

House District 7

Senate District 3

THE TWENTY-SIXTH LEGISLATURE  
HAWAII STATE LEGISLATURE  
APPLICATION FOR GRANTS & SUBSIDIES  
CHAPTER 42F, HAWAII REVISED STATUTES

Log No 112-C

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST - OPERATING

GRANT REQUEST - CAPITAL

SUBSIDY REQUEST

Rec'd JAN 28 2011

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

STATE PROGRAM LD. NO. (LEAVE BLANK IF UNKNOWN):

1. APPLICANT INFORMATION:

West Hawaii Veterans' Cemetery Development and Expansion Association

Legal Name of Requesting Organization or Individual:

Db:

Street Address: 76-992 S Pueo Pl, Kailua Kona, HI 96740

Mailing Address: 76-992 S Peuo Pl, Kailua Kona, HI 96740

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name JOHN GROGAN

Title President, WHVCDEA

Phone # 808-326-2309

Fax #

e-mail rosemifsu@aol.com

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION
- FOR PROFIT CORPORATION
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

PLANNING, ASSESSMENT AND DESIGN OF THE WEST HAWAII VETERANS CENTER

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #:

7. AMOUNT OF STATE FUNDS REQUESTED:

FY 2011-2012: \$ 500,000

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
- EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$ 0

FEDERAL \$ 0

COUNTY \$ 0

PRIVATE/OTHER \$ 0

NAME & TITLE OF APPLICANT REPRESENTATIVE:

JOHN GROGAN, PRESIDENT  
NAME & TITLE

JANUARY 26, 2011  
DATE SIGNED

## Application for Grants and Subsidies

*If any item is not applicable to the request, the applicant should enter "not applicable".*

### I. Background and Summary

→ SEE ATTACHED FOR ALL

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

1. A brief description of the applicant's background;
2. The goals and objectives related to the request;
3. State the public purpose and need to be served;
4. Describe the target population to be served; and
5. Describe the geographic coverage.

### II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request.

1. Describe the scope of work, tasks and responsibilities;
2. The applicant shall provide a projected annual timeline for accomplishing the results or outcomes of the service;
3. The applicant shall describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and
4. The applicant shall list the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the

measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

**III. Financial**

**Budget**

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2011-2012.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant

3. The applicant shall provide a listing of all other sources of funding that they are trying to obtain for fiscal year 2011-2012.

**IV. Experience and Capability**

**A. Necessary Skills and Experience**

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

**B. Facilities**

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable.

**V. Personnel: Project Organization and Staffing**

**A. Proposed Staffing, Staff Qualifications, Supervision and Training**

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

**B. Organization Chart**

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.

**VI. Other**

**A. Litigation**

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

**B. Licensure or Accreditation**

Specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

## I. Background and Summary

Applicant is the West Hawaii Veterans' Cemetery Development and Expansion Association (WHVCDEA) founded initially in January 2005 to address the needs of the West Hawaii Veterans' Cemetery. WHVCDEA is composed of representatives of all the active military veterans' groups in West Hawaii. Membership includes and is open to any person in the West Hawaii community interested in the cemetery's welfare.

WHVCDEA functions as the unofficial caretaker of the West Hawaii Veterans' Cemetery in cooperation with the County of Hawaii which manages and provides services to the cemetery which is State owned.

The WHVCDEA's achievements include obtaining philanthropic funding for fencing in 62 acres of cemetery land, obtaining and installing sod on the original burial field, and planting over four thousand native Hawaiian plants donated by local businesses and civic groups in an effort to reestablish the dry land forest that thrived along the coast in earlier centuries. As a consequence of six years of effort, the West Hawaii Veterans' Cemetery has evolved from a "Boot Hill" appearance to having been designated by the U.S. Department of Veterans' Affairs in December 2010 as "Shrine" status – an achievement matched by only two other State veterans' cemeteries in America.

In March 2005, the Internal Revenue Service issued a determination letter granting the Association exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

The goals and objectives of WHVCDEA are to provide sufficient justification warranting the State to construct a Veterans' Center in West Hawaii.

The public purpose of the Veterans' Center would be to serve the needs of half of the County's estimated 17,000 military veterans who would then have a single, convenient, centralized location to visit when in need of a veteran's agency or a place to meet to address veterans' issues. The facility could also be used by West Hawaii reservists and others in the community such as the Civil Air Patrol, JROTC, etc. Part of this request includes determining the scope of the project based on supporting the needs of state and county entities and the community. The Center's parking, kitchen and meeting areas will be of sufficient size so the facility is rented out to those in the community in order to be financially self-sustaining.

