

House District 14  
Senate District 7

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

Log No:

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

SUBSIDY REQUEST

"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 I.D. NO. (LEAVE BLANK IF UNKNOWN):

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual: Hawaiian Islands Land Trust

Db: Same

Street Address:

Mailing Address: P.O. Box 965 Wailuku, HI 96793

P.O. Box 562 Kilauea 96754

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name JENNIFER LUCK

Title Kauai Island Director

Phone # 808-755-5707

Fax # \_\_\_\_\_

e-mail jennifer@hiit.org

3. TYPE OF BUSINESS ENTITY:

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

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

FUNDING FOR THE DEVELOPMENT OF AN ACQUISITION AND LONG-TERM MANAGEMENT PLAN FOR THE SITE PRESENTLY KNOWN AS COCO PALMS RESORT

4. FEDERAL TAX ID #



7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2014: \$ 276,650

5. STATE TAX ID #:

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

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:



EDWARD S. CLEMENT, JR.  
NAME & TITLE EXECUTIVE DIRECTOR

1/27/13  
DATE SIGNED

## **I. Background & Summary**

### ***Hawaiian Islands Land Trust: Background***

The Hawaiian Islands Land Trust was established in January, 2011 through the merger of four existing Land Trusts; Hawai'i Island Land Trust, Kaua'i Public Land Trust, Maui Coastal Land Trust and the O'ahu Land Trust. For more than two decades these local land trusts worked to protect some of Hawai'i's most important natural and cultural treasures. Among them, they successfully protected more than 17,000 acres of coastal areas, working ranches and agricultural lands, wildlife habitats, watersheds, park and recreation areas and Hawaiian cultural sites.

Non-political by design the Hawaiian Islands Land Trust (HILT) is committed to working with private landowners, community groups, community leaders and government partners to protect island lands forever. Our objective is to protect the lands that sustain us for current and future generations.

Using the tools of private land conservation, the Trust works around the state to help landowners forever protect the things they most cherish about their land. By working collaboratively with strategic partners, the Land Trust can ensure land is used well - providing benefits today and for generations to come.

The benefits of protecting land are many. Protected land assures available agricultural areas for working farms and ranches that feed us; safeguards the native forests and watersheds that provide healthy habitats for our rich and diverse wildlife; protects the landscapes that naturally filter our clean drinking water; harbors the Hawaiian cultural and historic treasures that link our past and future; fortifies our connection to nature by ensuring public access to forests, mountains and beaches; and preserves the spectacular and iconic views that frame our vision of paradise and ultimately make us humbled to be residents of Hawai'i nei.

Prior to the merger the Kaua'i Public Land Trust agreed to act as the fiscal sponsor of the Friends of Coco Palms, an ad-hoc community group dedicated to the acquisition of the former Coco Palms Resort for public benefit. The Hawaiian Islands Land Trust supports this endeavor and continues to act as the group's fiscal sponsor. In an effort to attract the funding necessary to purchase this property, the Hawaiian Islands Land Trust and the Friends of Coco Palms wish to seek a Grant-In-Aid from the State of Hawai'i to conduct a public input process with the Kaua'i community and create a detailed site use, acquisition, fundraising, restoration and management plan for the site.

The site of the former Coco Palms Resort lays in ruins, untouched for more than 20 years. It serves as a daily reminder to Kaua'i residents and visitors of Hurricane Iniki. The Kaua'i community has a deeply felt love for this very special place and strong desire to

Applicant: Hawaiian Islands Land Trust

see it cleaned up, restored and open to the public. If successfully acquired, the property would be used by all of Kaua'i's residents and the hundreds of thousands of visitors the island hosts each year.

***Project Purpose:***

HILT seeks a one-year \$276,650 capital improvement project grant-in-aid to create a plan and design for the use, acquisition and long-term management of the site formerly known as Coco Palms Resort in order to attract funding necessary to acquire the site for public benefit. Funds will also be used to explore and secure protection on an appropriate portion of the property in an effort to permanently protect the site's significant conservation values. \$235,000 in funding will be used to hire a consultant to serve as the project manager, a facilitator to conduct a series of community meetings during the public input process, consultants to perform a detailed site assessment, create a restoration plan as well as a purchase and funding plan. The remainder of funding will cover costs associated with travel, printing or supplies needed to complete the project. The project manager will work with the consultants and community members to develop a plan for the acquisition of the historic Coco Palms property.

