist with inventories and monitoring of resources, builders and contractors, labor and materials for trail and site maintenance, individuals with expertise with fundraising, and educators and kupuna (elders) willing to assist local students to

become engaged in project and place based educational land. ATA will be working with other agencies, community members, cultural practitioners and others to maintain and restore the area by organizing volunteers, creating educational programs, conducting outreach, raising awareness and funding restoration activities. Initial support for management planning will be provided by the NPS. The local organizations previously mentioned have a strong track record for securing funding and volunteers for preservation work and managing lands.

SECTION I. CULTURAL AND HISTORICAL SIGNIFICANCE

Please attach an answer to the question below on a separate sheet and attach it to the application form. Please limit the length of your answer to Question 4 to two single-spaced page, Times New Roman 12-point font, 1 inch margins.

4. Briefly describe the cultural significance and historic uses of the property. As guidance, please consider the following information:

a. Name of area; translation and possible interpretation;
b. Known pre-contact history and land uses; and
c. Neighboring areas/ahupua`a information and its relationship to the site being considered.

Kaiholena is the name of the ahupua'a in which this Property is located. Kaiholena is associated with the healing practices and knowledge along this coast. Queen Liliuokalani & other ali'i gathered her medicinal herbs near here and Kaiholena is connected to Lapakahi in the gathering of Olena for use in healing. The massive size of the halau found on neighboring Kaiholena property indicates Kaiholena may have been an educational center of sorts. According to cultural descendents, this area has a spiritual tie to the Pu'ukohola Heiau at Kawaihae. *Records from the Great Mahele show that whatever is at Kaiholena is so important that the most sacred lands in the Kingdom were traded for Kaiholena by two chiefs of kahuna lineage who closely worked with and whose families served Kamehameha the Great.* See paragraph six on the next page.

According to Kamakau, the kahuna Pa'ao settled in the islands during the 13th century. After arriving in the Puna District, Pa'ao settled in Kohala where he constructed the Mo'okini luakini heiau. Kamehameha I's homeland is in Kohala in the ahupua'a of Kokoiki, North Kohala, near the Mo'okini heiau. Kamehameha's ancestral homeland was in Halawa, North Kohala and he farmed his lands in Kohala before launching his conquest of the Hawaiian chain.

The earliest radiocarbon date range for a permanent settlement in Kohala (A.D. 1300) was obtained from Koai'e, just north of this Property within the Lapakahi State Historical Park. A 1980 report by the Bishop Museum states that the sites at Kaiholena are older than those at Lapakahi. By the time of Western contact, numerous coastal villages and extensive dryland agricultural systems were in place in Kohala, evident in the cultural and archeological sites present today at Kaiholena.

The North Kohala Coast was key to Hawaii's rise to a world power in the 1800s when other indigenous cultures were over run by western expansion. Evidence of how and why Kamehameha succeeded still lies buried in the ground of North Kohala. Previous studies of

coastal village complexes at Lapakahi and Mahukona 20 and 30 years ago did not approach the sophistication of the science now available to study the incredible sites at Kaiholena.

North Kohala has the clues that will help other indigenous people to survive and thrive, and help modern organic agriculture to understand the relationships between the elements that produce food. North Kohala cultivation and preserving methods that supported Kamehameha's rise to power were so sophisticated that scientists and anthropologists are studying the sites today. The North Kohala coast has critical historical messages and data for the world about sustainable living now. This area needs to be preserved and fully explored and shared with future generations.

The ahupua'a located to the north of Kaiholena is Pao'o and to the south is Makeanehu. Both ahupua'a are unencumbered government lands, primarily State owned. The County owns 10 acres of shoreline at Pao'o. Archeological sites at Pao'o and Makeanehu evidence a robust Hawaiian population along the Kohala coastline in pre-contact times. These coastal villages are associated with the extensive cultural agricultural sites located mauka (upland) that grew sweet potatoes and other crops to supplement the fish and sea food collected at the villages. These coastal village sites demonstrate the adaptation of the Hawaiians to the leeward environment in the 1300's.

In 1848, during the Great Mahele two chiefs of kahuna lineage, Chief Kamakahonu and Chief Kaopua, traded their ancestral lands, some of the most kapu lands in the Kingdom, for the ahupua'a of Kaiholena, one and two. These Chiefs and their families had been advisors to and close guardians of King Kamehameha the Great. Chief Kamakahonu was the grandson of Chief Nae'ole, confidant of Kamehameha the Great's mother. Nae'ole protected Kamehameha at birth from Alapa'i and raised him for the first five years of his life at Awini. Later, it was Kamakahonu's uncle with whom Kamehameha entrusted Oahu when the King returned to Kona after conquering and uniting all the Islands. Chief Kaopua was a close confidant of Kamehameha the Great and was the personal guardian of his favorite wife, Queen Ka'ahumanu. It was Kaopua's family that cleaned the bones of Queen Ka'ahumanu's brother, Kuakini. The Bishop Museum holds an anklet made of cowry shells given to Queen Ka'ahumanu by her Mother when she left Hana, Maui to live with her father on Moku O Kiawe (Hawaii Island). A note with the anklet states that Queen Ka'ahumanu instructed Queen Kalama to give this anklet to Kaopua, a sign of affection. The line of the descendents of Kaopua was tasked with caring for Kamehameha the Great's malu and weapons. A very important, personal, and significant charge. It is believed that Kaopua's grandfather, a kahuna, was with Kamehameha the Great and Queen Ka'ahumanu at the pivotal battle of Malilua when Kawaiola was killed with a sling stone.

The lands on Oahu for which Kamakahonu traded Kaiholena are at Kualoa, the sacred training grounds where young ali'i Chiefs completed the last stages of their training. When canoes passed this area they were required to drop sail in deference and paddle. Not doing so was kapu and the penalty was death. The importance of Kualoa is still honored today: last year when the Polynesian Voyaging Society's Hokulia sailed to Kualoa for a gathering to honor Mau Piailug (the sailing kahu from Satawal) it dropped sails honoring the traditional sacredness of Kualoa. Kualoa and the birthing stones for ali'i at Kukanilo were considered the most sacred lands on

Oahu. Chief Kaopua's family held the most sacred ahupua'a on Hawaii Island including Kahaluu and Lanihau in Kona, which include a number of heiau and was considered the ali'i intellectual center for Hawaii Island. Kaopua was granted Lanihau, which encompassed Ahu'ena Heiau, which served as Kamehameha's seat of government as he ruled the Kingdom of Hawai'i. Ahu'ena was deemed among the most powerful heiau and included Lana Nu'u Mamao (Oracle Tower) a feature not a part of every heiau of that period. King Kamehameha lived out the last days of his life at Lanihau. It is the present site of the King Kamehameha Hotel.

Chief Kaopua was a very old man by the Great Mahele. Kaopua and Chief Kamakahonu's family were close and trusted guardians of Kamehameha the Great and were of kahuna lineage. These chiefs owned the most kapu lands in the Kingdom before the Great Mahele. But they traded these lands for Kaiholena one and two. In fact, Kaiholena is the fifth and thirty-fifth registered properties in the Mehele documents. They were secured early in the registration process.

We know Kaiholena with its number of heiau, massive halau, burials, and village complexes was an important and thriving center. Kaiholena is also one of the few ahupua'a whose boundaries extend to the horizon. We don't know what criteria these Chiefs used for selecting Kaiholena. We don't know what their kuleana was to this land or what is there. But, whatever happened at Kaiholena or may be at Kaiholena was of such great importance that these close guardian Chiefs of Kamehameha the Great were compelled to trade the most sacred lands in the Kingdom to secure Kaiholena's protection and secure it quickly. And so can we.

#1 Landowner Letter of Intent to Sell

TMK: (3) 5-8-001:023

ALA KAHAKAI
TRAIL ASSOCIATION

HAWAII PACIFIC
BROKERS, LLC

September 15, 2011

Rick V. Gmirkin
Ala Kahakai Trail Association
National Park Service
Ala Kahakai Historic Trail Association
73-4786 Kanalani St #14
Kailua Kona, HI 96740

Legacy Land Conservation Program
Hawaii Department of Land and Natural Resources
1151 Punchbowl Street, Room 325
Honolulu, HI 96813

RE: Kaiholena Purchase for Preservation: Owner Authorization to Sell
TMK (3) 5-8-001:023
34.6 Acres at Kaiholena, North Kohala District, Hawaii County

Aloha,

This transmittal is to confirm with all the above mentioned parties, that EWM Enterprises, LP – as owner of the above referenced property, hereby confirms his willingness to sell this parcel at Kaiholena for the purpose of preservation.

The project land is currently listed for sale at $2.95 million dollars with Hawaii Pacific Brokers, LLC ("HPB"), therefore all transmittals and contract negotiations are to be handled through Charles A. Anderson, Principal Broker of HPB. Seller agrees to discount the sales price to $1,929,240 to reflect the County of Hawaii's appraised value of $2.097 million, less an eight percent (8%) "matching funds" discount of $167,760.00.

If you wish any further information, maps, reports or additional data please contact Mr. Anderson at your earliest convenience. His contact information is:

Charles A. Anderson, Realtor
Hawaii Pacific Brokers, LLC
65-1323 Kawaihae Road
Kamuela, HI 96743
Ph: 808-885-5557
Cell: 808-895-5554
Fax: 808-885-4895
Email: charlie@bigisle.com

We look forward to working with all of you in completing a transaction that will benefit the people of the County and State of Hawaii, and assist to preserve the pristine nature of the Kohala Coastline.

Sincerely,

Charles A. Anderson

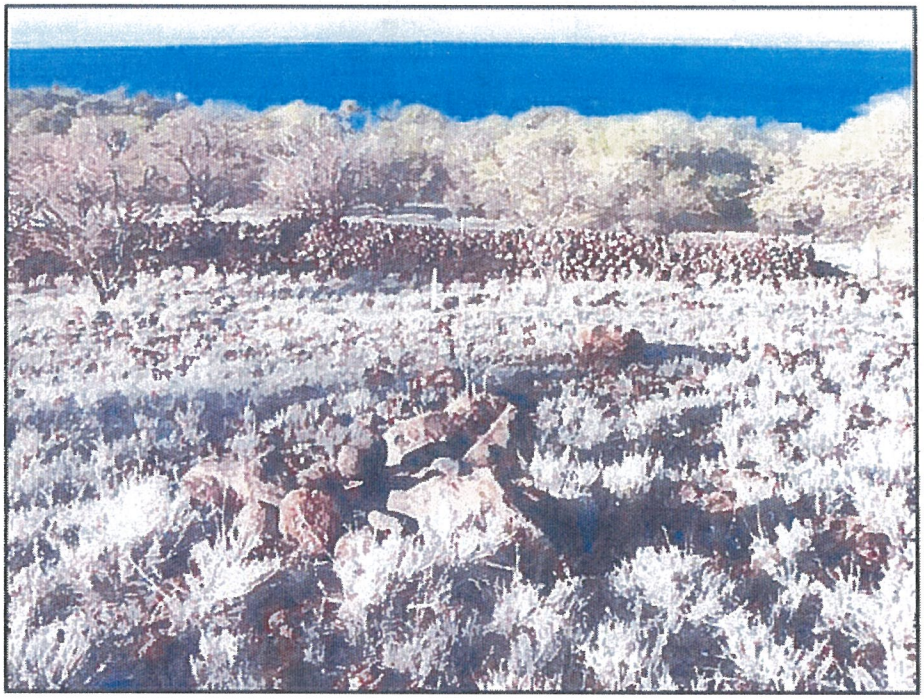
Charles A. Anderson. P.B.
on behalf of Ernest W. Moody
EWM Enterprises, LP

#2 Photographs

TMK: (3) 5-8-001:023

ALA KAHAKAI
TRAIL ASSOCIATION

Holua

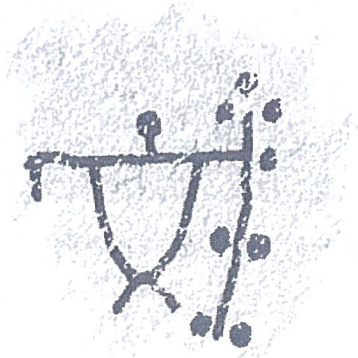


Probable heiau

Example of how massive many of the sites are.

