

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

Type of Grant or Subsidy Request:

GRANT REQUEST – OPERATING

"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.

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:

Hi'ipaka LLC

Dbas: Waimea Valley

Street Address: 59-864 Kamemehameha Hwy Haleiwa HI 96712

Mailing Address: 59-864 Kamemehameha Hwy Haleiwa HI 96712

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name RICHARD PEZZULO

Title Executive Director

Phone # 808-638-7766

Fax # _____

e-mail pezzulo@waimeavalley.net

3. TYPE OF BUSINESS ENTITY:

NON PROFIT CORPORATION

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

WAIMEA VALLEY NATIVE FOREST RESTORATION PROJECT

4. FEDERAL TAX ID # _____

5. STATE TAX ID #: _____

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$97,400

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

EXISTING SERVICE (PRESENTLY IN OPERATION)

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

STATE \$ 97,400.00
 FEDERAL \$ 0
 COUNTY \$ 0
 PRIVATE/OTHER \$ 0

TYPE NAME AUTHORIZED REPRESENTATIVE:

SIGNED

SIGNATURE

RICHARD PEZZULO, EXECUTIVE DIRECTOR
 NAME & TITLE

1/30/14

DATE

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;

Waimea Valley, one of O'ahu's last partially intact ahupua'a, is a living pu'uhonua (place of peace and safety) and illuminates the rich traditions of a living Native Hawaiian culture in an unparalleled natural setting. For many years, the Valley was marketed as a visitor attraction with theme park activities. Today, under the careful stewardship of Hi'ipaka LLC (established in 2008), Waimea Valley is honoring its roots by focusing on Hawaiian history and culture. Hi'ipaka LLC, a nonprofit, limited liability company holds the title to Waimea Valley. The property was acquired as part of a cooperative conservation land purchase intended to permanently protect the Valley from commercial developmental and preserve the natural resources for future generations through restoration, conservation, and educational stewardship.

2. The goals and objectives related to the request:

The Waimea Valley Native Forest Restoration Project is an ongoing effort to restore sustainable, usable Native Forests throughout the mauka demographic of Waimea Valley. Success of this project will not only help protect our watershed and rebalance the ecosystem it will invite cultural practitioners to return to the area and increase community involvement and awareness of stewardship and restoration efforts being made in the valley.

The objectives are to:

- install fencing which will prevent feral ungulates from accessing the native forest restoration sites assisting the sites in a natural recovery process.
- to put into place conservation techniques that will address erosion control issues.
- To establish safer access to the sites.

3. The public purpose and need to be served:

This native forest is a culturally significant site, with slow growing trees such as Lama, WiliWili, Ohia, Koa, A'ali'I, Ohia, and Alahe'e all of which provide habitats for endangered species such as the Hoary Bat. The forest was once bountiful and provided cultural practitioners with sources of medicine and materials necessary for daily life. This project will restore balance to the ecosystem allowing cultural practitioners, and other interested parties in the community the ability to not just gather the resources, but also to be active participants in the restoration and conservation process. Fencing these restoration sites will assist us in our restoration and conservation efforts by protecting the areas from feral ungulates, mainly pigs. Erosion control is a top priority as a key component to rebalance the ecosystem and limit runoff so that already planted saplings and future out plantings can flourish. Accessibility for staff, cultural practitioners, and community members is vital for the success of this project.

4. Describe the target population to be served:

Currently Waimea Valley has 250,000 visitors per year. approximately 5 volunteer groups (averaging 150 volunteers) and approximately 25 individuals serving approximately 800hours each month, 1300 students annually, and over 30 cultural practitioners.

5. Describe the geographic coverage.

Waimea Valley is located on the North Shore of O'ahu within the Waiialua Moku. The valley covers approximately 1,875 acres sloping from mostly forested, steep terrain through a lowland estuary. The Native Forest Restoration site includes two (2) one (1) acre sites and one (1) one hundred (100) acre site (Kalahe'e Ridge) in the mauka region of the property.