Once acquired, it is the hope of the Friends of Coco Palms that this historic site will become a place of cultural enrichment and spiritual nourishment.

***Importance of Property:***

The Coco Palms is one of the rare sites in the Hawaiian archipelago that holds importance for many historical periods.

In ancient times, the area around the mouth of the Wailua River was a place of renown, "the most important high-status area on Kaua'i in pre-Contact times...the royal center where the high chiefs and chiefesses carried on their business when they were not traveling about the island(s), and where they entertained visitors [Cultural Surveys Hawai'i, Inc. "Cultural Impact Assessment for the Proposed Redevelopment of the Coco Palms Resort, Wailua Ahupua'a, Puna District, Kaua'i Island." August 2004]. The area includes a group of sacred sites now designated a National Historic Landmark: the Wailua Complex of Heiau. Among them are perhaps the oldest *heiau* of Kaua'i, a place of refuge and the birthing of chiefs.

During the mid-nineteenth century it was the home of the high chief Deborah Kapule, perhaps the first "hotelier" in the area. While the fishponds identified with the area may have existed before her time, they continue to be associated with her to this day.

By the time of the republic at the turn of the century, agricultural pursuits were much in evidence, with the copra and coconut plantation planted by Ernest Lindemann circa 1892 and numerous rice and taro farmers.

The early statehood period, with the introduction of jet travel, brought tourism front and center in the economic picture. The Coco Palms became a focal point of worldwide

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attention with Elvis Presley's 1961 *Blue Hawaii*. Through her talent, charm and business accumen, Grace Guslander created a facility that elevated the romantic image of the isles. It stands today as a model of the travel-trade history, a history only now beginning to be appreciated as a notable component in the study of Hawai'i's past. (NOTE: I would take out this last sentence.)

The site currently contains approximately 12.63\* acres zoned RR-20 (Resort) and 19.29\* acres zoned Open. The latter includes the historic coconut grove, the former tennis courts, and a small segment at the entry to the property. *Mauka* of the property is conservation land, leased by DLNR to the current owner

During its "resort" life buildings on the property were added to and remodeled many times, but since it was shuttered after Hurricane 'Iniki in 1992, the Coco Palms has not been used (with the exception of the wedding chapel, which held two or three ceremonies a week for many years). Today, Coco Palms is a visual eyesore, in sad disrepair and still bearing the damage from the hurricane more than 20 years ago.

## II. Service Summary and Outcomes

The project work plan will consist of the following elements: identifying funding sources for the purchase of the land, creating a strategy for acquisition, and developing a list of all costs associated with building construction, site restoration and management of the site. Extensive community input will be solicited to determine the best use of the site and identify and secure non-profit partners to assume management responsibility of the site upon completion of the acquisition.

With a detailed work plan and public outreach campaign completed, the Friends of Coco Palms Project will be prepared to begin the process of acquiring the Coco Palms property and creating a public place of cultural enrichment and historic preservation in keeping with the cultural and historic significance of the property.

### ***Project Timeline:***

Assuming availability of funding in July 2013, the following timeline has been developed:

<b>August 2013</b>	Friends of Coco Palms consultant/project manager selection begins
<b>September 2013</b>	Consultant to manage project hired
<b>September 2013</b>	Consultant begins work on community outreach campaign and project work plan

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<b>November 2013-July 2014</b>	Ongoing work conducted by consultants on outreach campaign and project work plan
<b>July 2014</b>	Project work plan completed. Next phase of project, acquisition and construction, ready to begin once funding for purchase of land is secured.