Locating the Veterans' Center near the entrance road of the West Hawaii Veterans' Cemetery would make it geographically central to all veterans living in West Hawaii. The proposed location is approximately halfway along the coast and not far from a major shopping area on the Kona side of the island housing popular businesses such as Costco and Home Depot. The proposed location is just off Highway 19 - the major thoroughfare along the coast.

## II. Service Summary and Outcomes

1. The scope of work includes initial planning, site selection, environmental assessments for development and architectural design and engineering work. Responsibilities will be determined by agreement with the State of Hawaii, Department of Defense (DOD), the expected expending agency. WHVCDEA will: comply with Chapter 42; employ or have under contract a qualified project coordinator; allow DOD and auditor full access to records and documents pertaining to the project to assure proper expenditure of public funds; administer the contracts for planning, design and construction, including advertisement, award, and fiscal project accounting; prepare the consultant's scopes of work; approve all requests for payment subject to DOD review; and maintain the final selection of material, equipment, and matters of user preference. DOD will: provide consultant selection support; assist in preparing scopes of work; authenticate work progress of consultants and contractors; and coordinate land acquisition.

2. Timelines are:

Land acquisition	May 2011
Environmental Assessments	August 2011
Design/Planning	May – Dec 2011
Construction (start)	Jan 2012

3. With DOD assistance, WHVCDEA will monitor and evaluate consultant and contractor compliance. WHVCDEA has experience with receipt of cemetery funding and monitoring outcomes. DOD has specific expertise in construction projects.

4. As described, the agreement between DOD and WHVCDEA will spell out responsibilities. The consultant/contractor will be required to produce deliverable products that meet established rules, regulations, specifications and DOD and WHVCDEA requirements. Any contracts will ensure deliverables achieve the necessary accomplishments.

## III. Financial

Additional federal funding will be pursued on a matching basis, if the planning process results in a facility that meets the requirements for applying for federal funding. Any federal funding would apply towards the construction phase and not the assessment or design/planning phase.

Quarter 1	Quarter 2	Quarter 3	Quarter 4
\$200K	\$300K	TBD	TBD

Other potential sources of funding will depend upon the scope of the project and may include federal Veteran Administration and Department of Defense monies.

#### IV. Experience and Capability

WHVCDEA is capable of coordinating with DOD, the Hawaii State Office of Veteran Services (OVS) and other entities to ensure the required services are appropriately provided. WHVCDEA has previously coordinated such efforts with respect to the highly successful veterans cemetery, which recently was recognized for its superior accomplishments, as described in this excerpt from a news article:

The West Hawaii Veterans Cemetery, touted as the "Arlington of the Pacific," has been given shrine status the U.S. Department of Veterans Affairs. That makes the 62-acre cemetery in Kailua-Kona one of just three state-owned veterans cemeteries nationwide to have that distinction. It's the only Hawaii cemetery so recognized -- which comes with no extra money, just bragging rights, said John Grogan, president of the West Hawaii Veterans Cemetery Development and Expansion Association.

In addition, WHVCDEA is closely coordinating with the Veterans Centers on Oahu, Kauai and Maui to ensure their lessons learned are evaluated and applied to this project. The collective experience necessary for this project exists and is actively engaged.

#### V. Personnel

WHVCDEA has been an IRS certified 501(c)(3) organization since March 2005. WHVCDEA has a fully functioning board and with motivated officers, directors and members necessary for and capable in the management of this project.

#### VI. Other

WHVCDEA is not involved in any pending litigation.

**BUDGET JUSTIFICATION  
CAPITAL PROJECT DETAILS**

Applicant: WHVCDEA

Period: July 1, 2011 to June 30, 2012

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2009-2010	FY: 2010-2011	FY:2011-2012	FY:2011-2012	FY:2012-2013	FY:2013-2014
PLANS			200K	NONE	0	0
LAND ACQUISITION			N/A	↓	0	0
DESIGN			300K		0	0
CONSTRUCTION					3 MIL	0-3 MIL
EQUIPMENT					100K	100K
<b>TOTAL:</b>			500K		0	3.1 MIL

JUSTIFICATION/COMMENTS: 500K FOR THE INITIAL PLANNING, ASSESSMENT & DESIGN. LAND WILL BE A TRANSFER FM DLNR, BASED ON SITE LOCATION. MINIMUM CONSTRUCTION WILL BE 3 MIL. DEPENDING ON PROJECT SCOPE, FEDERAL MONIES MAY BE AVAILABLE, FEDERAL & STATE ENTITIES MAY BE TENANTS. MAY PROJECT SCOPE WOULD BE \$6 MIL WITH 200K TOTAL EXPT COSTS.