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:

The Waimea Valley Native Forest Restoration Project scope of work will include strategic fencing of two (2) one (1) acre sites; Hi'ipaka LLC will be responsible for contracting an expert to complete clearing and fencing. With the fence in place and with assistance from the local hunting community we will be able to control the ungulate population. Erosion control at one (1) one hundred (100) acre site (Kalahe'e Ridge) will be addressed with the use of Coir logs, a natural fiber that can be placed strategically to protect plants and collect sediments. Serge rock will be utilized to stabilize access for Hi'ipaka LLC staff, volunteers, interns, cultural practitioners, and community groups. Hi'ipaka LLC staff will be responsible for purchasing and installing erosion control and accessibility materials. Successful implementation of these tasks will be reflected in the regeneration of the sites, the growth of saplings and continuous growth of mature trees within the site areas, reduction of sediment loss due to our erosion and ungulate control efforts, resulting in a balanced ecosystem from which Lama, WiliWili, Ohia Koa, A'ali'I and Alahe'e can flourish re-establishing protected habitats for the Hoary Bat and natural regeneration of these native trees.

2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;

All projects are expected to be implemented within one (1) year of receiving funding. **(July 2014 – June 2015).**

Work will be completed by Hi'ipaka staff and two (2) KUPU interns on a weekly basis with support from volunteers and community groups over the course of 24 work days throughout the project year.

First Quarter: Surge Rock will be purchased and laid down for access maintenance. KUPU interns will be hired, oriented and training will begin. Coir logs will be purchased and installed on one (1) one hundred (100) acre site (Kalahe'e Ridge) and out planting will begin.

Second Quarter: Intern training will continue with focus on caring for and operating native tree nursery. Seeds will be collected. Clearing of invasive species will take place in all project site areas.

Third Quarter: Clearing and installation at the two (2) one (1) acre sites. Hunters will assist in ungulate control.

Fourth Quarter: All project sites will be rendered ungulate free, decrease in erosion, and accessibility will be increased.

3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and

Quality assurance and evaluation plans:

Hi'ipaka LLC management will discuss project progress at weekly managers meetings and recommendations will be made to address corrective actions if necessary. Conservation staff will conduct quarterly surveys to assess progress of quarterly tasks, review and refine tasks as needed, and collect data for reporting. Hi'ipaka LLC will submit quarterly reports to the State office managing this program detailing the projects progress on each measure outlined in the following section (4) identifying any challenges or delays, and providing description of revised work plans and timelines to ensure projects completion within defined period. The project will be deemed successful when all project sites are free of ungulates, erosion control efforts are sustained, and the access road has been made passable.

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.

Installation of fencing to protect two (2) one (1) acre sites and one(1) one hundred (100) acre site from ungulates:

The two (2) one (1) acre sites will be rendered ungulate free after fence installation and a diverse natural ecosystem will regenerate allowing for growth of approximately 100 immature trees approximately 500 mature trees. Within the one (1) one hundred (100) acre site approximately 3000 Koa, A'ali'I, Ohia, and Alahe'e mature trees and one thousand (1000) additional saplings (to be planted) will benefit from the exclusion of ungulates through protection of installed fence.

Conservation of Established plantings:

Conservation efforts of one (1) one hundred (100) acre site (Kalahe'e Ridge) will be established by placement of coir logs to prevent runoff of sediment which will increase plant survivorship by approximately eighty percent (80%).

Restoration Out planting Program

Approximately one thousand (1000) trees (Lama, Wiliwili, Koa, Olopua, Alahe'e, and Ohia) will be planted and invasive species such as Banyan, Java Plum, Strawberry Guava, and Christmas Berry will be removed.

Access Maintenance

Maintenance and improvement through placement of surge rock will allow year round access to all project sites.

Sustainable harvesting for Cultural Practitioners

Accessibility will be improves allowing for quarterly gathering supporting preservation and perpetuation of Hawaiian culture.

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
Attached.
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2015.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$48,700	\$16233.33	\$16233.33	\$16233.34	\$97,400.00

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2015.
Not Applicable
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.
Not Applicable
5. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2013 .
Current assets is \$1,129,916.29

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.