***Community Support:***

The Friends of Coco Palms, comprised of volunteer community leaders affiliated with prominent community organizations, including the Kaua‘i Planning & Action Alliance, Hawaiian Islands Land Trust, Wailua-Kapaa Neighborhood Association and the Kapaa Business Association, will oversee the hiring process and completion of the work plan. The committee and project manager will meet each month to assess the project’s progress, address any upcoming issues and challenges and strategize.

***Project Evaluation:***

The effectiveness of the Friends of Coco Palms Project shall be measured in the following ways:

- 1.) A project manager is hired within two months of receipt project funding.*
- 2.) A community outreach plan is developed and extensive outreach to community members and groups is conducted throughout the planning process to secure input and support for the project.*
- 3.) Project partners are secured.*
- 4.) A comprehensive project work plan is created.*
- 5.) Communication with the current landowner has been established.*
- 6.) Landowner has agreed to sell the property at the appraised value or at a bargain sale price.*
- 7.) A non-profit organization is identified to oversee the management of the site once acquired.*
- 8.) All timelines are met.*

**III. Financial**

Quarterly Funding Requirements:

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
69,162.50	69,162.50	69,162.50	69,162.50	<b>\$276,650</b>

**IV. Experience & Capability**

Applicant: Hawaiian Islands Land Trust

The Hawaiian Islands Land Trust (HILT) mission is to protect the places that sustain us for current and future generations. HILT currently protects more than 17,500 acres of land statewide.

HILT is among the few nationally accredited land trusts in the country and the only one in Hawai`i. As an accredited land trust we must adhere to the highest level of standards and practices. HILT is also the largest land trust in the state; we own in fee or hold conservation easements on more than 17,000 acres statewide. Among the properties we currently protect is the 277 acre Waihee refuge located on the island of Maui. The Land Trust took fee ownership of this very sensitive 277-acre site in 2004. Active restoration programs have enhanced critical native wildlife habitat, while preserving the area's rich archaeological and cultural resources. Once populated with two thriving ancient Hawaiian villages, an extensive inland fishpond and several heiau, the Waihee Refuge is among the most significant cultural sites in the state. In testament to the returning health of the ecosystem, eight different endangered species have taken up residence at the Refuge in recent years. With the wetlands primarily cleared and habitat-appropriate plants now thriving, the area is host to many native Hawaiian bird species, including ae`o (stilt), alae ke`oke`o (coot), koloa (duck), and even nene (goose). The refuge is visited by more than 300 adults and school children each month.

In January 2011 HILT took fee ownership of 82 acres on Maui's rugged and remote southeast coast at Nu'u Landing. The \$4 million purchase was made possible through funding from the Hawaii Department of Land and Natural Resources Legacy Land Conservation Program, the U.S. Fish and Wildlife Service, the Freeman Family Foundation (a member of the Hawaii Community Foundation) and HILT founding board member Janice Lau-Fergus.

On Kaua'i HILT owns multiple north shore coastal properties, among them is Kahili beach - a 5.5 acre site in Kilauea that is home to one of the most popular recreational areas on the north shore. HILT has owned and managed this property for almost a decade, we are currently in the process of adding an additional 12 acres to this protected area. In 2010 HILT collaborated with the County of Kaua'i to purchase a \$3million parcel adjacent to Black Pot Beach Park. The property, almost an acre in size, will provide much needed additional park land to this extremely popular area.

HILT has a proven track record of successful acquisitions, community collaboration, effective fundraising and responsible management. We are committed to protecting the places that sustain us and ensuring iconic landscapes like Coco Palms are protected in perpetuity.

*Facilities:*

Applicant: Hawaiian Islands Land Trust

Contracted services will be utilized for the Project Coordinator and hired consultants of the Friends of Coco Palms Project and they will work from their homes throughout the period of their contract. No facilities need to be secured.

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

The Friends of Coco Palms Project will be managed by the contracted project manager with oversight from the Friends of Coco Palms Committee. Additional project services regarding site funding, restoration, acquisition and management will be procured from hired consultants on an as-needed basis.