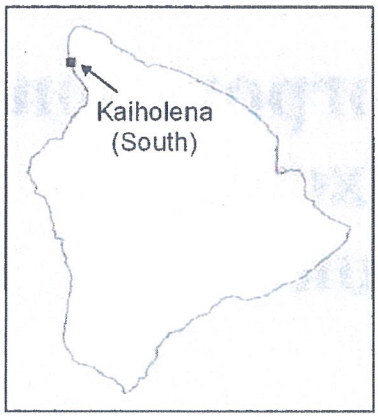
#4 General Location and Parcel Map

TMK: (3) 5-8-001:021



ALA KAHAKAI
TRAIL ASSOCIATION

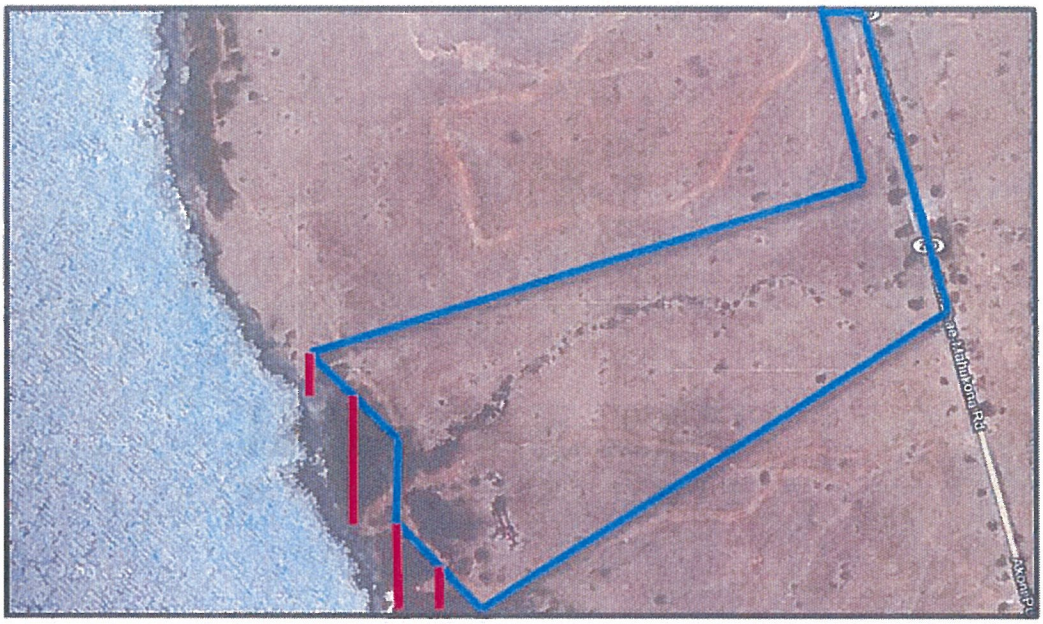
Kaiholena, TMK (3) 5-8-001:023



ALA KAHAKAI
TRAIL ASSOCIATION

Parcel boundary

Coastal easement belonging to parcel



#5 Articles of Incorporation and IRS Tax Exempt Application

TMK: (3) 5-8-001:021

ALA KAHAKAI
TRAIL ASSOCIATION

03/14/200820006

IN THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

STATE OF HAWAI'I

In the Matter of the Incorporation

of

Ala Kahakai Trail Association

FILED 03/13/2008 09:41 AM
Business Registration Division
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
State of Hawaii

ARTICLES OF INCORPORATION

The undersigned, desiring to form a nonprofit corporation under the laws of the State of Hawai'i, hereby executes the following articles of incorporation:

ARTICLE 1

Corporate Name

The name of this Corporation is Ala Kahakai Trail Association.

03/14/200820006

ARTICLE 2

Office of the Corporation

The mailing address of the initial principal office is P.O. Box 6030, Kamuela, Hawai'i 96743 and the street address of the initial registered office of the Corporation is 73-4786 Kanalani Street, Kailua-Kona, Hawai'i, 96740. The name of the initial registered agent of the Corporation at the initial registered office is Aric Arakaki.

ARTICLE 3

Period of Duration

The duration of the Corporation is perpetual.

03/14/2008200006

ARTICLE 4

Corporate Powers and Purposes

Section 4.1 Powers. The Corporation shall have and possess all the powers granted by law permitted to nonprofit corporations under the laws of the State of Hawai`i.

Section 4.2 Purposes. The Corporation is organized for, among other things, the following purposes:

(i) To operate exclusively for charitable, literary, educational and scientific purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code, including for such purposes, the making of distributions to organizations that qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or any future corresponding provisions);

(ii) To define, authenticate, and revitalize the Ala Kahakai National Historic Trail through the engagement of the native Hawaiian community, the community-at-large, public and private landowners, government and community agencies and other stakeholders;

(iii) To promote community engagement in education, health, environmental stewardship, cultural conservation, historic preservation and sustainable trail management practices and use;

(iv) To facilitate partnerships and collaborations with and amongst all stakeholders for the promotion of appropriate trail management, use, research and interpretation;

(v) To build and maintain community skills, knowledge attitudes, leadership and financial capacity to be active participants and beneficiaries of effective trail and shoreline management and related activities;

(vi) To acquire, lease, license, or otherwise undertake the management of lands, facilities, and/or environmental resources related to or associated with the Ala Kahakai National Historic Trail and to acquire or grant easements with respect to such lands for the purposes of managing said lands and resources according to ahupua`a-based management systems including integrated, cooperative, mixed-use management plans for environmental preservation and restoration and preservation and perpetuation of cultural uses and activities including appropriate economic uses, to support these uses, and other uses;

(vii) To promote scientific research and public and private education with respect to Hawaiian ecosystems, cultural uses of and activities relating to lands and resources, traditional ahapua` a-based management of lands and resources, and balancing scientific, cultural restoration and economic uses of land; and

(viii) To, at its option, operate, i.e. take any actions as set forth in this Section 4.2 as a land trust.

03/14/2008200006

Section 4.3 Restrictions. The Corporation is a nonprofit corporation and shall not authorize or issue any shares of stock. No dividend shall be paid and no part of the income or profit of the Corporation shall be distributed to the members, directors or officers of the Corporation. No loans shall be made by the Corporation to its directors or officers. The Corporation may, however, pay compensation in a reasonable amount to its members, directors, or officers for services rendered. Except as permitted by this Section 4.3, no part of the assets or earnings of the Corporation shall inure to the benefit of any individual. The Corporation shall not participate in or intervene (including publication or distribution of statements) in any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of the Corporation's articles of incorporation, the Corporation shall not carry on any activities not permitted (i) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provision of any future United States internal revenue law); or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States internal revenue law).

03/17/2008200088

ARTICLE 5

Directors, Officers and Incorporator

ES

Section 5.1 Board of Directors. The board of directors shall consist of not fewer than three persons or of such greater number of persons as may be authorized by the bylaws. The board of directors shall be elected as provided by the bylaws. The board of directors shall have and may exercise all the powers of the Corporation except as otherwise provided by law, these articles of incorporation or the bylaws. The board of directors may also have a chair person of the board and one or more ex officio directors.

03/17/2008200088

Section 5.2 Officers. The officers of the Corporation shall be a chairperson, vice chairperson, and secretary/treasurer.

The officers shall have the powers, perform the duties and be appointed in the manner set forth in the bylaws or as may be determined by resolution of the board of directors not inconsistent with the bylaws. Any person may hold two or more offices of the Corporation, provided the Corporation shall have at least two persons as officers. The Corporation may also have such additional officers as the Board of Directors shall determine from time to time.

Section 5.3 Incorporator. The incorporator shall be Ray Broggini, whose address is P.O. Box 12, Kamuela, Hawaii 96743.

ARTICLE 6

Membership

The Corporation has no members.

03/14/2008200006

ARTICLE 7

Nonprofit

The Corporation is not organized for profit and it will not issue any stock, and no part of its assets, income, or earnings shall be distributed to its directors, or officers; provided, however, that the Corporation shall be empowered to make payments and distributions in furtherance of the purposes for which it is organized and operated.

ARTICLE 8

Corporate Liability

The property of the Corporation shall alone be liable in law for the debts and liabilities of the Corporation. The officers and directors of the Corporation shall incur no personal liability for said debts and liabilities by reason of such position.

03/14/2008200006

ARTICLE 9

Liability and Indemnification of Officers and Directors

Section 9.1 No Liability to Corporation.

(i) No director or former director of the Corporation shall be personally liable to the Corporation for monetary damages for breach of the director's duties to the Corporation, except this limitation of liability shall not limit liability for (a) any breach of the director's duty of loyalty to the Corporation, (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) any transaction in which a director received an improper personal economic benefit or (d) violations of Hawai'i law relating to director conflicts of interest, loans to directors or guaranty of obligations of directors or director liability for unlawful distributions.

(ii) In addition to and without in any respect narrowing the limitation of liability of directors and former directors set forth in subsection 9.1(i), no person who serves as a director or officer of the Corporation without remuneration or expectation of remuneration shall be liable for damage, injury, or loss caused by or resulting from the director or officer's performance of, or failure to perform duties of, the position to which the person was elected or appointed, unless the director or officer was grossly negligent in the performance of, or failure to perform, such duties. For purposes of this section, remuneration does not include payment or reimbursement of reasonable expenses incurred by or on behalf of a director or officer or the provision of indemnification or insurance for actions as a director or officer.

(iii) Any repeal, amendment, or other modification of this Section 9.1 shall have prospective effect only and shall not affect the limitation of liability afforded by its

provisions, or give rise to or increase any liability, for acts or omissions occurring prior to such repeal, amendment or other modification.

Section 9.2 Indemnification and Advance of Expenses.

(i) The Corporation shall indemnify each current and former director and officer of the Corporation from any liability to any person for any action taken, and any failure to take action, as a director or officer to the fullest extent permitted by law, except liability to the Corporation for (a) any breach of the duty of loyalty to the Corporation, (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) any transaction in which a director or officer received an improper personal economic benefit or (d) violations of Hawai'i law relating to director conflicts of interest, loans to directors or officers or the guaranty of obligations of directors or officers or director liability for unlawful distributions.

(ii) The Corporation shall authorize payment in advance of final disposition of an action, suit or proceeding for the expenses and attorneys' fees incurred by a director or officer seeking indemnification under this Section 9.2 to the maximum extent permitted by law, provided that such director or officer delivers a written affirmation of the director's or officer's good faith belief that the director or officer has met the requisite standard of conduct and delivers a written undertaking to repay such amount if it is ultimately determined that such person is not entitled to be indemnified.

(iii) Any repeal, amendment or other modification of this Section 9.2 shall have prospective effect only and shall not affect the right of any current or former director or officer, to indemnification and advancement of expenses for any action taken or failure to take action by such director or officer prior to the date of such repeal, amendment or other modification.

(iv) The Corporation may purchase and maintain insurance on behalf of any person described in this Article 9 against any liability asserted against or incurred by such person in any such capacity or arising out of such person's status, regardless of whether the Corporation would have the power to indemnify the person against such liability.

Section 9.3 Savings Clause; Limitations Consistent With Exempt Status. If this Article or any Section or provision hereof shall be invalidated by any court on any ground, then the Corporation shall nevertheless indemnify each party otherwise entitled to indemnification hereunder or advance expenses to the fullest extent permitted by law or any applicable provision of this Article that shall not have been declared invalid. Notwithstanding any other provision of these Articles, the Corporation shall not indemnify any person, purchase any insurance, or advance expenses, in any manner or to any extent or under any circumstances that would jeopardize or be inconsistent with the qualification of the Corporation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or any corresponding provision of future United States internal revenue law).

03/14/2008200006

03/14/2008200006

03/14/200820006

ARTICLE 10

Corporate Dissolution; Distribution of Assets

If the Corporation shall be dissolved, all assets of the Corporation, after payment of liabilities, shall be distributed only to one or more public agencies, organizations, corporations, trusts or foundations having like purposes and organized and operated exclusively for charitable, literary, educational and scientific purposes, no part of whose assets, income or earnings may be used for dividends or otherwise withdrawn or distributed to or inure to the benefit of any private shareholder or individual and the activities of which do not include participation or intervention in any political campaign on behalf of any candidate for public office. In no event shall any distribution be made to any organization unless it qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986 (or any future corresponding provision) with purposes similar or related to those of the Corporation.

ARTICLE 11

Amendment of Bylaws

The Bylaws of the Corporation may be altered, amended, or repealed, or new bylaws may be adopted, by the affirmative vote of a majority of the directors of the Corporation then in office.

ARTICLE 12

Amendment of Articles

These Articles may be amended by the affirmative vote of two-thirds (2/3) of the directors of the Corporation then in office, provided not less than seven (7) days written notice of any proposed amendments is provided to the directors.

I certify that I have read the above statements and that the same are true and correct to the best of my knowledge.