As the community focuses on protecting north O`ahu's natural splendor, open areas, and natural resources, there is a critical need for native out planting initiatives, native ecosystem restoration, proper watershed management, and native habitat education. This need is satisfied by increasing the availability of native flora and native ecosystems in the area, which has been scientifically shown to increase the health of watersheds. The increase in native flora also helps support cultural practioners that rely on native plants for education and cultural practices. Meeting these needs is Hi`ipaka LLC, through their stewardship and Ahupua`a based management of Waimea Valley's natural resources and their ability to provide on the job training to interns, students, and community members who wish to learn restoration and conservation techniques. The stewardship of Waimea Valley's native forest and natural resources increases the use of the Valley by artisans, cultural practitioners and community members, allowing for the experience of native habitats and the opportunity for sustainable harvesting of culturally significant plants. The native forest offers volunteers a unique ecosystem in which to enjoy their service. Proper environmental management will significantly increase the amount of rain water captured by native forests compared to invasive forest, which will help to replenish Hawaii's aquifers and increase access to clean water, improving environmental conditions for the North Shore community.

Hi`ipaka LLC received an HTA Natural Resources Program Grant in 2011 to establish an educational native plant nursery to cultivate and distribute native species on O`ahu's North Shore.

Hi`ipaka LLC received an HTA County Production Enrichment Program Grant in 2010 to assist with its 2012 Indigenous Film Series that presented independent films by, for, and/or about native Hawaiians or other indigenous people. The series was a resounding success, having attracted nearly 500 people. Both community members and visitors commended both the venue and the featured films shown during film series.

Hi`ipaka LLC received \$5,000 from a Flex Grant in last quarter of 2013 for budget support and maintenance of native species restoration throughout the Native Forest.

Also received was a C&C GIA Grant (FY14) of \$17,034 to plant 3,000 native trees.

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.

Support of the growing of native plants: Waimea Valley has a plant nursery that is approximately 5000 square feet. The nursery was built in 2013 and meets all current codes (including ADA) and requirements for this type of structure. The nursery supports all the plant propagation and plant growing for the native forest restoration project.

The nursery primarily uses rain catchment for watering plants. The catchment capacity is 15,000 gallons of water.

As further infrastructure, Hi`ipaka staff will install one 275 gallon rain catchment tank near the each of the two restoration sites for on-site and readily available water for out-planting needs.

All native seeds for collection are available on Waimea Valley property. This increases the chances of survival and reduces cost and time.

Support of access to and from the sites: Waimea has a well maintained network of roads and trails that will assist in the safe transport of people, plants, and materials to and from the restoration sites. Some of the heavy machinery that is on-site includes: back hoe, tractor, and a 6 seater ATV.

Logistical Support: The Botanical Department of Waimea have their Departmental office that is fully equipped with computers, printers, and all necessary office equipment to handle to reporting aspect of the project. The Facilities Department is equipped with all the necessary tools and workshop to assist the Botanical Department in the repair and maintenance of tools and gear for the project.

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.

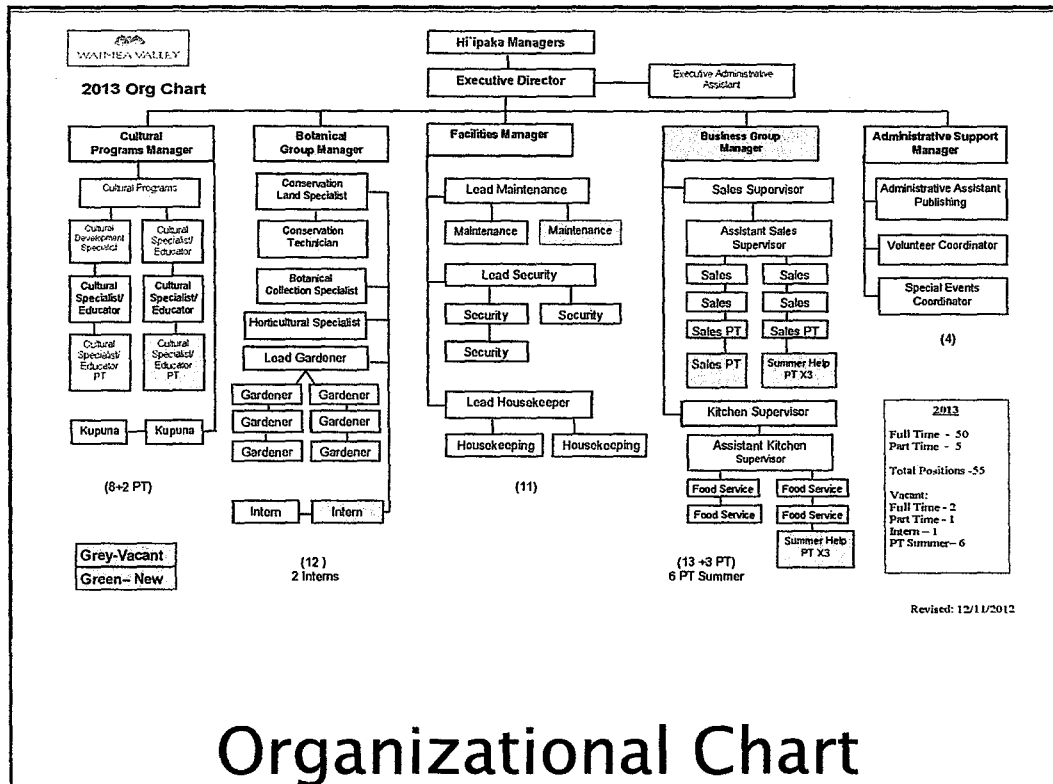
Josephine Hoh is the Botanical Group Manager. Josephine received a Bachelor of Science Degree in Botany from California Polytechnic. She has over 20 years of experience at Waimea Valley. Josephine shall supervise all activities and scope of work involved with this project.