**VI. Other: N/A**



## BUDGET REQUEST BY SOURCE OF FUNDS

(Period: July 1, 2013 to June 30, 2014)

Applicant: Hawaiian Islands Land Trust

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
<b>A. PERSONNEL COST</b>				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
<b>TOTAL PERSONNEL COST</b>				
<b>B. OTHER CURRENT EXPENSES</b>				
1. Airfare, Inter-Island	4,000			
2. Insurance				
3. Lease/Rental of Equipment	1,000			
4. Lease/Rental of Space	1,000			
5. Staff Training	1,000			
6. Supplies	2,000			
7. Telecommunication	500			
8. Utilities				
9 Contractor Fees	235,000			
10 Mileage	2,000			
11 Printing	5,000			
12 Administrative Fee	25,150			
13				
14				
15				
16				
17				
18				
19				
20				
<b>TOTAL OTHER CURRENT EXPENSES</b>	<b>276,650</b>			
<b>C. EQUIPMENT PURCHASES</b>				
<b>D. MOTOR VEHICLE PURCHASES</b>				
<b>E. CAPITAL</b>				
<b>TOTAL (A+B+C+D+E)</b>	<b>276,650</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	276,650	Jennifer Luck	808-212-1498	
(b)		[REDACTED]		
(c)		[REDACTED]		
(d)		[REDACTED]		
<b>TOTAL BUDGET</b>	<b>276,650</b>	Ted Clement, Executive Director Name and Title (Please type or print)		

## BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: Hawaiian Islands Land Trust

Period: July 1, 2013 to June 30, 2014

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
N/A				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
<b>TOTAL:</b>				\$ -
<b>JUSTIFICATION/COMMENTS:</b>				

## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Hawaiian Islands Land Trus\_\_\_\_\_

Period: July 1, 2013 to June 30, 2014

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
N/A			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>				
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
N/A			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>				
JUSTIFICATION/COMMENTS:				

## BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant: Hawaiian Islands Land Trust \_\_\_\_\_

Period: July 1, 2013 to June 30, 2014

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2011-2012	FY: 2012-2013	FY:2013-2014	FY:2013-2014	FY:2014-2015	FY:2015-2016
PLANS			276650			
LAND ACQUISITION						
DESIGN						
CONSTRUCTION						
EQUIPMENT						
<b>TOTAL:</b>			<b>276,650</b>			
<b>JUSTIFICATION/COMMENTS:</b>						

All costs associated with this project are for the creation of an acquisition and management plan for the Coco Palms property.

**DECLARATION STATEMENT OF  
APPLICANTS FOR GRANTS AND SUBSIDIES PURSUANT TO  
CHAPTER 42F, HAWAII REVISIED STATUTES**

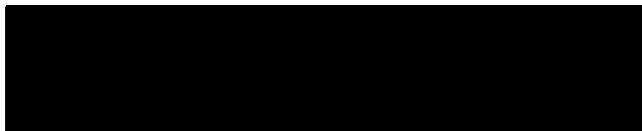
The undersigned authorized representative of the applicant certifies the following:

- 1) The 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:
  - a) 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;
  - b) Complies 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;
  - c) Agrees not to use state funds for entertainment or lobbying activities; and
  - d) Allows 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.
  
- 2) The applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is incorporated under the laws of the State; and
  - b) 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.
  
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
  - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawaii Revised Statutes, for grants or subsidies 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.

\_\_\_\_ Hawaiian Islands Land Trust \_\_\_\_\_



\_\_\_\_ 1/27/13 \_\_\_\_\_  
(Date)

\_\_\_\_ Ted Clement \_\_\_\_\_  
(Typed Name)

\_\_\_\_ Executive Director \_\_\_\_\_  
(Title)

Applicant: Hawaiian Islands Land Trust

Justifications/Comments:

**Contractor Fees:** Contractor Fees include costs associated with hiring a consultant and assistant to manage the Friends of Coco Palms Project (Project), meeting facilitators for the community meetings, consultants to perform a detailed site assessment and graphic design services to create a visual representation of the finalized site plan.

**Administrative Fee:** The administrative fee is 10% of the project budget and will cover any costs incurred by the Hawaiian Islands Land Trust while acting as fiscal sponsor for the Friends of Coco Palms.