Witness my hand this 22 day of February, 2008.

Ray Broggini

Name: Ray Broggini
Address: P.O. Box 12, Kamuela, HI 96743

Incorporator

03/14/200820006

Form **1023**
(Rev. June 2006)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code

OMB No. 1545-0056

Note: If exempt status is approved, this application will be open for public inspection.

Use the instructions to complete this application and for a definition of all ***bold*** *items.* For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at **www.irs.gov** for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

Part I Identification of Applicant

1 Full name of organization (exactly as it appears in your organizing document)
Ala Kahakai Trail Association

2 c/o Name (if applicable)

3 **Mailing address** (Number and street) (see instructions) Room/Suite
PO Box 6030

4 Employer Identification Number (EIN)
27-1398470

City or town, state or country, and ZIP + 4
Kamuela, HI 96743

5 Month the annual accounting period ends (01 - 12)
12

6 Primary contact (officer, director, trustee, or **authorized representative**)
a Name: **Ray Broggini (Secretary)**
b Phone: (808) 557-9818
c Fax: (optional)

7 Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, *Power of Attorney and Declaration of Representative*, with your application if you would like us to communicate with your representative. ☐ Yes ☑ No

8 Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounte paid or promised to be paid, and describe that person's role. ☐ Yes ☑ No

9a Organization's website: **http://alakahakai.blogspot.com/**

b Organization's email: (optional) **alakahakai@gmail.com**

10 Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ. ☐ Yes ☑ No

11 Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY) 03 / 13 / 2006

12 Were you formed under the laws of a **foreign country**? ☐ Yes ☑ No
If "Yes," state the country.

Part II Organizational Structure

You must be a corporation (including a limited liability company), an unincorporated association, or a trust to be tax exempt. (See instructions.) **DO NOT file this form unless you can check "Yes" on lines 1, 2, 3, or 4.**

1 Are you a **corporation?** If "Yes," attach a copy of your articles of incorporation showing **certification of filing** with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification. ☑ Yes ☐ No

2 Are you a **limited liability company (LLC)?** If "Yes," attach a copy of your articles of organization showing certification of filing with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application. ☐ Yes ☑ No

3 Are you an **unincorporated association?** If "Yes," attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments. ☐ Yes ☑ No

4a Are you a **trust?** If "Yes," attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments. ☐ Yes ☑ No

b Have you been funded? If "No," explain how you are formed without anything of value placed in trust. ☐ Yes ☐ No

5 Have you adopted **bylaws?** If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected. ☑ Yes ☐ No

Part III Required Provisions in Your Organizing Document

The following questions are designed to ensure that when you file this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3). Unless you can check the boxes in both lines 1 and 2, your organizing document does not meet the organizational test. **DO NOT file this application until you have amended your organizing document.** Submit your original and amended organizing documents (showing state filing certification if you are a corporation or an LLC) with your application.

1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): p2 Art 4 para / sect 4.2 (i) ☑

2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c. ☑

2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. p6 Art 10 para 1

2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state: _____ ☐

Part IV Narrative Description of Your Activities

Using an attachment, describe your *past, present,* and *planned* activities in a narrative. If you believe that you have already provided some of this information in response to other parts of this application, you may summarize that information here and refer to the specific parts of the application for supporting details. You may also attach representative copies of newsletters, brochures, or similar documents for supporting details to this narrative. Remember that if this application is approved, it will be open for public inspection. Therefore, your narrative description of activities should be thorough and accurate. Refer to the instructions for information that must be included in your description.

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors

1a List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual **compensation**, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter "none" if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
Dennis Hart	President	PO Box 6030 Kamuela, HI 96743	None
Waimakalani Iona	Treasurer	PO Box 6030 Kamuela, HI 96743	None
Ray Broggini	Secretary	PO Box 6030 Kamuela, HI 96743	None
Linda Kaleo Paik	Director	98-070 Lokowai Street Aiea, HI 96701	None
Kalani Souza	Director	PO Box 6030 Kamuela, HI 96743	None

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors *(Continued)*

b List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than $50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
None			

c List the names, names of businesses, and mailing addresses of your five highest compensated **independent contractors** that receive or will receive compensation of more than $50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
None			

The following "Yes" or "No" questions relate to *past, present, or planned* relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

2a Are any of your officers, directors, or trustees related to each other through **family or business relationships**? If "Yes," identify the individuals and explain the relationship. ☐ Yes ☑ No

b Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If "Yes," identify the individuals and describe the business relationship with each of your officers, directors, or trustees. ☐ Yes ☑ No

c Are any of your officers, directors, or trustees related to your highest compensated employees or highest compensated independent contractors listed on lines 1b or 1c through family or business relationships? If "Yes," identify the individuals and explain the relationship. ☐ Yes ☑ No

3a For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.

b Do any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c receive compensation from any other organizations, whether tax exempt or taxable, that are related to you through **common control**? If "Yes," identify the individuals, explain the relationship between you and the other organization, and describe the compensation arrangement. ☐ Yes ☑ No

4 In establishing the compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, and 1c, the following practices are recommended, although they are not required to obtain exemption. Answer "Yes" to all the practices you use.

a Do you or will the individuals that approve compensation arrangements follow a conflict of interest policy? ☑ Yes ☐ No

b Do you or will you approve compensation arrangements in advance of paying compensation? ☑ Yes ☐ No

c Do you or will you document in writing the date and terms of approved compensation arrangements? ☑ Yes ☐ No

Part V **Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors** *(Continued)*

d Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? ☑ Yes ☐ No

e Do you or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. ☑ Yes ☐ No

f Do you or will you record in writing both the information on which you relied to base your decision and its source? ☑ Yes ☐ No

g If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is reasonable for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.

5a Have you adopted a **conflict of interest policy** consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c. ☑ Yes ☐ No

b What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?

c What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?

Note: A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.

6a Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through **non-fixed payments**, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. ☐ Yes ☑ No

b Do you or will you compensate any of your employees, other than your officers, directors, trustees, or your five highest compensated employees who receive or will receive compensation of more than $50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. ☐ Yes ☑ No

7a Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at **arm's length**, and explain how you determine or will determine that you pay no more than **fair market value**. Attach copies of any written contracts or other agreements relating to such purchases. ☐ Yes ☑ No

b Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales. ☐ Yes ☑ No

8a Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," provide the information requested in lines 8b through 8f. ☐ Yes ☑ No

b Describe any written or oral arrangements that you made or intend to make.

c Identify with whom you have or will have such arrangements.

d Explain how the terms are or will be negotiated at arm's length.

e Explain how you determine you pay no more than fair market value or you are paid at least fair market value.

f Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements.

9a Do you or will you have any leases, contracts, loans, or other agreements with any organization in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If "Yes," provide the information requested in lines 9b through 9f. ☐ Yes ☑ No

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors *(Continued)*

b Describe any written or oral arrangements you made or intend to make.

c Identify with whom you have or will have such arrangements.

d Explain how the terms are or will be negotiated at arm's length.

e Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.

f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

Part VI Your Members and Other Individuals and Organizations That Receive Benefits From You

The following "Yes" or "No" questions relate to goods, services, and funds you provide to individuals and organizations as part of your activities. Your answers should pertain to *past, present,* and *planned* activities. (See instructions.)

1a In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals. ☐ Yes ☑ No

b In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If "Yes," describe each program that provides goods, services, or funds to organizations. ☐ Yes ☑ No

2 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. ☐ Yes ☑ No

3 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If "Yes," explain how these related individuals are eligible for goods, services, or funds. ☐ Yes ☑ No

Part VII Your History

The following "Yes" or "No" questions relate to your history. (See instructions.)

1 Are you a **successor** to another organization? Answer "Yes," if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If "Yes," complete Schedule G. ☐ Yes ☑ No

2 Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If "Yes," complete Schedule E. ☐ Yes ☑ No

Part VIII Your Specific Activities

The following "Yes" or "No" questions relate to specific activities that you may conduct. Check the appropriate box. Your answers should pertain to *past, present,* and *planned* activities. (See instructions.)

1 Do you support or oppose candidates in **political campaigns** in any way? If "Yes," explain. ☐ Yes ☑ No

2a Do you attempt to **influence legislation**? If "Yes," explain how you attempt to influence legislation and complete line 2b. If "No," go to line 3a. ☐ Yes ☑ No

b Have you made or are you making an **election** to have your legislative activities measured by expenditures by filing Form 5768? If "Yes," attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities. ☐ Yes ☑ No

3a Do you or will you operate bingo or **gaming** activities? If "Yes," describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. **Revenue and expenses** should be provided for the time periods specified in Part IX, Financial Data. ☐ Yes ☑ No

b Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If "Yes," describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements. ☐ Yes ☑ No

c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

Part VIII Your Specific Activities *(Continued)*

4a Do you or will you undertake **fundraising**? If "Yes," check all the fundraising programs you do or will conduct. (See instructions.) ☑ Yes ☐ No

- ☐ mail solicitations
- ☐ email solicitations
- ☐ personal solicitations
- ☐ vehicle, boat, plane, or similar donations
- ☐ foundation grant solicitations
- ☐ phone solicitations
- ☐ accept donations on your website
- ☐ receive donations from another organization's website
- ☐ government grant solicitations
- ☐ Other

Attach a description of each fundraising program.

b Do you or will you have written or oral contracts with any individuals or organizations to raise funds for you? If "Yes," describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, *Financial Data*. Also, attach a copy of any contracts or agreements. ☐ Yes ☑ No

c Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements. ☐ Yes ☑ No

d List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.

e Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer "Yes" if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor's contribution account. If "Yes," describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors. ☐ Yes ☑ No

5 Are you **affiliated** with a governmental unit? If "Yes," explain. ☐ Yes ☑ No

6a Do you or will you engage in **economic development**? If "Yes," describe your program. ☑ Yes ☐ No

b Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.

7a Do or will persons other than your employees or volunteers **develop** your facilities? If "Yes," describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees. ☐ Yes ☑ No

b Do or will persons other than your employees or volunteers **manage** your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees. ☐ Yes ☑ No

c If there is a business or family relationship between any manager or developer and your officers, directors, or trustees, identify the individuals, explain the relationship, describe how contracts are negotiated at arm's length so that you pay no more than fair market value, and submit a copy of any contracts or other agreements.

8 Do you or will you enter into **joint ventures**, including partnerships or **limited liability companies** treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If "Yes," describe the activities of these joint ventures in which you participate. ☐ Yes ☑ No

9a Are you applying for exemption as a childcare organization under section 501(k)? If "Yes," answer lines 9b through 9d. If "No," go to line 10. ☐ Yes ☑ No

b Do you provide child care so that parents or caretakers of children you care for can be **gainfully employed** (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). ☐ Yes ☑ No

c Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). ☐ Yes ☑ No

d Are your services available to the general public? If "No," describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k). ☐ Yes ☑ No

10 Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other **intellectual property**? If "Yes," explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. ☐ Yes ☑ No

D

Part VIII Your Specific Activities *(Continued)*

11 Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If "Yes," describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution. ☑ Yes ☐ No

12a Do you or will you operate in a foreign country or countries? If "Yes," answer lines 12b through 12d. If "No," go to line 13a. ☐ Yes ☑ No

b Name the foreign countries and regions within the countries in which you operate.

c Describe your operations in each country and region in which you operate.

d Describe how your operations in each country and region further your exempt purposes.

13a Do you or will you make grants, loans, or other distributions to organization(s)? If "Yes," answer lines 13b through 13g. If "No," go to line 14a. ☐ Yes ☑ No

b Describe how your grants, loans, or other distributions to organizations further your exempt purposes.

c Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract. ☐ Yes ☑ No

d Identify each recipient organization and any relationship between you and the recipient organization.

e Describe the records you keep with respect to the grants, loans, or other distributions you make.

f Describe your selection process, including whether you do any of the following:

(i) Do you require an application form? If "Yes," attach a copy of the form. ☐ Yes ☑ No

(ii) Do you require a grant proposal? If "Yes," describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused. ☐ Yes ☑ No

g Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.