The conservation personnel at Hi'ipaka LLC are two highly-trained, knowledgeable individuals whom are tasked to execute this project. Providing leadership to all reforestation focused efforts in and around the valley, Hi'ipaka Conservation Land Specialist Laurent Pool has over six years of professional experience in the field of native forest reforestation. Since 2007 Laurent has led projects that (1) increased the population of endangered water birds in Waimea Valley by twofold, (2) introduced species of native Hawaiian damselfly (currently on the candidate list for endangered species) by creating a solar powered pond system with appropriate native wetland plants, (3) established a volunteer hunter program that contributes upwards of 200-300 hours of volunteer time per month, (4) created Waimea Valley's Hanai Aina Stewardship Club which involves the community in native forest and wetland restoration efforts in Waimea Valley and (5) the fencing and management of a 15 acre native forest deep in Waimea's property . Laurent Pool received formal training at College of Charleston, SC, where he received a B.S. in Marine Biology.

Supporting the project is Ryan Belcher, Conservation Technician. Ryan has over three years experience and helped plan and initiate the collection of plants and seeds to be out-planted in restoration sites, performed the growing and out-planting of over 6,000 native plants in the last year and established Waimea Valley's Estuary Restoration Pilot Project. Ryan has a B.S. in Biology from the University of Hawaii at Hilo.

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.



Organizational Chart

C. Compensation

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position.

- Executive Director: \$124,992.92
- Manager of Visitor Services: \$65, 508.00
- Manager of Facilities: \$59, 826.36

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.

The Company is party to various claims arising in the normal course of managing Waimea Valley.

Based on consultation with legal counsel and review of insurance policies, management is of the opinion that the final resolution of these claims will not have a material adverse effect on the Company's financial condition.

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.

Not Applicable.

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2014 to June 30, 2015)

Applicant: Hi'ipaka LLC

BUDGET CATEGORIES		Total State Funds Requested (a)	(b)	(c)
A.	PERSONNEL COST			
	1. Salaries			
	2. Payroll Taxes & Assessments			
	3. Fringe Benefits			
	TOTAL PERSONNEL COST			
B.	OTHER CURRENT EXPENSES			
	1. Airfare, Inter-Island			
	2. Insurance			
	3. Lease/Rental of Equipment			
	4. Lease/Rental of Space			
	5. Staff Training			
	6. Supplies	35400		
	7. Telecommunication			
	8. Utilities			
	9 Contractual	62000		
	10			
	11			
	12			
	13			
	14			
	15			
	16			
	17			
	18			
	19			
	20			
	TOTAL OTHER CURRENT EXPENSES	97400		
C.	EQUIPMENT PURCHASES			
D.	MOTOR VEHICLE PURCHASES			
E.	CAPITAL			
TOTAL (A+B+C+D+E)				
SOURCES OF FUNDING				
	(a) Total State Funds Requested	97400		
	(b)			
	(c)			
	(d)			
TOTAL BUDGET		97400		

