

House District 11
Senate District 6

THE TWENTY-SIXTH LEGISLATURE
HAWAII STATE 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: **Maui Economic Development Board, Inc.**

Dba:

Street Address:

Mailing Address: 1305 N. Holopono Street, Suite 1, Kihei, HI 96753

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name JOHN HARRISSON

Title Program Director

Phone # (808) 276-7899

Fax # (808) 879-0011

e-mail John@medb.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:

ONE-TIME SUPPORT REQUEST FOR ENERGY EFFICIENCY IMPROVEMENTS TO MEDB'S KE ALAHELE BUILDING IN THE MAUI RESEARCH & TECHNOLOGY PARK IN KIHEI.

4. FEDERAL TAX ID #: 

5. STATE TAX ID #: 

7. AMOUNT OF STATE FUNDS REQUESTED:

FY 2012-2013: \$ 184,089

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 \$184,089
FEDERAL \$1,064,000
COUNTY \$ _____
PRIVATE/OTHER \$ _____

 JEANNE UNEMORI SKOG, PRESIDENT AND CEO
NAME & TITLE

1/30/13
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

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. The public purpose and need to be served;
4. Describe the target population to be served; and
5. Describe the geographic coverage.

Background: MEDB is a 501 (c) (3) not-for-profit corporation chartered to strengthen and diversify Maui County's economic base. Over MEDB's 30-year history, the development of a high technology sector has been a priority in achieving economic development goals. MEDB had led, or has been closely involved in the development of all of Maui's existing technology infrastructure, including the Maui Research & Technology Park, Maui Research & Technology Center, and Maui High Performance Computing Center. In addition to physical infrastructure, MEDB is a recognized leader in developing and delivering successful programs in workforce development, and business attraction and retention. One of the organization's priorities is providing science, technology, engineering, and math (STEM) programs to prepare a trained resident workforce for 21st century technology employment opportunities. Through national pilot programs and demonstration projects, MEDB has succeeded in bringing more women and underrepresented groups into the technology pipeline and continues to ensure that all Hawaii students have access to the training to compete for high skilled and high paying technology employment.

In 2006, with a mix of public/private grant funding and bank financing, MEDB completed most of the construction and build-out of the 31,000 square foot Ke Alahele Building in the Maui Research & Technology Park. This building supports over 130 full-time jobs and has served as an incubation center for small technology businesses. One of these hi-tech growth companies, ArdentMC, has grown from an initial staff of 2 to over 30 employees in a period of less than 3 years, with further expansion pending. Other building tenants include Pacific Disaster Center and Akimeka, LLC.

In 2009, MEDB received a grant from the Economic Development Administration (EDA) of \$1.064m. under the EDA's Global Climate Change Mitigation Incentive Funds program. The grant identified three funding purposes: (1) To improve the energy and environmental efficiencies of MEDB's facility by conducting audits, implementing structural and procedural improvements, and maximizing efficacy by involving and educating the building tenants; (2) To install solar arrays to power a PV facility with a battery storage emergency back-up power component; and (3) To construct an addition to the building of a 450 to 500 square feet to serve as a Renewable Energy Resource Center.

Goals and Objectives. The funding requested will meet the goal of achieving energy efficiency and environmental management improvements in MEDB's Ke Alahele Building while leveraging Federal funding through the Economic Development Administration (EDA) of the US Department of Commerce. The primary objective is to mitigate energy costs, thus enabling MEDB to maximize its resources directed to supporting program delivery to better serve the community.

Purpose and Need. The primary purpose of the funding request is energy cost containment. The project will also provide a valuable template of an energy efficiency and environmental management "Best Practices" model for other non-profits and community-based businesses. It will also further authenticate MEDB's leadership role in "walking the talk" in the area of renewable energy and demonstrate practical measures that can be taken to contribute to meeting State renewable energy goals. The EDA grant awarded to MEDB does not sufficiently meet anticipated costs as the agency assumed that a relatively new building with some energy-saving design features would not require significant additional efficiencies. However, a preliminary Gap Analysis conducted by environmental consultants indicates that the Ke Alahele Building is only at the 35th percentile statewide in terms of energy efficiency for comparable commercial buildings. This rating contributes to substantial energy costs that can and should be mitigated; the Gap Analysis estimated that energy savings of 31% were readily achievable by taking appropriate measures.