14a Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15. ☐ Yes ☑ No

b Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.

c Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries. ☐ Yes ☑ No

d Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. ☐ Yes ☑ No

e Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. ☐ Yes ☑ No

f Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are being used appropriately. ☐ Yes ☑ No

Part VIII Your Specific Activities *(Continued)*

15	Do you have a **close connection** with any organizations? If "Yes," explain.	☐ Yes	☑ No
16	Are you applying for exemption as a **cooperative hospital service organization** under section 501(e)? If "Yes," explain.	☐ Yes	☑ No
17	Are you applying for exemption as a **cooperative service organization of operating educational organizations** under section 501(f)? If "Yes," explain.	☐ Yes	☑ No
18	Are you applying for exemption as a **charitable risk pool** under section 501(n)? If "Yes," explain.	☐ Yes	☑ No
19	Do you or will you operate a **school**? If "Yes," complete Schedule B. Answer "Yes," whether you operate a school as your main function or as a secondary activity.	☐ Yes	☑ No
20	Is your main function to provide **hospital or medical care**? If "Yes," complete Schedule C.	☐ Yes	☑ No
21	Do you or will you provide **low-income housing** or housing for the **elderly** or **handicapped**? If "Yes," complete Schedule F.	☐ Yes	☑ No
22	Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H. **Note: Private foundations** may use Schedule H to request advance approval of individual grant procedures.	☐ Yes	☑ No

Part IX Financial Data

For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

A. Statement of Revenues and Expenses

	Type of revenue or expense	Current tax year (a) From 01/2010 To 12/2010	3 prior tax years or 2 succeeding tax years (b) From 1/2011 To 12/2011	(c) From 01/2012 To 12/2012	(d) From To	(e) Provide Total for (a) through (d)
Revenues	1 Gifts, grants, and contributions received (do not include unusual grants)	0				
	2 Membership fees received	0				
	3 Gross investment income	0				
	4 Net unrelated business income	0				
	5 Taxes levied for your benefit	0				
	6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	0				
	7 Any revenue not otherwise listed above or in lines 9–12 below (attach an itemized list)	0				
	8 Total of lines 1 through 7	0				
	9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)	0				
	10 Total of lines 8 and 9	0				
	11 Net gain or loss on sale of capital assets (attach schedule and see instructions)	0				
	12 Unusual grants	0				
	13 Total Revenue Add lines 10 through 12	0				
Expenses	14 Fundraising expenses	0				
	15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)	0				
	16 Disbursements to or for the benefit of members (attach an itemized list)	0				
	17 Compensation of officers, directors, and trustees	0				
	18 Other salaries and wages	0				
	19 Interest expense	0				
	20 Occupancy (rent, utilities, etc.)	0				
	21 Depreciation and depletion	0				
	22 Professional fees	0				
	23 Any expense not otherwise classified, such as program services (attach itemized list)	0				
	24 Total Expenses Add lines 14 through 23	0				

Part IX Financial Data *(Continued)*

B. Balance Sheet (for your most recently completed tax year) — Year End:

	Assets		(Whole dollars)
1	Cash	1	0
2	Accounts receivable, net	2	0
3	Inventories	3	0
4	Bonds and notes receivable (attach an itemized list)	4	0
5	Corporate stocks (attach an itemized list)	5	0
6	Loans receivable (attach an itemized list)	6	0
7	Other investments (attach an itemized list)	7	0
8	Depreciable and depletable assets (attach an itemized list)	8	0
9	Land	9	0
10	Other assets (attach an itemized list)	10	0
11	Total Assets (add lines 1 through 10)	11	0
	Liabilities		
12	Accounts payable	12	0
13	Contributions, gifts, grants, etc. payable	13	0
14	Mortgages and notes payable (attach an itemized list)	14	0
15	Other liabilities (attach an itemized list)	15	0
16	Total Liabilities (add lines 12 through 15)	16	0
	Fund Balances or Net Assets		
17	Total fund balances or net assets	17	0
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	18	0

19 Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain. ☐ Yes ☑ No

Part X Public Charity Status

Part X is designed to classify you as an organization that is either a **private foundation** or a **public charity.** Public charity status is a more favorable tax status than private foundation status. If you are a private foundation, Part X is designed to further determine whether you are a **private operating foundation.** (See instructions.)

1a Are you a private foundation? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. If you are unsure, see the instructions. ☐ Yes ☑ No

b As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2. ☐

2 Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If "Yes," go to line 3. If "No," go to the signature section of Part XI. ☐ Yes ☐ No

3 Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4. ☐ Yes ☐ No

4 Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation? ☐ Yes ☐ No

5 If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.

The organization is not a private foundation because it is:

a 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A. ☐

b 509(a)(1) and 170(b)(1)(A)(ii)—a **school.** Complete and attach Schedule B. ☐

c 509(a)(1) and 170(b)(1)(A)(iii)—a **hospital,** a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C. ☐

d 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D. ☐

Part X **Public Charity Status** *(Continued)*

e 509(a)(4)—an organization organized and operated exclusively for testing for public safety. ☐

f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit. ☐

g 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. ☑

h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross **investment income** and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). ☐

i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status. ☐

6 If you checked box g, h, or i in question 5 above, you must request either an **advance** or a **definitive ruling** by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.

a **Request for Advance Ruling:** By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, *Extending the Tax Assessment Period,* provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at *www.irs.gov* or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling. ☑

Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

For Organization

Ray Broggini — (Signature of Officer, Director, Trustee, or other authorized official)

RAY BROGGINI — (Type or print name of signer)

3/21/2011 — (Date)

Director/Secretary — (Type or print title or authority of signer)

For IRS Use Only

IRS Director, Exempt Organizations (Date)

b **Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii). ☐

(i) (a) Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses. _____

(b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box. ☐

(ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each **disqualified person.** If the answer is "None," check this box. ☐

(b) For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) $5,000. If the answer is "None," check this box. ☐

7 Did you receive any unusual grants during any of the years shown on Part IX-A. Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. ☐ Yes ☑ No

Part XI User Fee Information

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed $10,000 annually over a 4-year period, you must submit payment of $750. If your gross receipts have not exceeded or will not exceed $10,000 annually over a 4-year period, the required user fee payment is $300. See instructions for Part XI, for a definition of **gross receipts** over a 4-year period. Your check or money order must be made payable to the United States Treasury. *User fees are subject to change. Check our website at www.irs.gov and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.*

1	Have your annual gross receipts averaged or are they expected to average not more than $10,000? If "Yes," check the box on line 2 and enclose a user fee payment of $300 (Subject to change—see above). If "No," check the box on line 3 and enclose a user fee payment of $750 (Subject to change—see above).	☑ Yes	☐ No
2	Check the box if you have enclosed the reduced user fee payment of $300 (Subject to change).	☐	
3	Check the box if you have enclosed the user fee payment of $750 (Subject to change).	☑	

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here ▶ Ray E. Broggini (Signature of Officer, Director, Trustee, or other authorized official) Ray E. Broggini (Type or print name of signer) 3/21/2011 (Date)

Secretary (Type or print title or authority of signer)

Reminder: Send the completed Form 1023 Checklist with your filled-in-application.

Part X Public Charity Status *(Continued)*

e 509(a)(4)—an organization organized and operated exclusively for testing for public safety. ☐

f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit. ☐

g 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. ☑

h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). ☐

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Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

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Ray Broggini — (Signature of Officer, Director, Trustee, or other authorized official)

Ray Broggini — (Type or print name of signer)

3/21/2011 — (Date)

Director / Secretary — (Type or print title or authority of signer)

For IRS Use Only

IRS Director, Exempt Organizations — (Date)

b **Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii). ☐

(i) (a) Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses. _____

(b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box. ☐

(ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each **disqualified person.** If the answer is "None," check this box. ☐

(b) For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) $5,000. If the answer is "None," check this box. ☐

7 Did you receive any unusual grants during any of the years shown on Part IX-A. Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. ☐ Yes ☑ No

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You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed $10,000 annually over a 4-year period, you must submit payment of $750. If your gross receipts have not exceeded or will not exceed $10,000 annually over a 4-year period, the required user fee payment is $300. See instructions for Part XI, for a definition of **gross receipts** over a 4-year period. Your check or money order must be made payable to the United States Treasury. *User fees are subject to change. Check our website at www.irs.gov and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.*

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2	Check the box if you have enclosed the reduced user fee payment of $300 (Subject to change).	☐	
3	Check the box if you have enclosed the user fee payment of $750 (Subject to change).	☑	

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here ▶ Ray E. Broggini (Signature of Officer, Director, Trustee, or other authorized official) Ray E. Broggini (Type or print name of signer) 3/21/2011 (Date)

Secretary (Type or print title or authority of signer)

Reminder: Send the completed Form 1023 Checklist with your filled-in-application.

14

Ala Kahakai Trail Association Board of Directors				
Name		**Mailing/Email Address**	**Cell**	**Phone**
Dennis D.K. Hart	President	PO Box 1441, Kealakekua, HI 96750 dennishart47@yahoo.com	937-6039	
Ray E. Broggini	Secretary	PO Box 12, Kamuela, HI 96743 musicmund2@hawaiiantel.net	557-9818	775-1051
Sheryl Ann Waimakalani Iona	Treasurer	PO Box 44483, Kawaihae, HI 96743 waimakalani@yahoo.com	333-0336	890-8144
M. Kalani Souza	Director	PO Box 305 Laupahoehoe, HI 96764 mkalani@hawaii.rr.com	987-0705	776-1077
Alan L. Brown	Director	3115 Noella Dr., Honolulu, HI 96815 alanainamalu@mac.com	989-6984	808 922-4569
Linda Kaleo Paik	Director	98-070 Lokowai St. Aiea, HI 96701 kaleopaik@yahoo.com		808 485-8964
Ulu Ching	Director	P.O. Box 10892 Hilo, HI 96721 moanac@hawaii.edu	936-9556	
Gary S. Medina	Director	PO Box 4193, Kailua-Kona, HI 96745 sunnykonahi@msn.com		325-6635
Lily Anne L. Souza	Director	73-1223 Melomelo St., Kailua-Kona, HI 96740 lilyannekeei@gmail.com		325-7822

ALA KAHAKAI
TRAIL ASSOCIATION

Ala Kahakai Trail Association, 501(c)(3)
Partner of Ala Kahakai National Historic Trail
P.O. Box 2338 Kamuela, HI 96743 (808) 326-6012

Department of Land and Natural Resources
Legacy Land Conservation Program
1152 Punchbowl Street, Room 325
Honolulu, HI 96813

December 8, 2011

RE: Update to Ala Kahakai Trail Association's application for LLCP funding

Aloha, Commissioners,

The Ala Kahakai Trail Association (ATA) is very pleased to share recent developments affecting our application for Legacy Lands Conservation Program funding:

- To accelerate the closing of our project the landowner has committed to a **24% match or a donation of $501,500** ($497,000 match and $4,500 closing costs). The revised application pages regarding the project budget are enclosed as well as a letter from the landowner regarding the 24% match.
- We just received our IRS determination as a 501(c)(3) tax-exempt, not for profit organization. We have been incorporated for a couple of years, but have been waiting for our determination letter.
- An international nonprofit organization has expressed strong interest in helping us secure the remaining $153,000 (if LLCP funds are awarded). Hopefully we can share more next week.

Finally, we've enclosed additional, specific information regarding our future stewardship plans with the community and a letter of support recently received from The Kohala Center.

Thank you for your time and service to Hawaii.

Sincerely,

Ray Broggini
Board of Directors

7. What are the anticipated matching funds? Please use table below:

Estimated Matching Funds Worksheet			
Type (cash, grant, in-kind, land value)	$ Amount	Source of Funds or Basis of Valuation	Status* (Secured/Pending)
Cash	$497,000	Landowner 24% match	secured
Cash	$1,000	Malama Kohala Kahakai	secured
Grants	$153,945	NOAA, NPS	pending
Cash	$4,500	Landowner - 1/2 closing costs	secured
TOTAL MATCHING FUNDS	$ 656,445	(31.2)%	
AMOUNT BEING REQUESTED FROM THE LEGACY LAND PROGRAM	$ 1,449,555	(68.8)%	
TOTAL ANTICIPATED COST OF ACQUISITION	$ 2,106,000	(100)%	

* Please describe the current status of any pending funds and indicate the date that any pending funds will become available if they are awarded:

*Pending
The staff of the National Park Service Ala Kaha Kahai National Historic Trail has made assisting ATA to secure matching funds for this project a priority. Application drafted for NPS LARS funding. Awards available July, 2012. Application will be submitted to NOAA for CELP. Awards available July 2013.