**DECLARATION STATEMENT  
APPLICANTS FOR GRANTS AND SUBSIDIES  
CHAPTER 42F, HAWAII REVISED STATUTES**

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawaii Revised Statutes:

- (1) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
- (2) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

For a grant or subsidy used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant or subsidy was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant or subsidy used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

West Hawaii Veterans' Cemetery Development and Expansion Association/John Grogan

[Redacted Signature]

(Signature)  
John Grogan  
(Typed Name)

01/25/11  
(Date)

President  
(Title)

WEST HAWAII VETERANS' CEMETERY DEVELOPMENT AND EXPANSION  
ASSOCIATION

RESOLUTION

I Ronald Cole, Secretary of West Hawaii Veterans' Cemetery Development and Expansion Association, do hereby certify that the following is a full, true and correct copy of a resolution duly adopted by the Officers and Directors of said Association, at its meeting duly called and held on October 5, 2010 at which a quorum was present and acting throughout; and that said resolution has not been modified, amended or rescinded and continues in full force and effect.

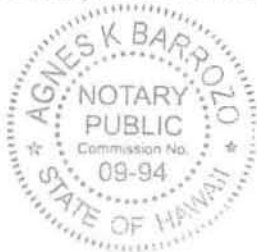
"Resolved, that any individual at the time holding the position of President, Vice President, Secretary or Chief Financial Officer, is authorized to execute on behalf of the West Hawaii Veterans Cemetery Development and Expansion Association any bid, proposal or contract with the United States Government or the State of Hawaii or County Government of said State, or any department or subdivision of any of them."

IN WITNESS WHEREOF, I have hereunto set my hand of said West Hawaii Veterans' Cemetery Development and Expansion Association this 29 day of November, 2010.

[Redacted Signature]

State of Hawaii  
County of Hawaii

On this 29th day of November, 2010, before me personally appeared Ronald Cole, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed said instrument as his free act and deed.



[Redacted Signature]

Notary Public, State of Hawaii  
3<sup>rd</sup> Judicial District  
My Commission Expires MAR 29 2013

NOTARY CERTIFICATION  
Doc. Date: 11/29/2010 # Pages: 1  
Name: Agnes K. Barrozo  
Doc. Description: Resolution 3<sup>rd</sup> Circuit

[Redacted Signature]  
11/29/2010





P.O. Box 2508  
Cincinnati OH 45201

In reply refer to: 0248162363  
Aug. 02, 2010 LTR 4170C E0  
20-2194951 000000 00

00020239  
BODC: TE

WEST HAWAII VETERANS CEMETERY  
DEVELOPMENT AND EXP  
% JOHN GROGAN  
76-992 S PUECO PLACE  
KAILUA KONA HI 96740

Person to Contact: Ms. Merrill  
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your request of July 23, 2010, regarding the tax-exempt status of West Hawaii Veterans Cemetery.

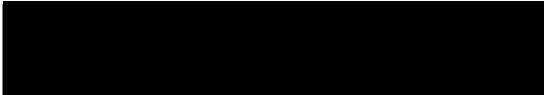
Our records indicate that a determination letter was issued in March 2005, granting this organization exemption from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate this organization is not a private foundation within the meaning of section 509(a) of the Code because it is described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to this organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to the organization or for its use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown above.

Sincerely yours,

  
Michele M. Sullivan, Oper. Mgr.  
Accounts Management Operations I

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

DEPARTMENT OF THE TREASURY

Date: MAR 23 2005

WEST HAWAII VETERANS CEMETERY  
DEVELOPMENT AND EXPANSION  
ASSOCIATION  
PO BOX 1334  
KEALAKEKUA, HI 96750-1334

Employer Identification Number:  
20-2194951  
DLN:  
17053061039035  
Contact Person:  
THOMAS M KALLMAN ID# 31383  
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:  
January 19, 2005  
Contribution Deductibility:  
Yes  
Advance Ruling Ending Date:  
December 31, 2009

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. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)