

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Boating and Ocean Recreation
Honolulu, Hawaii 96813

September 25, 2015

Board of Land and
Natural Resources
Honolulu, Hawaii

HAWAII

Request for a Reduction in Rent Regarding a Right-of-Entry Permit Issued to
Ironman World Championships for the Purpose of Conducting a
Triathlon at the Kailua-Kona Pier, Hawaii. Tax Map Key: 7-5-006:039

APPLICANT:

Ironman World Championships, whose mailing address is 74-5599 Alapa St. #1 Kailua-
Kona, HI 96740

LEGAL REFERENCE:

Sections 171-55, Hawaii Revised Statutes, and HAR 13-234-15 as amended.

LOCATION:

Portion of Government lands of Kailua-Kona Pier situated at Lanihau, North Kona,
Hawaii, identified by Tax Map Key: 7-5-006:039, as shown on the attached map labeled
Exhibit A.

AREA:

60,000 sq. ft., more or less

TRUST LAND STATUS:

Section 5(B) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution:
YES NO

CURRENT USE STATUS:

Presently used as an active wharf for mooring, parking, fueling, boat trailer parking, commercial activity, restrooms, boat ramp, loading/unloading passengers, cruise ship port of call, and various marine related sporting events and activities.

CHARACTER OF USE:

Conducting the 2015 Ironman World Championships. The area requested will be used as a storage area for bikes/equipment during the transition stages of the event. The area is also used as the beginning leg of the triathlon. Bikes/equipment will be stored in areas marked by triathlon personnel.

TERM OF RIGHT-OF-ENTRY:

The event is set to run for four days from Wednesday, October 7, 2015 thru Saturday October 10, 2015.

CONSIDERATION:

Rental for 4-day usage requiring exclusive use for this area of the pier based on the approved Board submittal, Item J-2, December 12, 2014 and the request for a reduction in rent is based on Hawaii Administrative Rules, 13-234-15. $60,000 \text{ sq. ft.} \times \$0.25 = \$15,000.00 \times 4 \text{ days} = \$60,000$. We are requesting a 50% reduction in rent.

CHAPTER 343 — ENVIRONMENTAL ASSESMENT:

In accordance with the Comprehensive Exemption List for the Division of Boating and Ocean Recreation, Department of Land and Natural Resources, State of Hawaii, as concurred in by the Environmental Counsel, State of Hawaii, dated March 1995, the subject is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 that states in pertinent part, "Operation, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing". The subject support areas will have negligible or no expansion or change of use beyond that previously existing and exempt from the preparation of an Environmental Assessment.

REMARKS:

The Ironman Triathlon originated on the island of Oahu in 1978. Since 1981, the triathlon has been conducted at the Kailua-Kona pier. The Ironman Triathlon brings thousands of people to Hawaii Island who need accommodations, frequent the various restaurants, shops, etc. and provide a substantial boost to the local economy. Because of the benefits that the event brings to Hawaii island and the fact that the full rent of \$60,000

could put an undue hardship on the event, we request a fifty percent reduction in rent based on HAR, 13-234-15, Waiver of Fees.

RECOMMENDATION:

That the Board authorize the request from Ironman World Championships for a fifty percent reduction in rent for the Right-of-Entry permit for the use of Kailua-Kona pier for the purpose of conducting a Triathlon according to HAR, 13-234 15.

Respectfully Submitted,



Edward R. Underwood
Administrator

Attachment: Exhibit A
Exhibit B

APPROVED FOR SUBMITTAL:



Suzanne D. Case
Chairperson

IRONMAN® WORLD CHAMPIONSHIP

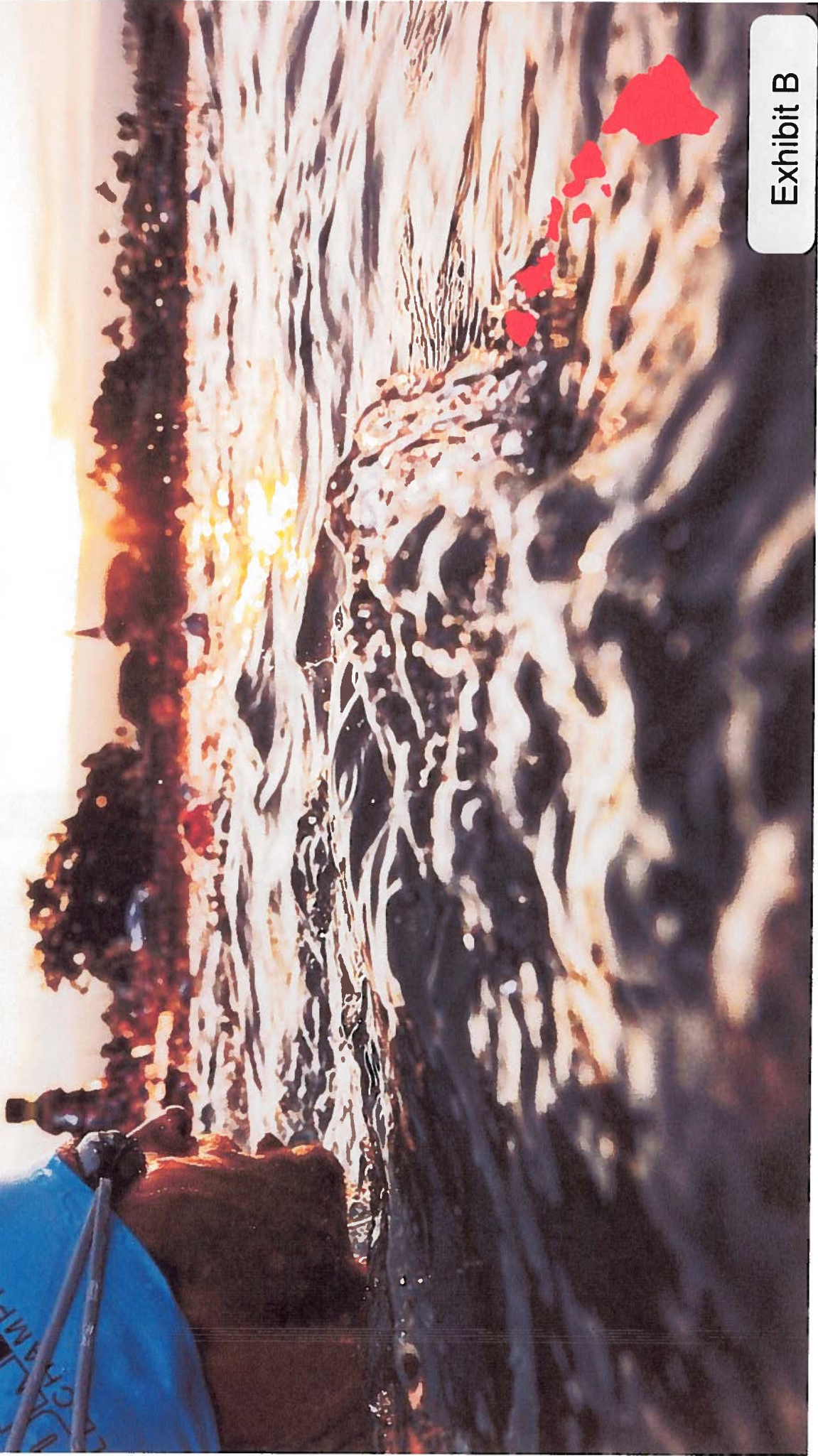


Exhibit B

History of the race

- Born on the Island of Oahu in 1978
- A bet was made as to who was more fit – swimmers, runners or other athletes
- A race was devised to settle the wager using existing courses
- The race was to be concurrent
- The total distance being 140.6 miles
 - ❖ Waikiki Roughwater Swim (2.4 miles)
 - ❖ Around Oahu Bike Race (112 miles)
 - ❖ Honolulu Marathon (26.2 miles)
- On February 18, 1978
 - ❖ 15 men competed
 - ❖ 12 finished
 - ❖ The race was won by Gordon Haller
 - ❖ Time: 11 hours, 46 minutes & 58 seconds
 - ❖ In 1981 the IRONMAN moved to Kailua-Kona, Hawai'i



IRONMAN World Championship the Business

LOCAL & STATE IMPACT:

- #1 Media credentialed sporting event in the state.
- IRONMAN generates over \$25.9 million in direct sales.
- Tax Revenue exceeds \$1.4 million annually.
- The direct sales and taxes account specifically for the October event. It does not include year round IRONMAN related revenue generators i.e.:
 - ❖ Year Round Training camps
 - ❖ IRONMAN 70.3 Hawai'i
 - ❖ Athletes visiting to train on the IRONMAN race course.
- Participants stay on average of 8.32 days on Hawai`i Island and 12.16 days statewide.
- The athletes bring with them on average 2.62 companions.
- The athletes tend to stay 30% longer than other tourists.

Mark Rich Research Economic Impact Study



IRONMAN World Championship the Business

LOCAL & STATE IMPACT: (continued)

- 47.5% of the visitors visited other neighbor islands before or after the race.
- In comparison to other visitors, IRONMAN athletes typically will return to the island repeatedly to train and race year after year.
- Corporate Staff, Partners, Media & Production Crews are not included but are also a significant economic impact during this time.