(character limit 500)

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 25 2011

ALA KAHAKAI TRAIL ASSOCIATION
P O BOX 2338
KAMUELA, HI 96743

Employer Identification Number:
27-1398470
DLN:
17053095373001
Contact Person:
GREGORY WOO ID# 95340
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
March 13, 2008
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Sincerely,

Lois G. Lerner
Director, Exempt Organizations

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)

HAWAII PACIFIC
BROKERS, LLC

December 6, 2011

Dennis Hart, Chair
Ala Kahakai Historic Trail Association
National Parks Service
73-4786 Kanalani St. #14
Kailua Kona, HI 96740

Legacy Lands Conservation Program
Department of Land and Natural Resources
1152 Punchbowl Street, Room 325
Honolulu, HI 96813

Re: Additional Matching Funds Contribution for Kaiholena Purchase for Preservation and Owner Authorization to Sell TMK (3) 5-8-001:023 and Documentation of In-Kind Match

Aloha,

This transmittal is to confirm with all the above-mentioned parties that EWM Enterprises LP – as owner of the above referenced property - hereby confirms his willingness to sell this parcel at Kaiholena for the purposes of preservation.

The project land is currently listed for $2.95 million with Hawaii Pacific Brokers, LLC (HPB), therefore all transmittals and contract negotiations are to be handled through Charles A. Anderson, Principal Broker of HPB. Seller agrees to sell the property for $1.6 million, to reflect the County of Hawaii's appraised value of $2.097 million less an additional $497,000 in matching funds to provide a contribution of 24% in match. This is a significant matching contribution because Kohala coast properties have retained their real estate value (in contrast to other areas of the Island) due to a combination of factors including:

- the area is only 15 minutes to Gold Coast five-star resorts, golf, shopping, restaurants and only 25 minutes to private schools in Waimea (HPA, Parker);
- only building and SMA minor permits are required;
- the site is building ready;
- Kaiholena is in the safest lava zone (insurance and financing are easier to secure);
- Ag 5 zoning allows high-end luxury development of up to 7 homes;
- a water well and highway access are complete;
- Kaiholena is part of the best area on island for solar;
- archeology reports and burial treatment plan are approved.

65-1323 Kawaihae Road Kamuela, Hawaii 96743 • Ph: 808-885-5557 • Fx: 808-885-4895 / www.bigisle.com

If you wish any further information, maps, reports or additional data, please contact Mr. Anderson at your earliest convenience. He may be reached at (808) 885-5557 office, (808) 895-5554 cell phone, or by e-mail at *charlie@bigisle.com*.

We look forward to working with all of you in completing a transaction that will benefit the people of the County and State of Hawaii, and assist to preserve the pristine nature of the North Kohala coastline.

Sincerely,

Charles A. Anderson
On behalf of Ernest W. Moody
EWM ENTERPRISES, LP

LONG-TERM

- Business plan development, emphasis on community self-reliance and resiliency
  - reflects Kohala's history as ag bread basket, supporting Kamehameha's rise and conquests
- Kaiholena supports intergenerational collaboration for localized, sustainable economy
- Stewardship and restoration activities generate income to support management by local community:
  - Managed shoreline food sources, reviving dry land cultivation methods, salt making, wildfire mitigation, etc.

NEAR-TERM BENCHMARKS

- December, 2011: Meeting with potential granting funder re remaining match
- January, 2012: Consult with Kim Klein re fundraising for match and additional management funding; appointment is set
- January – March 2012: Develop fundraising plan; pursue private and grant funding
- May - December, 2012: Small group meetings to launch community conversations about management
- July – August, 2012: Work with users to begin informal, interim monitoring
- July - September, 2012: Secure property tax exemption from County; discussions indicate complete exemption likely given high concentration of archeological sites
- July, 2012: Begin site characterizations (all six parcels) with community groups

Community Driven Stewardship

Listening to the Land

Listening to our Kupuna

Listening to our community

Ala Kahakai Trail National Historic Trail Comprehensive Management Plan

- Template for stewardship developed and informed by communities along trail.
- Community driven and community based management that honors local knowledge, preferences, lifestyle, and traditional land management systems.
- Protection of sites, living classroom, managed access.
- Right of Entry w/County for landscape scale management of Kaiholena.
- MOU w/ State and County to access all Kaiholena and neighboring parcels

MANAGEMENT OUTLINE

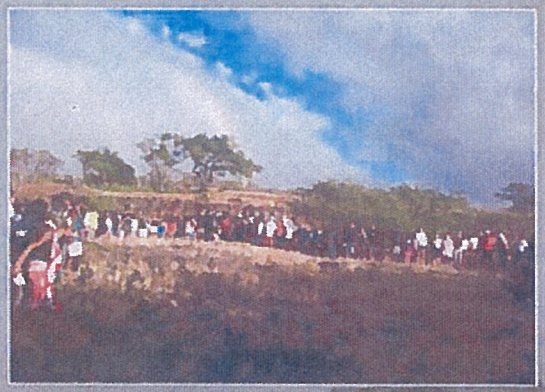
1.) Characterization – 2012- 14: increasing understanding of what is there
   - ✓ Biological, cultural, hydrologic, and use inventories and assessments

2.) Id site specific management strategies then actions – 2013 -15
   - ✓ Trail Management Plan and Community Plan as guides

3.) Implement actions – 2013 – in-perpetuity: restoration, education, managed use

4.) Monitoring - 2013 – in-perpetuity: restoration, use, biological indicators, etc.

5.) Adapt management as needed



COMMITTED DONATIONS to ATA

Securing Match

Fundraising expertise
Kim Klein, expert fundraiser and founder Klein and Roth Consulting; consultation for fundraising

Grant writing, fundraising
Malama Kohala Kahakai

Work Completed
- Secured consult time w/ Kim Klein
- Secured match from landowner – 24%
- Letters of intent drafted for Doris Duke Foundation and local donor
- Local donor expressed interest

Stewardship

Staff support for org development, planning, operational funding, inventories, and training community in mapping and assessments
- National Park Service Ala Kahakai National Hist. Trail
- 4 other Hawaii National Park Units

Hands on support restoration, monitoring, fire mitigation, education, outreach, planning
- Kohala Historic and Cultural Preservation Group
- Kamakani O Kohala Ohana
- Malama Na Wahi Pana O Kohala
- North Kohala Access Group/Kohala Lihikai
- Malama Kohala Kahakai
- Kohala National Guard Alumni
- Kohala Seniors

Grant writing, planning
Malama Kohala Kahakai

Stewardship Capacity

ORGANIZATIONAL – Operational funding, planning, and staff support from NPS, committed short and long-term

PARTNERSHIPS – Stewardship commitments secured

RESTORATION – Access to crews trained in traditional techniques for restoring structures and heiau that honor cultural, spiritual protocols

RESTORATION – Expertise in watershed management including erosion control, re-vegetation, and wildfire mitigation committed

P.O. Box 437462, Kamuela, Hawai'i 96743 | Tel. 808-887-6411 | Fax. 808-885-6707 | www.kohalacenter.org

THE KOHALA CENTER

December 7, 2011

Department of Land and Natural Resources
Legacy Land Conservation Program
1152 Punchbowl Street, Room 325
Honolulu, HI 96813

RE: Ala Kahakai Trail Association's application for LLCF funds for Kaiholena, Kohala

Aloha, Commissioners,

The Kohala Center is an independent, not for profit, community based center for research, conservation, and education based on Hawaii Island. We support the Ala Kahakai Trail Association's (ATA) efforts to preserve Kaiholena and urge you to fund their grant application. The cooperative nature of the Kaiholena project, in which a variety of community groups, the landowner, and lineal descendants are engaged, is aligned with The Kohala Center's work to create multi-level partnerships to help communities thrive ecologically, economically, culturally, and socially.

The Kohala Center has worked successfully with a number of university partners to identify specific strategies to move our Island towards self-sufficiency. Our plans and programs have included,
- a master plan for managing the Kahalu'u Bay,
- watershed restoration for the Pelekane Bay watershed in Kohala with Kohala Watershed Partnership,
- an island sustainability primer with the County of Hawaii which provides a framework for applying sustainability in day-to-day planning and decision making,
- various analysis and plans to support agriculture and energy self-sufficiency, etc.

We believe our university and research agency partners would be very interested in assisting the Ala Kahakai Trail Association and the Kohala community explore and analyze various strategies for viable long-term community-based management of the Kohala coast.

Again, we express our support for the Ala Kahakai Trail Association's application for funding.

Sincerely,

Matthews M. Hamabata, Ph.D.
Executive Director

9 Ala Kahakai Trail Association Brochure

TMK: (3) 5-8-001:021

ALA KAHAKAI
TRAIL ASSOCIATION

BOARD OF DIRECTORS

Ray Broggini
Alan Brown
Moana Uluwehi P.K. Ching
Dennis Hart
Waimakalani Iona
Gary Medina
Linda Kaleo Paik
Lily-Anne Souza
Kalani Souza
Aric Arakaki (*Ex-officio – non-voting)

ALA KAHAKAI NATIONAL HISTORIC TRAIL STAFF

Aric Arakaki, Superintendent
Rick Gmirkin, Community Archaeologist
Ida Hanohano, Interpretive Specialist

Phone (808) 326-6012
www.nps.gov/alka

Ala Kahakai
Trail Association
P.O. Box 2338
Kamuela, HI 96743

Phone (808) 326-6012
http://alakahakai.blog
spot.com

ALA KAHAKAI
TRAIL ASSOCIATION

Partner of
Ala Kahakai
National Historic Trail,
National Park Service

Working together
and
walking together
in the footsteps
of our ancestors.

ALA KAHAKAI TRAIL ASSOCIATION

Introduction

The Ala Kahakai Trail Association (ATA) began as an interim organization in 2006 to become a registered non- profit organization registered in 2008. It is the supporting and overarching organization for the community management aspects of the Ala Kahakai Trail, which is 175 miles of dedicated cultural and heritage trail on Hawaii Island.

The trail association was established to ensure that the Ala Kahakai Trail is well connected to the community, that Hawaiian values and principles are in place and practiced, to foster partnerships and collaboration and to provide help and guidance for the work of managing and sustaining the trail in perpetuity.

Trail Association Vision

The Ala Kahakai Trail will be a viable, appropriately used and managed trail that follows the path of our ancestors - creating a bridge of understanding, respect and balance for all to use, protect, learn from and appreciate.

Our Mission

The trail association's mission is to support and guide a community-managed trail that honors those who came before and perpetuates for those to follow – with protocols and respect for Hawaii's past, present and future.

Values and Principles

We aspire to demonstrate the following in all that we do:

Aloha	Sacred breath of life, love, compassion
Ho`okipa	Hospitality
Ho`okupu	Tribute as a sign of honor and respect, gift exchange
Kokua	"Pulling with the back", pitching in to help, volunteering
Kuleana	Responsibility passed down from ancestors
Laulima	"Many hands working together", cooperation
Lokahi	Unity, harmony
Mahalo	Thanks, gratitude
Malama	Take care of, care for, preserve
Pono	Balance, proper, right, just, fair, integrity

About The Trail

The Ala Kahakai National Historic Trail was designated in 2000 and is administered by the National Park Service. As with many trails in the national trail system, a private, non-profit association is established to provide community support to the planning and management of the trail.

This shoreline trail is unique in that it is a model of community management and involvement, focusing on the preservation of Hawaiian culture and heritage as well as promoting environmental stewardship and education. It is more than a recreational trail – it is a path that joins the past to the present and the future.

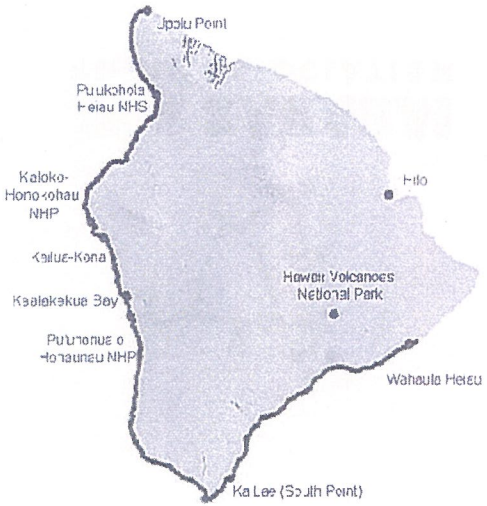


Exhibit B

Checklist for Legacy Land Conservation Program (LLCP) Projects

The following items must be completed to the STATE's satisfaction prior to the final award:

- ☐ Title report review and appraisal certification. A current title report of the Property must be submitted to and approved through the Department of Land and Natural Resources, Land Division ("LD"). An appraisal of the Property must be done and certification obtained through LD, with final approval by the Chairperson of the Board of Land and Natural Resources. AWARDEE shall first supply LD a current title report, then contact LD regarding certification requirements prior to issuing appraisal instructions for a new appraisal or ordering an update of a pre-existing appraisal.

- ☐ Matching funds and project accounting. Evidence of matching funds, as required by law, must be provided to LLCP. AWARDEE must provide an accounting of all LLCP grant funds to be expended, evidenced by supporting documentation.