Budget Prepared By:

Richard Pezullo
Name (Please type or print)

Signature of Authorized Official

Richard Pezullo, Executive Dir.
Name and Title (Please type or print)

Applicant: Hīipaka LLC					
Period: July 1, 2014 to June 30, 2015				% OF TIME	TOTAL
		FULL TIME EQUIVALENT	ANNUAL SALARY	GRANT REQUEST	REQUESTED (A x B)
	Conservation Land Specialist		\$75,000.00	0.00%	\$0
	Conservation Technician		\$62,500.00	0.00%	\$0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
TOTAL:					
JUSTIFICATION/ COMMENTS:					

Applicant: Hi ipaka LLC						
	Period: July 1, 2014 to June 30, 2015					
FUNDING AMOUNT REQUESTED						
	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
TOTAL PROJECT COST	FY: 2012-2013	FY: 2013-2014	FY:2014-2015	FY:2014-2015	FY:2015-2016	FY:2016-2017
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION						
OPERATING	67034			97400		
TOTAL:				97400		
JUSTIFICATION/ COMMENTS:						
	\$50,000 from HTA-Natural Resources Program and \$17,034 from Honolulu County GIA FY2014					



The Nature Conservancy of
Hawai'i
923 Nu'uaniu Avenue
Honolulu, Hawai'i 96817

Tel (808)
537-4508
Fax (808)
545-2019

nature.org/hawaii

nature.org/hawaii

January 31, 2014

Aloha,

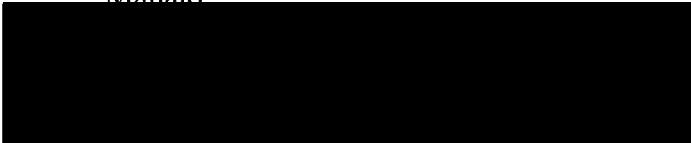
I would like to express my enthusiastic support for the Waimea Valley Native Forest Restoration Project that Hi'ipaka LLC (Waimea Valley) is proposing. As a conservation biologist that has documented the decline of lowland native forest across the archipelago, I recognize the great importance of finding manageable examples of remaining native forest and applying on-the-ground management that encourages the regeneration of native species and mitigates their threats.

According to the plant surveys from Waimea staff and other field botanists, the area has good native diversity, but is in jeopardy due to the encroachment of invasive introduced trees such as strawberry guava (*Psidium cattleianum*) and Satinleaf (*Crysophyllum oliviforme*). Upon initial removal of competing weeds, natural regeneration of koa (*Acacia koa*) and naupaka (*Scaevola gaudichaudiana*) from the seed bank is being observed, and many seeds of the forest trees, shrubs, and herbs have already been propagated in Waimea Valley's plant nursery.

This project site is readily accessible by 4 wheel drive vehicle. I believe the combination of access and integrity of the site make it an ideal candidate for an enclosed mesic/wet forest restoration project. I have visited other sites within Waimea Valley with their staff, and I find them poised and uniquely capable to devote their time and effort into restoring this site. The area also has significant cultural importance, because the dominant tree there, lama, is associated with Laka, the patron deity of hula. Moreover, as an example of the ancient vegetation of Waimea Valley, the restoration of this forest contributes to reestablishing and maintaining the overall sense of place, providing a window on the ancient past in Waimea.

In conclusion, for both conservation and cultural reasons, this project has merit and contributes directly to the mission of natural and cultural preservation of the ahupua'a of Waimea. The needs are immediate; the encroaching invasive species continue to degrade the site, and action must be taken in the near future to properly protect this important valley asset. If you have any questions for me on the merits of this proposal, please feel free to contact me at your convenience.

Mahalo


Samuel M. 'Ohukani'ōhi'a Gon III, Ph.D.
Senior Scientist / Cultural Advisor

BOARD OF TRUSTEES

S. Haunani Apoliona Christopher J. Benjamin Anne S. Carter Richard A. Cooke III Peter H. Ehrman Kenton T. Eldridge

**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.

Hi'ipaka LLC, dba Waimea Valley
(Individual or Organization)



(Signature)

January 31, 2014

(Date)

Richard Pezzulo
(Typed Name)

Executive Director

(Title)