Target Population. In addition to the immediate beneficiaries of improved energy efficiency and environmental conditions at the Ke Alahele Building, the project will provide a stimulus to Maui County's renewable energy sector and act as an example of initiatives in the State that can be leveraged in attracting new businesses, especially in the technology sector. In addition, the multiplier effect of GIA funding and consequent reduction in energy costs will benefit a wide spectrum of MEDB program participants, especially the STEM students statewide (numbering over 21,000 in 2011-12) that participate directly or indirectly in the workforce development pipeline that supports business development.

Geographic Coverage. In addition to the benefits of streamlining operational costs outlined for Maui County and the local economy, MEDB program participants are located statewide, on O`ahu, the Big Island, Kau`ai, Moloka`i, and Lana`i.

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. The applicant shall:

1. Describe the scope of work, tasks and responsibilities;
2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;
3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and
4. 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.

Scope. The project scope covers three phases:

- 1) **Energy efficiency and environmental program development: Fostering stakeholder engagement, commissioning ASHRAE Level 1 and II energy audits; development of energy improvement plan and capital plan.**
- 2) **Energy and environmental program implementation: Execute recommendations from audits for improvements and capital plans and achieve recommended goals of ASHRAE audits.**
- 3) **Energy and environmental efficiency program development: Goal-setting, budget planning, and education program through a charette process and education and training program for Ke Alahele Building tenants and other community stakeholders. Building energy efficiency and environmental standards policy development, data collection, documentation, and evaluation.**

Among the energy and environmental issues that will be examined and evaluated are building insulation, HVAC system efficiency, lighting, electronic equipment efficiency and usage patterns, water fixture usage, irrigation and recycled water usage, solar gain, and landscaping.

Timeline. The energy efficiency and environmental analysis will commence at the start of MEDB's FY 2013 (July 2013). The first phase is expected to take 3 months. The second and third phases will take a further 9 months, with all measures in place by the end of FY 2013 (June 2014).

Quality Assurance. An MEDB Program Director has been assigned to oversee the project, including collaborating with the energy and environmental consultant team to constantly monitor and evaluate progress. The three-phase process has been identified in part to allow for progressive energy auditing and development of plans for certification based on evaluation of environmental and energy improvements. For example, first-phase energy assessment and recommendations are based on industry best practices and measurement and assessment of inefficiencies and improvement opportunities. Data will be collected and monitored on an ongoing basis so that standards, once achieved, will be sustained. This project is being conducted in accordance with US Department of Commerce rules and regulations and the building is subject to county and state law, as well as Maui Research & Technology Park Covenants, Codes, and Restrictions.

Effectiveness. The measure of effectiveness to be reported to the appropriating State agency will be a detailed report describing efficiencies achieved. The Report will be a Best Practices model for other non-profits and community-based businesses and in sharing the information gained, the processes undertaken and the results, it will provide objective measurement criteria.

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 2014.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$83,272	\$58,272	\$8,272	\$34,273	\$184,089

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2014.
4. The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.

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.

Over its 30-year history, MEDB has developed the Maui Research & Technology Park and devised, implemented, and managed complex projects and programs related to real estate development and capital construction and improvement. MEDB has subsequently leveraged the established infrastructure for economic development. It has led or partnered in the development of the Maui Research & Technology Center and the Maui High Performance Computing Center. In 2006, MEDB completed construction of a new 31,000 square foot facility in the Maui Research & Technology Park, the Ke Alahele Building, funded by over \$10 million from multiple private and public sources. In 2008, a Grant-In-Aid was awarded to MEDB by the State of Hawaii for the purpose of a build-out to launch its Ke Alahele Science and Technology Center to further promote STEM education, technology opportunities, and economic diversification in Maui County. Over recent years, MEDB has also managed over \$15 million in contracts in a Federal portfolio, including the US Departments of Labor, Agriculture, Commerce, Education, Housing and Urban Development, and Defense (AFRL).