- ☐ Escrow. Funds that are to be used for the purchase of property will be deposited directly into escrow by LLCP. AWARDEE must provide a copy of the escrow instructions, the account number, and a tentative buyer's statement to the LLCP.

- ☐ Title insurance. AWARDEE must obtain title insurance in the full amount of the purchase price, insuring that the title to the Property is vested in the AWARDEE.

- ☐ Environmental inspection. AWARDEE must conduct an environmental inspection to determine whether there is any environmental contamination or potential for contamination on the property. One or more Environmental Site Assessment(s) (ESA) may be required by STATE. If an environmental condition is found, a Phase II and appropriate remediation (at the cost of awardee) will be required prior to disbursal of funds. AWARDEE must complete the form supplied by the LLCP and return to the LLCP before funds may be disbursed.

- ☐ Chapter 343, HRS, compliance. An Environmental Assessment and/or Cultural Assessment as may be required by law.

- ☐ Resource value documentation. AWARDEE shall submit a written statement and photographs that reflect the current status and condition of the resources for which the land is to be protected. The statement shall be certified by AWARDEE and the photographs shall be taken from identifiable locations on the Property.

- ☐ Deed. AWARDEE shall submit a copy of proposed deed prior to execution of deed for review and approval by STATE.

STATE OF HAWAII
STATE PROCUREMENT OFFICE

CERTIFICATE OF VENDOR COMPLIANCE

This document presents the compliance status of the vendor identified below on the issue date with respect to certificates required from the Hawaii Department of Taxation (DOTAX), the Internal Revenue Service, the Hawaii Department of Labor and Industrial Relations (DLIR), and the Hawaii Department of Commerce and Consumer Affairs (DCCA).

Vendor Name: **ALA KAHAKAI TRAIL ASSOCIATION**

DBA/Trade Name: **ALA KAHAKAI TRAIL ASSOCIATION**

Issue Date: **11/05/2012**

Status: **Compliant**

Hawaii Tax#:
FEIN/SSN#: XX-XXX8470
UI#: No record
DCCA FILE#: 222067

Status of Compliance for this Vendor on issue date:

Form	Department(s)	Status
A-6	Hawaii Department of Taxation	Compliant
	Internal Revenue Service	Compliant
COGS	Hawaii Department of Commerce & Consumer Affairs	Compliant
LIR27	Hawaii Department of Labor & Industrial Relations	Compliant

Status Legend:

Status	Description
Exempt	The entity is exempt from this requirement
Compliant	The entity is compliant with this requirement or the entity is in agreement with agency and actively working towards compliance
Pending	The entity is compliant with DLIR requirement
Submitted	The entity has applied for the certificate but it is awaiting approval

Not Compliant	The entity is not in compliance with the requirement and should contact the issuing agency for more information

ALA KAHAKAI TRAIL ASSOCIATION, INC.

I, Ray Broggini , Secretary of Ala Kahakai Trail Association., a Hawaii non-profit Corporation, hereinafter referred to as the "Corporation", do hereby certify that the following is a full, true and correct copy of a resolution duly adopted by the Board of Directors of the Corporation at its meeting duly called and held at the offices of the Corporation on the 5th of May, at which a quorum was present and acting throughout, and that said resolution has not been modified, amended or rescinded and continues in force and effect:

"RESOLVED that the officers of the Corporation are authorized to do and perform any and all such acts, including execution of any and all documents and certificates, as said officers shall deem necessary to enter into a State of Hawaii Legacy Land Conservation Fund grant agreement."

The names and addresses of current officers of the Corporation are:

Dennis Hart, Chair
PO Box 1441
Kealakekua, HI 96750

Alan Brown, Vice Chair
3115 Noela Drive
Honolulu, HI 96815

Ray Broggini, ~~Secretary~~ Treasurer
PO Box 12
Kamuela, HI 96743

Linda Kaleo Paik, ~~Treasurer~~ Secretary
98-070 Lokowai St.
Aiea, HI 96701

IN WITNESS WHEREOF, I have hereunto set my hand the 29th day of October 2012

Ray Broggini, Secretary

Legacy Land Conservation Commission Meeting Minutes

DATE: December 5, 2014
TIME: 8:30 a.m. to 1:30 p.m.
PLACE: Room 322A, Kalanimoku Bldg., 1151 Punchbowl St., Honolulu, HI

COMMISSION MEMBERS PRESENT:
Mr. Thorne Abbott
Ms. Lori Buchanan
Ms. Theresa Menard
Mr. Kaiwi Nui
Mr. Robert Shallenberger
Mr. John Sinton

STAFF:
Kirsten Gallaher, DLNR, DOFAW
Molly Schmidt, DLNR, DOFAW

PUBLIC:
Ms. Barbara Bell
Ms. Gail Byrne
Ms. Laura Kaakua
Ms. Alexandra Kelepolo
Ms. Malama Minn
Mr. Michael Opgenorth
Mr. Dan Purcell
Mr. Stephen Rafferty
Ms. Oshi Simsarian
Mr. David Smith
Ms. Emma Yuen
Ms. Marigold Zoll

MINUTES:

ITEM 1. Call to order and introduction of members and staff

Chair Kaiwi welcomed everyone to the meeting.

Ms. Schmidt explained the handouts. The table with the projects was to be ignored and the revised one referred to as it included the revised ask amounts.

DRAFT

ITEM 2. Disclosure by members of the Commission of any potential conflicts of interest involving Fiscal Year 2015 (FY15) projects

Chair Kaiwi asked if there were any conflicts of interest for Commission Members. There were none apart from those stated the previous day.

ITEM 3. Discussion of the process and method by which the Commission will form recommendations to the Department and Board of Land and Natural Resources regarding FY15 project funding

Ms. Schmidt provided an overview of the process and method. After a discussion of projects using the criteria, forms would be used to rank projects on a scale of 1 to 5 (with 1 being the best). If Commission Members had recused themselves, they were to leave the form blank (with names written on each sheet). The scores would be averaged together and projects would be funded as ranked.

Chair Kaiwi asked if partial funding was possible. Ms. Schmidt replied that the amount of funding requested and leveraged match were criteria against which projects were scored and could therefore not be changed afterwards.

Member Menard asked about the procedure in the event of a tie. Ms. Schmidt said that both projects would be reduced proportionately so as to get an equal share.

Member Sinton asked if half points could be used so as to use more of the dynamic range of the scale. Chair Kaiwi replied that pursuant to rankings, more discussion could be entertained but that no halves should be used. He asked if there were any questions from audience; there were none.

ITEM 4. Discussion by members of the Commission of the FY15 project applications and supplementary materials and recommendations to the Department and Board of Land and Natural Resources regarding funding for FY15 project applicants

a) Kalua'aha Ranch Conservation Easement (Molokai) and b) Pua'ahala Watershed Acquisition (Molokai)

Member Buchanan stated that the Kalua'aha Ranch Conservation Easement application was good value for money and included over 900 acres for one of the lowest requests. She said Member Shallenberger had good insights from the site visit and questions for the applicant, who did a good job of responding.

Member Shallenberger still had some concerns about valuation and thought the community might have concerns about the limited access to the site. Member Buchanan mentioned that the Molokai Land Trust had similar land further east which had been funded by Legacy Land. This site involved the same type of restrictions in terms of steepness and remoteness. She hadn't heard

that the community had been vocal about not having access but people had been given access for ungulate control given that fencing was not an option.

Member Shallenberger also mentioned that the applicant had been planning to submit a proposal for the adjacent valleys the following year. Member Sinton stated that that couldn't be voted against them, with which Member Shallenberger agreed.

Member Buchanan mentioned that the Pua'ahala acquisition would also be adding to the protection of the forested upper region. Member Sinton commented that Pua'ahala was a high priority for funding as it would be a missing link in the planned fencing of the entire area.

Member Buchanan applauded the Molokai Land Trust for their long-term vision, management of multiple parcels and willingness to work with other projects. Member Sinton confirmed that he had a high regard for the organization based on work they had done at other sites.

Chair Kaiwi's approach was to look at the context of the island first. Molokai had socio-economic challenges. The Molokai Land Trust had been trying to be part of improving the viability of the island. Molokai was good at producing food and sustainable food production focuses and feeding into identity of Molokai. He appreciated that the landowner was at the meeting and seemed to be applying for Legacy Land funding because he loved the aina. In his opinion, the steward made the difference.

Member Abbott stated that in the event that this application wasn't successful he hoped they came back. He wanted more clarification regarding the value of the property and how much related to the easement on conservation lands versus agricultural lands. DOFAW had come up with the costs (which was reasonable) but he required more clarification. Not taking the ecological values into account, he would rather have an outright fee simple purchase than an easement.

With regards to the Pua'ahala application, Chair Kaiwi stated that it was unclear what the landowner wanted to do with the underwater lease. He had been disappointed that the reef had not been presented as part of the ecosystem, whereas in Kalua'aha, the reef had been included.

Ms. Malama Minn requested more information about the lease for the State, to determine if it could be remedied. Ms. Emma Yuen replied that it was a 50-60 year State land lease which had commenced in the 1970s. The State already owned it so didn't have an interest in buying it back. At Pua'ahala it was recognized that the reef and terrestrial ecosystems were interlinked. Ms. Minn stated that when the lease expired it might be put to auction again, as the State was mandated to re-lease it to generate revenue and if it was not reserved it would be put up to auction. Chair Kaiwi noted that Ms. Yuen had mentioned the State was in the midst of a master planning effort.

Member Shallenberger suggested that for both Molokai applications, the lower part of the property was essentially wasted money and suggested the level of management interventions

applied would be similar for both properties. In his opinion, the State had underestimated the cost of restoring the wetland at Pua'ahala and that the wetland itself was of questionable value. He had helped to establish wetland habitat nearby which was not being used due to water supply issues. The commitment was admirable but not necessarily enough to ensure delivery.

Mr. Stephen Rafferty commented on easement versus fee purchases with regards to Kalua'aha Ranch on Molokai. There had been discussions of using Legacy Land funding to further fund actual project work. With respect to the easement, the State would not have the responsibility to maintain it, unlike a fee purchase. Easement had the commitment of the East Molokai Watershed Partnership supported by The Nature Conservancy which should allay some concerns. The applicant had a major nursery and had undertaken large restoration projects on Molokai. Because of the US Fish and Wildlife Service appraisal, they had also looked at contiguous parcels (including TMK's along the road of a higher value because they could be more easily utilized, which could increase the value of the conservation easement).

One of the more sacred sites on Molokai was located just outside the easement. The county plan included the east Molokai addendum, stating that this area should be protected from tourists. The cultural significance of the site was deep and profound due to the presence of heiau and other cultural sites.

Member Sinton wished to counter Member Shallenberger's observations on the Pua'ahala application. He agreed that he was unsure of how soon the freshwater pond would get restored. Nevertheless, the entire mauka to makai aspect was very important and didn't exist at other sites. There was good access to the property from the road and it would be advantageous for the State to acquire the lower part, whether or not it was restored as bird habitat in the short-term. He believed the State had intentions to do so which shouldn't be discounted and had estimated the potential costs. He didn't consider the lower sections of the Molokai properties 'wasted money', particularly in the case of Pua'ahala.

Member Buchanan also noted that she was in favor of the Pua'ahala purchase, and recognized the threat to the land if it was not acquired. She also mentioned that the State didn't have many makai parcels. However, the community did need to be involved and it shouldn't be an afterthought, especially on Molokai which was very community-oriented. She also stated her strong support for the Kalua'aha Ranch project. She trusted the landowner not to sell off parcels; however, she also recognized that the land had been gifted to the landowner, who couldn't necessarily afford to manage it. She appreciated the opportunities to take ownership of entire ahupua'a, especially on Molokai which had not seen previous applicants.

Member Menard recognized that the criteria required that Commission Members favored lands in imminent danger of development, which might count against applications from 'good landowners'. She agreed that in the past there had been many Big Island and Oahu projects and few Kauai, Molokai, and Maui projects.

Member Shallenberger wondered which project had the best chance of success in following through, and recognized that the Kalua'aha landowner was offering additional management

outside of the terms of the easement. Landowners could be asked but not compelled to manage. Ms. Yuen replied that ownership didn't necessarily require management, but for kuleana public lands the State was responsible for wildfire management and infrastructure etcetera. The East Molokai Watershed Partnership had an equal interest in managing each of the two Molokai projects. Member Abbott stated that he was grateful to such organizations for all the good work they had been doing on Molokai, where the donor pool was generally smaller. Chair Kaiwi asked if Maui DOFAW would assist with the management of Kalua'aha Ranch; Ms. Yuen required more clarification on what that might require before providing an answer.