Mark Rich Research Economic Impact Study



IRONMAN in the Community

Since 2003 the IRONMAN Foundation has made philanthropic contributions of over \$7 million to numerous nonprofit beneficiaries across the United States. The mission for the IRONMAN Foundation is: "through philanthropy, voluntarism and grant making; to support various athletic community, education, health, human services and public benefit non-profit organizations in an effort to leave the IRONMAN legacy in communities across the world."

COMMUNITY DONATIONS:

\$1 Million

2003 - The IRONMAN Foundation committed to providing funds toward the construction costs of the NEW Kona YMCA facility.

\$42,000.00

2006 - IRONMAN donated to the Daniel Robert Sayre Memorial Foundation for Hawai'i Fire Department rescue equipment.

\$32,286.00

2007 - IRONMAN donated 10 bleachers to the County of Hawai'i Parks and Recreation improvements.



IRONMAN in the Community

\$40,340.00

2008 - IRONMAN donated a FORD E350 15 passenger van, insurance and gas for a year to the Hospice of Kona for their volunteer program.



IRONMAN in the Community

\$55,720.00

2008 - IRONMAN donated a Wild Land Fire Fighting Truck for the Volunteer Company 7-Bravo Fire Fighters



Mahalo to the
IRON MAN FOUNDATION
Firefighters of Volunteer Company 7-Bravo
Hawaii Fire Department



IRONMAN in the Community

\$50,000.00

2008 the IRONMAN Foundation provided cash donations to a variety of organizations on the Big Island: Ronald McDonald House/ American Cancer Society/ Red Cross/ Ellison Onizuka Space Center /Hawai'i Junior Life Guard Program / Friends of the Library Kona/ Special Olympics/ Society for Kona's Education and Art Schools/ Kona Historical Society/ Habitat for Humanity.

\$4,000.00

2009 IRONMAN provided Hospice Camp Erin (Grief Camp) 60 cold/rain weather jackets donated to campers.

\$10,000.00

2009 a donation was given towards park renovations to improve Higashihara Park.



IRONMAN in the Community

\$35,887.00

2009 PATH (Peoples Advocacy for Trails Hawai'i) received a Ford E350 15 passenger van, insurance and gas for a year to be used for the bike education program.



IRONMAN in the Community

\$10,000.00

2010 – Ahu'ena Heiau - Contribution towards the restoration of the Hale Mana, "House of Strength." This is the largest of the five structures located at Ahu'ena Heiau.



IRONMAN in the Community

\$10,000.00

2010 – Hawaii County Police Department - 8 Police Bicycle Packages for use by the Hawaii County Police Department in providing additional mobility in and around the downtown Kailua-Kona area.



IRONMAN in the Community

\$20,185.29

2011 – Canoe Park by King Kamehameha Beach Hotel - Contribution towards the cleanup and restoration after the March tsunami.

\$15,520.00

2011 – IRONMAN donated to Daniel Robert Sayre Memorial Foundation:



- **Five Zoll Automatic Defibrillators for the Hawaii County Fire**



- **20 Wildland Fire Jackets for 7-Bravo Fire Fighters**



- **20 Wildland Fire Boots for 7-Bravo Fire Fighters**



IRONMAN in the Community

\$60,000

2012 – The IRONMAN Foundation donated funds and recruited volunteers to renovate the Maka`eo Event Pavilion, a widely used venue for the community. Improvements made included electrical repairs, exterior facelift and landscaping overhaul.



IRONMAN in the Community

2013 - \$19,552.00

- **\$7,050.00**

Hospice Kona received a truck to be used for large donation pick ups and deliveries for Memory Lane.



- **\$12,502.00**

IRONMAN donated the **Long Range Communications System** for the Fire Department through the Daniel Sayre Memorial Foundation



IRONMAN in the Community

\$20,000.00

2014- The IRONMAN Foundation contributed to the Estria Foundation's youth engagement program, Mele Murals. Fifty students of various Hawai'i Island high schools participated in creating large-scale murals while learning about Hawaiian culture and historical heritage.



IRONMAN in the Community

\$19,255.00

2014 – Daniel R. Sayre Memorial Foundation – Proceeds funded Swift Water Rescue Technician Certifications to Fire, Emergency and Safety personnel.

\$10,000.00

2014 – Donation to Neighborhood Place of Puna to help deflect the challenges that are faced within the community's district.