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. The applicant shall also describe how the facilities meet ADA requirements, as applicable.

Please see attached Site Plan marked Exhibit A for schematic of MEDB's 31,000 square foot Ke Alahele Building, which complies with all ADA requirements and began operation in 2006. The building is occupied by Maui Economic Development Board (MEDB), Pacific Disaster Center (PDC), Akimeka, LLC, and ArdentMC.

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.

Project oversight will be the responsibility of an experienced, full-time MEDB Program Director reporting to MEDB's President and CEO. MEDB will retain the necessary outside licensed and accredited consultants to undertake the scope of work.

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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.

Please see Exhibit B attached.

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.

No litigation is pending.

B. Licensure or Accreditation

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

MEDB will retain appropriately licensed and qualified consultants to manage LEED certification. All consultants will be bonded and in good standing with county, state, and federal regulatory bodies.

BUDGET REQUEST BY SOURCE OF FUNDS

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

Applicant: Maui Economic Development Board, Inc.

BUDGET CATEGORIES	Total State Funds Requested (a)	Federal -- EDA (b)	(c)	(d)
A. PERSONNEL COST	\$24,000			
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits (37.87%)	\$9,089			
TOTAL PERSONNEL COST	\$33,089			
B. OTHER CURRENT EXPENSES				
. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9 Energy Consultants	\$26,000			
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES	\$85,000			
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL Improvements	\$40,000			
TOTAL (A+B+C+D+E)	\$184,089	\$1,064,000		
SOURCES OF FUNDING	\$184,089	Budget Prepared By:		
(a) Total State Funds Requested		John Harrisson (808) 270-6806		
(b)	\$1,064,000	Name (Please type or print) Phone		
(c)		Jeanne Unemori Skog, President and CEO		
(d)		Date		
TOTAL BUDGET	\$1,248,089			

BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: MEDB, Inc

Period: July 1, 2012 to June 30, 2013

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Program Director		\$72,000.00	33.33%	\$ 24,000.00
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				24,000.00
JUSTIFICATION/COMMENTS:				
Program Director will oversee the project, including collaborating with the consultant team to monitor and evaluate progress.				

BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant: Maui Economic Development Board, Inc.

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	OTHER SOURCES 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						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION			\$40,000			
EQUIPMENT			\$85,000			
TOTAL:			\$125,000			
JUSTIFICATION/COMMENTS: Assumes GIA is awarded.						

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: MEDB, Inc.

Period: July 1, 2013 to June 30, 2014

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Following recommendations of energy efficiency assessment phase,			\$ -	
equipment acquisition may include HVAC units, replacement lighting,			\$ -	
monitoring and data collection equipment, insulation, water supply			\$ -	
and Irrigation upgrades, and other energy efficiency and			\$ -	
environmental equipment			\$85,000	\$85,000
TOTAL:				\$85,000
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