Ms. Yuen stated that funding the fence unit had been DOFAW's top priority for Maui Nui for the last two years even though fundraising was still being done. The lower parcels were more marginal because they were no longer native ecosystem, in which case a primary interest would be wildfire management. It was a major goal for DOFAW, which had been aggressively pursuing options to make it happen. Ms. Zoll added that it seemed like Mr. Scott Fretz of DOFAW Maui had been very involved and she expected a lot more involvement and engagement in the future.

Ms. Minn added that community engagement was very important. DOFAW wanted the entire State to be ecologically sound and cared a lot about people. But sometimes there could be a disjoint between DOFAW's mandate and what the community wanted which required compromises, for example, hunting and ungulate management. Communication was especially important.

Ms. Yuen stated that DOFAW would be fencing the area to keep ungulates out but not people. The project was a response to the East Molokai Watershed Partnership's need for a fence, whose vision came from the community to protect the area. If the upper portions of the ahupua'a were protected, this in turn protected the lower portions. The sediment flowed downstream and scientific and cultural knowledge revealed that reefs were impacted by ungulates. DOFAW was excited about protecting this entire ahupua'a because it had components of preventing development in this sensitive area and providing legal access to the shore. The middle areas were degraded but could provide public access for hunting.

Member Menard mentioned the history of DOFAW's aerial shooting interventions. Ms. Yuen replied that this wouldn't be possible without acquiring the site. Member Menard also highlighted the compelling US Geological Survey data about forest recovery after ungulate removal. The areas outside of the fence would also need attention. Ms. Yuen stated that the East Molokai Watershed Partnership would obtain the hunting rights.

Chair Kaiwi asked about the timeframes to restore the sites, and appreciated the comment from Mr. Butch Haase that it would require generations and needed an education focus. He had not noticed this approach in the Pua'ahala application. Ms. Yuen replied that DOFAW had an extensive educational curriculum and trained hundreds of teachers across the State each year, while still wanting to further build their environmental education. They also provided posts for over 100 interns across the State. Member Sinton stated his strong approval of this approach.

Member Buchanan stated that she said supported the Pua'ahala purchase, and encourage an approach whereby the State worked more closely with landowners to find out what they envisaged for the land. She didn't necessarily agree with fencing as the best management option for ungulates and would have liked to see more alternatives such as nets or traps. She voiced her concern about the fact that the lease for the submerged land could be signed by another landowner and would have liked to see it as a single package.

Mr. Rafferty noted that the Kalua'aha Ranch the landowner had already sold one parcel and the TMK's could be taken out one at a time, with a large threat from foreign buyers. The shape of the easement excluded the kuleana parcels on the eastern side. The Molokai Land Trust and landowner wanted to provide community access, and had diminished the size of easement to allow access. The landowner had been very concerned about cultural aspects and it was significant that he owned almost the entire ahupua'a. There were planned improvements to the fishponds, and reforestation would enhance the capacity of the fishponds to be restored. Member Abbott asked if Mr. Rafferty had been engaged in both the Kalua'aha and Pua'ahala projects; he replied that he was not trying to undercut the Pua'ahala project but had not been engaged with it. Member Abbott asked if parts of the two projects were within the Special Management Area (SMA); Mr. Rafferty replied that Kalua'aha was not, while Member Buchanan replied that the makai part of Pua'ahala was within it. The implications of this were that the parcel would have to be subdivided and an SMA permit obtained if developed.

Member Abbott suggested this spoke to the true threat of development. In Molokai, even things that were categorically exempt from SMA still had to be passed through the Molokai Planning Commission for exemption, which involved public hearings. Ms. Yuen confirmed how time consuming and involved these processes usually were. Member Abbott suggested that Pua'ahala was not in imminent danger of development but was in danger of being sold to another developer. The upper TMK extended down to the highway. Kalua'aha is mauka of the highway and would therefore require a building permit but not a SMA permit. Member Menard asked if Member Abbott was suggesting the development threat at Kalua'aha was greater; Member Abbott agreed. Member Sinton added that the reduced ask for Pua'ahala made it more appealing and provided strong leverage for other federal funds (RLA and Forest Legacy).

c) Kaluanono at Waipa (Kauai)

With regards to the Waipa project, Member Menard liked the waterbird aspect. The US Fish and Wildlife Service had identified core and supporting wetlands for waterbirds in adjacent valleys. She suggested that the site could easily become a supporting wetland. This application had the smallest ask and she had been moved by the level of community involvement, spirit and level of planning. Member Shallenberger stated that the applicant had a record of good management, but was disappointed not to hear from Kamehameha Schools at the meeting although they had provided a letter of support. Member Sinton added that if the Waipa Foundation owned the land outright it would give them real leverage as opposed to their somewhat tenuous position.

Member Shallenberger asked if there were any other parcels like this within the lease from Kamehameha Schools. Member Menard replied that there were other inholdings; Member

Shallenberger was concerned about what would happen when the next property was put up for sale. Member Abbott noted that there were seven or eight kuleana parcels, most of which were still within the families. But due to the potential of this parcel being sold to other landowners, he supported its acquisition. Waipa was the only area in the surrounds with a more natural character, and although the parcel didn't have intact habitat, he was very supportive mostly for cultural reasons. Member Menard added that the parcel was walking distance to one on which the Waipa Foundation had infrastructure, and therefore had an advantageous location.

Ms. Laura Kaakua added that when the landowner contacted the Waipa Foundation, they immediately asked Kamehameha Schools if it could be acquired quickly, but didn't think the board would approve that amount of money for one piece of land given the prioritization of education so they approached Legacy Land. A second, more expensive kuleana holding was on sale near the fishpond, but the Foundation was not confident about the chances of getting the trustees to approve the purchase. The other parcels were still owned by families and they hadn't heard of any plans for development. Kamehameha Schools was very supportive of the Waipa Foundation trying to save a place for Hawaiian values.

Chair Kaiwi stated his preference for applications with high management quality. The community was the catalyst and there had been a long history of community involvement. He was impressed that the site could be used for education even at postgraduate level. He hoped the Commission Members could feel that the people really did care about these areas and were dedicated to their legacy. Whether or not land available, he felt that the Waipa Foundation would continue their work because they believed in it.

Member Menard commented on the land being zoned agricultural and producing food (for example poi). She saw it as a good compromise between providing food and waterbird habitat.

Member Buchanan stated that this site was her top priority for acquisition. She had talked to people in area and found that the beachfront area was well maintained and open and able to be used by the community. Member Menard agreed on this site being the top priority. Member Abbott commented that knowing that the site would be managed immediately (if approved) was very reassuring.

Mr. Mike Opgenorth from the Department of Agriculture (DOA) elaborated on their previous concerns that over-encouraging birds would result in crop damage for surrounding farmers. Ms. Stacey Sproat hadn't seemed concerned and wanted to continue to allow their presence; she had helped to mitigate the DOA's concerns. Chair Kaiwi noted that this hadn't been raised as an issue until recently. Member Shallenberger recommended that waterbirds and agriculture were managed in the broader context, from a management standpoint.

Meeting adjourned for break 10:05 a.m.

Meeting resumed 10:19 a.m.

b) Pua'ahala Watershed Acquisition (Molokai)

Member Abbott stated for the record that Ms. Yuen had checked the SMA boundaries and the upper part of the Pua'ahala parcel was not within the SMA. It was therefore was at risk of development without local oversight.

d) Ka Iwi Coast Mauka Lands (Oahu)

Chair Kaiwi recognized the strong advocacy displayed by the community since the late 1970s as well as the demonstrated management abilities of Livable Hawaii Kai in recent years. The cultural resources in the area were also outstanding. Member Menard also stated her support for the project, and that she had been blown away by its cultural significance, which was also evident in the number of letters of support it had received.

Chair Kaiwi noted that the petroglyph of the bird was significant as and was linked to the heiau in the area. He appreciated the opportunity for the community to interpret for themselves what the sites might mean.

Member Abbott asked about the status of private donations. Ms. Kaakua replied that $2.5 million had been received from the City and County of Honolulu to date. They were supportive because it was seen as a State and city partnership for the whole coast. They were committed to raising at least $10,000 for stewardship to begin with, as well as a rainy day fund and that these were necessary steps in completing the purchase. She had spoken with a few individuals with a high capacity to provide funding and received positive feedback. It was important to enough people that it was a realistic fundraising goal.

e) Wai'opae (Hawai'i)

Member Shallenberger commented that he was very supportive of the project. In his opinion, the decreasing price of land in Puna increased the threat of development. He had been impressed with the match and the equal split between county open space money and Legacy Land, and importantly, the partnership in management between these two entities. This would also be facilitated by Malama O Puna and the community who wanted to see it protected. The pollution was more difficult to solve but it was a fascinating place to snorkel. Member Buchanan also expressed her support of the project, and emphasized the importance of access to the shoreline. While on the site visit she had seen a cultural practitioner accessing the beach from the parcel and liked that the project had been spearheaded by the county. The presence of the Marine Life Conservation District also made acquiring the land more important. She believed the County was flexible enough and the community supportive enough to make the project succeed in the long run. Chair Kaiwi also expressed his full support for the project.

Member Menard liked the fact that the burials on the site would be protected and investigated further if the site was acquired. Member Sinton stated that the area was completely incompatible with wastewater injections and wanted to ensure that the mistake was not repeated on this

property. He applauded the county's commitment to managing the site and expected it to be a success. Chair Kaiwi suggested that Malama O Puna might want to connect with organizations such as Liveable Hawaii Kai to get ideas of how to respond to the wastewater issues at this site.

Member Abbott asked if constructed wetlands had ever been considered for the site. Ms. Barbara Bell stated that a county study had recommended low pressure collection lines and treatment but that these were still very expensive. Member Abbott suggested that there might be a lot of litigation if anyone tried to develop this site, but that protecting the parcel without addressing wastewater issues would be problematic. Simple wastewater treatment systems such as a gravel parking lot with a liner and reed-based treatment had been used successfully for 30-40 years in Britain. Overall, Member Abbott was very supportive of this project, and stated that snorkeling here had been a life-changing experience. It was a priority to protect places like this, especially given the lack of beaches.

Ms. Minn stated that the Land Division had been concerned about the price of the land given that part of the property could be affected by lava. She was in favor of the project but wondered if a better price could be attained so as to be frugal with public funds. Member Abbott stated that the County Finance Department was negotiating and trusted they would obtain the best price. Ms. Alexandra Kelepolo confirmed that the county did not intend to pay the asked price. Member Menard asked if award money could be returned if the price dropped below what was requested. Ms. Schmidt confirmed that Legacy Land had started managing the issue of reduced values by using a percentage of matching funds (rather than a fixed amount) so that the proportion of grant funding to match would stay consistent if the price dropped.

Member Sinton confirmed that this was a geologically unique place and one of the few places where pahoehoe extended to the coast. As one of the only reefs in Puna and the whole east side of the Island, this site was important to acquire.

Ms. Kaakua asked about the procedure if a project was highly ranked for funding and then sold for a lower price. Ms. Schmidt replied that if the applicant notified Legacy Land before the board meeting, after first consulting with the House Speaker and Senate President, there might be time to reduce the ask. This would be subject to confirmation from the Attorney General.

f) Helemano (Oahu)

With regards to the Helemano application, Member Sinton had identified problems with the application in the sense that it was unclear which parts of the access road were in the parcel and which lands Dole had been offering for sale. In spite of that, he viewed it as an important parcel. It had real potential for the establishment of a camping ground, hunting, hiking, mountain biking, as well as a real, urgent threat of development as it was prime accessible land in central Oahu. Access to Poamoho and the Ewa forest reserve were also important. In his opinion, purchase might not solve all of the problems and an easement might be required. He would eventually like to see it under control of the State but it was the most expensive of all the applications.

Member Shallenberger added that the threat level had increased with the marketing of Dole properties but there had been a compelling need for access to the Poamoho trail which should be priority. There was a good match between funding sources, but all of the other sources were pending, presenting an issue.

Ms. Zoll agreed that it was a difficult project because of the degree of uncertainty. An easement option was a high priority for DOFAW too, and she wished there was more information available. Member Shallenberger recognized that the parcel was important for the management of the Natural Area Reserve, but also that there were risks involved and that the project might not be ready yet. He wished to know if there were indications it might be sold. Ms. Zoll added that she hadn't heard of other offers from Dole but that it might be sold as a bulk sale so DOFAW was working with other partners to negotiate this.