Other IRONMAN Cash Donations (2009-2014 - \$211,350.00):

- AAUW
- Academy Masters Swim Team
- Advocats
- Ahu'ena Heiau, Inc.
- Aloha Performing Arts Company
- Aloha Productions
- American Cancer Society
- American Red Cross
- ARC of Hilo
- ARC of Kona
- Aulani's Hula Halau
- AYSO Soccer
- Boy Scouts of America
- Brothers Hawaii Motorcycle Club
- Chamber Orchestra of Kona
- Daughters Of Hawai'i
- Deep and Beyond
- Derek "Brown Bear" Haspe & Family
- Destination Kona Coast
- Family Support Services of West HI
- Friends for Children's Justice Centers (East and West Hawai'i)
- Friends for Fitness
- Friends of the Future
- Friends of the Libraries Kona
- Girl Scout Council Hawai'i
- Habitat for Humanity
- Hawai'i Cycling Club
- Hawai'i Firefighters Association
- Hawaii High School Rodeo Association

- Hawai'i Hotel Industry Foundation Charity Walk
- Hawai'i Island Food Bank
- Hawai'i Island HIV/AIDS Foundation
- Hawai'i Island Humane Society
- Hawai'i Island Charity Walk
- Hawai'i Island United Way
- Hawaiian Lifeguard Association
- Hilo Rotary Club
- Honokaa High School
- Hope Church
- Hospice of Kona
- HPA Girls Basketball
- HPA Girls Volleyball
- Hualalai Academy
- Kahakai Elementary School
- Kai E Hitu Canoe Club
- Kai Opua Canoe Club
- Kailua Raiders Pop Warner
- Kamehameha Schools West Hawaii PTA
- Kawaihae Canoe Club
- Kealahehe High School Cross Country
- Kealahehe High School JR ROTC
- Kealahehe High School Football
- Kealahehe Interact Club
- Kealahehe Project Grad
- Kealahehe High School Special Education Autism Program
- Kealahehe Warlords Youth Athletics
- Keauhou Canoe Club
- Keoua Canoe Club



Other IRONMAN Cash Donations (continued)

- KOA Puna Motorcycle Club
- Kohala Mission School
- Kona Adult Day Center
- Kona Christian Academy
- Kona Church of Nazarene
- Kona Coffee Cultural Festival
- Kona Historical Society
- Kona ELKS Lodge 2616
- Kona YMCA
- Kona 2nd Ward
- Konawaena High School Boys Basketball
- Konawaena High School Girls Basketball
- Konawaena High School Cheerleaders
- Laupahoehoe Motorcycle Club
- Living Hope Church Holualoa
- Makoa Wahines
- Makua Lani Christian School
- Na Ka Lai Wa'a
- Na Kane Oke Awawa
- Na Leo `o Hawai'i
- Na Lima Hana
- Na Wa Iwi Ola
- New Hope Christian Fellowship
- North Kohala

- Community Resource Center
- Parker School
- PATH
- PEO Sisterhood
- Puko A Kani Aina
- Onizuka Space Center
- Ronald McDonald House
- Salvation Army
- Shriners Hospital for Children
- Solid Rock Ministries
- St. Michaels Church
- Special Olympics West Hawai'i
- SHOP
- The Mankind Project (New Warriors Hawai'i)
- Tui Tonga Canoe Club
- University of the Nations
- Visitor Aloha Society of Hawai'i (VASH)
- Waikoloa Canoe Club
- Waimea Outdoor Circle
- West Hawai'i Community Health Center
- West Hawai'i County Band Friends
- West Hawaii Exploration Academy
- WHEA Robotics
- Young Women's Youth Group of Kei Ward
- Youth with a Mission/University of the Nations



Hawai'i Community Kokua Program

\$41,871.00

2014 In-Kind Donations

IRONMAN also operates its Hawai'i Community Kokua Program. This involves loaning equipment to non-profit organizations, special events and athletic clubs around the Big Island throughout the year. The program promotes a positive and healthy lifestyle for the people of Hawai'i that is compatible with the mission of IRONMAN.

➤ IRONMAN supported over 70 community events throughout the year

IRONMAN provides:

- **Coolers**
- **Tables**
- **Chairs**
- **Delineators**
- **Fencing**
- **Barricades**
- **Cups**
- **IRONMAN Perform**
- **Signage**
- **Cones**
- **Trash Cans**

The following organizations have benefited:

Kona Brewing Company, Jackie Rey's Senior Softball team, Mayor's Softball Tournament, Super Bowl Run for Luekemia, Rotary Club, Fun2jump, Hawai'i Cycle Club, Echo City Knockouts, Kealakehe Interact Club, WaveRider Cleanup, Run for the Hops, WaveRiders Triathlon Club, PATH, Lavaman, HCC, Neighborhood Place of Kona, Solid Rock Ministries, Pohaku Strength Training Gym, Hawai'i Fire Department, Kai E'hitu Canoe Club, Keahou Canoe Club, Kona Marathon, Hapuna Junior Lifeguard, Hilo Triathlon, Hospice of Kona, Estria Foundation, Kai`Opua Canoe Club, Jingle Bell Run, Living Stones Church, Holualoa Music Festival, Keahou Shopping Center Halloween Party, Kau Coffee Trail Run, Ultraman