**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.

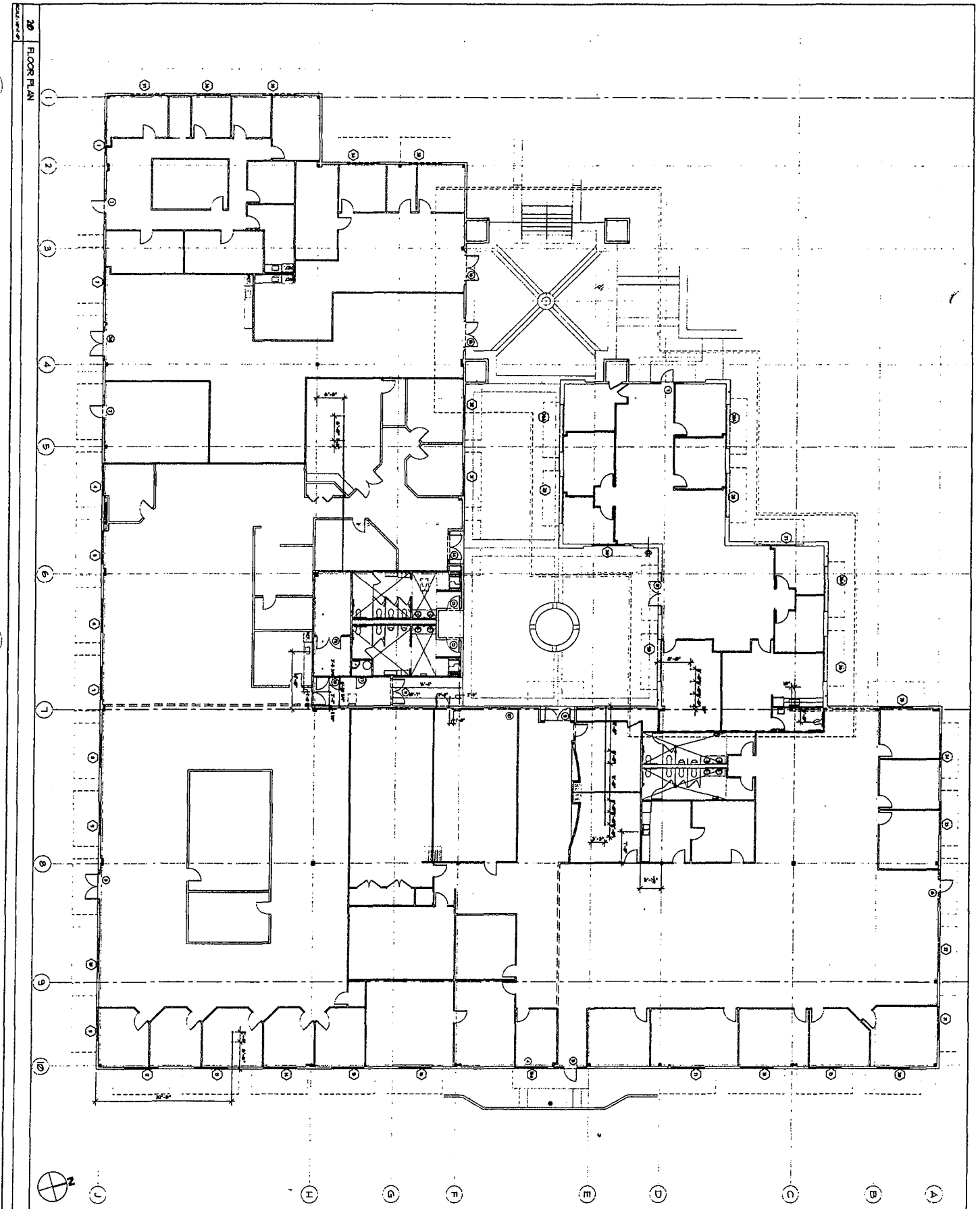
Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Maui Economic Development Board, Inc.

(Typed Name) (Organization)

1/30/2013
(Date)
Jeanne Underwood

President & CEO
(Typed Name) (Title)



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A-2.1

REVISIONS
 SEPTEMBER 30, 2004 - BID SET
 JUNE 30, 2005 - REVISED DRAWING
 JULY 8, 2005 - REVISED DRAWING

**Maui Economic Development Board
 Building**

EDA NO. 07-01-05335
 LOT 13 - B-1, NORTH HOLOPONO ST.
 MAUI RESEARCH AND TECHNOLOGY PARK, KIHATI, MAUI, HAWAII
 T.M.K.: (2) 2-2-24: POR. 08

FLOOR PLAN

THIS WORK
 WAS PREPARED
 BY ME OR
 UNDER MY
 SUPERVISION
 CONSTRUCTION
 OF THIS PROJECT
 WILL BE
 UNDER MY
 CUPERATION



**RIECKE
 SUNNLAND
 KONO**
 ARCHITECTS
 LTD.

22 E. WAIANA AVENUE
 SUITE 400
 WAIANA, MAUI, HAWAII 96793-3471
 TELEPHONE: 508-877-1888

PROJECT NO. 2005-064
 DRAWING NO. 07-01-05335
 DATE: JULY 21, 2004

Maui Economic Development Board, Inc. FY13 Organizational Chart

Exhibit B: MEB Organizational Chart