Member Abbott had concerns about price. If Helemano was compared to Pupukea, it was large and would provide key recreation benefits although it was not intact habitat. But between the two, Pupukea seemed like the better value because of its mauka to makai orientation.

Member Buchanan said that she had hoped Helemano could be funded, especially because of access concerns for forest management and public access. She felt that all of Dole's land was in danger of being bought but was unhappy about the Department of Defense being in the middle. She gave an example of DOFAW looking into purchasing another property for 20 years, then that property being purchased above asking price without warning and she didn't want this site to become a missed opportunity. It was hoped that the State could acquire Helemano by some means in the future.

Member Menard would have liked to see State control of the land at Helemano for access to Poamoho, but she was not convinced that Dole was offering the portion with the access road, which was very important to determine in light of the investment. It would have been nice to see some community or hunting support for the project. The adjacent parcel might still be on the market if it was purchased.

g) Pupukea Mauka (Oahu)

Member Sinton stated that in some ways this site was a bargain. It was the largest parcel by far and contained a large portion of the watershed. It was difficult to imagine the property being using for anything other than watershed protection. A windfarm might be a threat but this would be difficult because of the topography. It was already zoned conservation so it had a certain level of protection, but would be nice to acquire at some point. Member Menard agreed but suggested that more community members could have supported the application. Member Sinton also noted that he had seen many people accessing the area even though it was closed during the week.

Member Abbott asked about the subzone of the conservation district, and if it would allow rustic campsites to be developed. Ms. Zoll replied that she was unsure of the zoning but could check. DOFAW hadn't had the opportunity to explore those options but it might be feasible on the

mauka side of the road or along the Pupukea summit trail. In Member Abbott's opinion, the site was good value and more useful than Helemano but wasn't highly threatened (depending on the resource subzone). Ms. Minn added that the Pupukea site would not receive enough wind to make it viable for windfarm development.

Member Abbott asked if other parties had expressed interest in the site. Ms. Zoll stated that the adjacent landowner had been interested. The Sikes Act required that the military provided access to the public but this was difficult.

Member Shallenberger agreed that improving access to Poamoho would open up opportunities for research and recreation, particularly at such a reasonable price. In Ms. Zoll's opinion, Pupukea Mauka seemed more ready to be funded that Helemano as it was less of a moving target and was offered for sale on its own and not in bulk.

Member Menard appreciated the connectivity of this site to other protected parcels. Member Buchanan stated that the recorded use of Poamoho was 8,000 people annually (on weekends only) which highlighted the vast need for recreation. Ms. Zoll commented that Helemano was currently at its maximum use and that Sunset Ranch had approached DOFAW about moving the gate back so as to provide better parking for the public. This might increase access but might not necessarily make the site more viable. Member Buchanan added that there was a very small road in the area, and that the residents probably wouldn't appreciate additional public access.

Chair Kaiwi voiced his concern about the two projects having the same management section in their applications. Helemano had good recreational opportunities, while Pupukea Mauka was very different, which would require different stewardship and management interventions. The applications hadn't provided a very clear picture of how DOFAW wanted to manage the sites.

Chair Kaiwi reminded the Commission members that the ranking forms were public record, following which the projects were ranked.

Meeting adjourned for break 11:20 a.m.

Meeting resumed 11:47 a.m.

Ms. Schmidt provided the rankings, which were as follows:

1. Kaluanono at Waipa (Kauai): 6/6, average score 1.00
2. Ka Iwi Coast Mauka Lands (Oahu): 10/6, average score 1.67
3. Wai'opae (Hawai'i): 11/6, average score 1.83
4. Kalua'aha Ranch Conservation Easement (Molokai): 12/5, average score 2.40
4. Pua'ahala Watershed Acquisition (Molokai): 12/5, average score 2.40
5. Pupukea Mauka (Oahu): 18/6, average score 3
6. Helemano (Oahu): 22/6, average score 3.67

Ms. Kaakua asked by when the awardees should inform Legacy Land of any decrease in price so as to submit before the Board meeting. Ms. Schmidt replied that this was usually due 13 days before the board meeting but that she would inform the awardees of the deadlines. Letters to the Speaker were to be sent out the following week, and a reply was usually received by mid-January. She confirmed that the funding was estimated at $4.5 million. The top 5 projects had been fully funded, with Pupukea Mauka being awarded approximately $416,125 of its ask.

Chair Kaiwi entertained a motion, Member Buchanan moved that the rankings be accepted as proposed. Member Shallenberger seconded the motion, while all were in favor.

ITEM 5. Discussion and possible action regarding a November 23, 2014, written request from Ala Kahakai Trail Association to modify a project approved for Fiscal Year 2012 funding from the Legacy Land Conservation Program by incorporating a conservation easement to the Hawaiian Islands Land Trust

Ms. Gail Byrne thanked the Commission Members for helping to get the project off the ground. They had received $1.4 million from Legacy Land as well as all of the matching funding. She described it as a wonderful project which had had grassroots support since the beginning. It had been a great partnership between the community Ala Kahakai Trail Association (501C3) and National Parks Trails. She had returned to ask for approval for putting additional protections on the land to protect resources. This was important to do before the project closed given the statutory potential for a payback. The landowner had been really gracious. It had been a seven year process with six parcels, this being the final one. The holder of the easement for the last parcel was discussed.

Chair Kaiwi asked if there was anything the Commission members should be aware of about the easement. Ms. Schmidt replied that she hadn't reviewed the easement because whenever substitutive change were made to a project, it was required to go back to the Commission, as well as being consulted with the Senate and House Speakers. The DLNR Chairperson had authority to make changes to a grant. Payback revision was within the Legacy Land statutes after land was acquired if the applicant wanted to do so. A proportion of funding must be returned to the Legacy Land program.

Chair Kaiwi asked if the Commission would have time to review the draft easement. Ms. Schmidt replied that staff would typically review the easement. At that point it was just the idea of the easement that was requiring approval.

Ms. Byrne thanked the Commission members for their belief in the initial project and stated that a number of projects including restoration had since been launched.

Chair Kaiwi entertained a motion, Member Sinton moved that the request from the Ala Kahakai Trail Association be approved. Member Menard seconded the motion, while all were in favor.

ITEM 6. Announcements

Ms. Schmidt mentioned that the Cave Conservancy of Hawaii had offered to provide a presentation to the Commission on the system of protected areas. Ms. Kaakua added that she would like to provide a presentation on Oahu Greenprint project, although there were no time constraints for this. Member Shallenberger noted his interest in both of the presentations. Chair Kaiwi also requested status updates of the Trust for Public Land projects the Commission had funded.

Ms. Schmidt suggested the next meeting for late March / early April. All were in favor.

Member Abbott mentioned a pertinent legislative issue. If a corporation purchased land, the State did not derive any tax benefits, meaning money would not be infused into the Legacy Land program. He hoped that the exemption could be removed. Ms. Yuen commented that this was a loophole that had been billed in previous legislative sessions but that it had failed every time. With the change of administration, the new Governor had said that he wanted to ensure the Department of Taxes collected those that were owed. It would therefore be important for the Commission and interested parties to support this. She suggested Senator Oakland as a contact. Member Buchanan asked if Ms. Yuen was suggesting that BLNR submitted a letter of support. Representative Calvin Say was aware of this issue.

Chair Kaiwi mentioned that Ms. Schmidt and himself had met with Dan Dennison of DLNR to create synergy around what had been achieved by the Commission since 2007 and to emphasize the importance of conservation to the State of Hawaii. This would involve interfacing more with legislators so that they were aware of this before bills were introduced. Ms. Yuen added that DLNR staff was limited in what they could achieve at the legislature. If requests were rejected, they were unable to return and ask for a ceiling increase, thus increasing their reliance on people outside of the organization. For example, the invasive species funding had support on the ground for $5 million over $1 million. Chair Kaiwi mentioned that there was an educational outreach component which had fallen off the table, and he hoped that the legislature was well aware of it and why it should be supported.

Ms. Minn added that the Governor's office should be involved to increase the likelihood of success. If the Governor was expecting a bill then it had to come out at the conference. If the Governor had no knowledge or interest in it then they wouldn't know if it had died at the conference.

Chair Kaiwi asked the Commission Members if there were any objections. Member Abbott strongly encouraged the initiative and was happy to contribute to it. Member Shallenberger mentioned that it couldn't be included in the job description for Commission Members; Chair Kaiwi replied that good intentions were often marred by red tape and policy and whatever was required to attain better conservation laws should be implemented.

Member Buchanan suggested that a legislative briefing could be held if sponsored by other organizations, for example DLNR. Ms. Schmidt asked if this would be solely Legacy Land or if

it would be appropriate for other applicants to join. Member Buchanan suggested this was possible as long as it stayed succinct.

Chair Kaiwi asked if a strategic meeting could be held before April to deal with ideas for implementing legislative changes. Ms. Yuen suggested that for the maximum effect, briefings should be held before the opening of the legislature in January. Ms. Schmidt suggested a meeting between Chair Kaiwi, Ms. Lisa Hadway and herself, to which Chair Kaiwi agreed. Member Abbott suggested the target should be the 2016 session as meetings with legislators were usually scheduled in the fall and presentations done in the spring. Ms. Yuen suggested a briefing, site visits and one-on-one meetings with DLNR.

Chair Kaiwi mentioned that if the tax bill came up again, they should be ready to support it. Ms. Yuen commented that the ceiling increase was more of a procedural thing and not a huge ask.

Chair Kaiwi wanted to leave the strategic meeting open to Commission members; Ms. Schmidt needed to confirm the implications of Sunshine Law for this, but added that two commissioners could meet.

Member Menard asked that Ms. Zoll report back on the title status for Helemano, as she was interested in improving access for the community. Ms. Zoll replied that the Trust for Public Land was the co-applicant and that they would be reporting back on the project update in any case. Ms. Kaakua confirmed that she was happy to support this process. Member Shallenberger recognized the Trust for Public Land's involvement in the Legacy Land process, specifically the efforts of Ms. Kaakua, and had noticed a marked improvement in their applications to Legacy Land over the years.

Ms. Schmidt provided the Commission members with a letter of thanks submitted by Ms. Ursula Retherford.

ITEM 7. Adjournment

Chair Kaiwi motioned to adjourn the meeting, while Member Shallenberger seconded the motion. All were in favor. The meeting was adjourned at 12:25 p.m.

DONNA MERCADO KIM
PRESIDENT

WILL ESPERO
VICE PRESIDENT

SAM SLOM
MINORITY LEADER

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SECOND DISTRICT
RUSSELL E RUDERMAN

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TWENTY-FOURTH DISTRICT
JILL N TOKUDA

TWENTY-FIFTH DISTRICT
LAURA H THIELEN

CHIEF CLERK
CAROL TANIGUCHI

The Senate

STATE CAPITOL
HONOLULU, HAWAII 96813

January 12, 2015

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DEPT. OF LAND
& NATURAL RESOURCES
STATE OF HAWAII

Mr. Carty Chang
Acting Chairperson
Department of Land and Natural Resources
Kalanimoku Building
1151 Punchbowl Street
Honolulu, HI 96813

Dear Mr. Chang:

I am in receipt of a letter dated December 16, 2014 by former Chairperson William Aila Jr., requesting my review and consultation regarding the Legacy Land Conservation Commission's funding recommendations of projects for Fiscal Year 2015 Legacy Land Conservation Program.

This letter acknowledges that you are seeking comment to fulfill your statutory requirement pursuant to Hawaii Revised Statutes, Chapter 173 A, that requires the Department to request consultation on the list of recommended projects with the Senate President, prior to submitting them to the Board of Land and Natural Resources for approval.

After review, we currently have no comments as to the Board allowing the Hawaiian Islands Land Trust to hold a conservation easement over the property to be acquired by Ala Kahakai Trail Association (AKTA) in fee.

Sincerely,

Donna Mercado Kim
Senate President

c: Kaiwi Nui, Chairperson, Legacy Land Conservation Commission

JOSEPH M. SOUKI
SPEAKER

HOUSE OF REPRESENTATIVES

STATE OF HAWAII
STATE CAPITOL
HONOLULU, HAWAII 96813

January 22, 2015

Carty S. Chang, Acting Chair
Department of Land and Natural Resources
P.O. Box 621
Honolulu, Hawaii 96809

Dear Chair Chang:

Thank you for your letter dated December 16, 2014 in which you submit for my review and comments to the Board of Land and Natural Resources to amend a project that received funding under the Fiscal Year 2012 Legacy Land Conservation Program.

After reviewing the draft, I currently have no concerns or objections to this item proposed in your attachment.

Sincerely,

Joseph M. Souki
Speaker of the House