

House District _____

Senate District _____

THE TWENTY-EIGHTH LEGISLATURE
APPLICATION FOR GRANTS
CHAPTER 42F, HAWAII REVISED STATUTES

Log No: _____

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

"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.

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

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:

Fish Reef Project Hawaii

Db/a:

Street Address: 1001 Bishop Street
Ste. 2685A Honolulu, HI 96813

Mailing Address: 1001 Bishop Street
Ste. 2685A Honolulu, HI 96813

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name CHRIS GOLDBLATT

Title President

Phone # 831-274-2302

Fax # 831-855-0205

E-mail chris@fishreef.org

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII
- FOR PROFIT CORPORATION INCORPORATED IN HAWAII
- LIMITED LIABILITY COMPANY
- OTHER
- SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

FUNDS FOR DEPLOYMENT OF CORAL RESTORATION AND STUDY REEF.

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2016: \$ 300,000

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 \$ _____

FEDERAL \$ _____

COUNTY \$ _____

PRIVATE/OTHER \$ 50,000



Chris Goldblatt
CEO/Founder

Chris@fishreef.org
Ph. 831-274-2302
Fx. 831-855-0205

www.fishreef.org
315 Meigs Rd. Ste A 289
Santa Barbara, Ca 93109



RECEIVED

1/20/2015

D. Hokegahi

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE

[REDACTED]

AUTHORIZED SIGNATURE

CHRIS F. GOLDBLATT/PRESIDENT
NAME & TITLE

1/7/15

DATE SIGNED

Attached documents

- A) Mock up of reef design
- B) Letter of support from Matson Shipping with list of other local supporters
- C) Letter of support from University of Hawaii
- D) IRS determination letter for parent entity
- E) Project Manager Diploma
- F) Project Manager Merchant Marine Officer's license

Application for Grant
Fish Reef Project-Hawaii

I. Applicants back ground and summary

The Fish Reef Project-Hawaii is Hawaiian domiciled, wholly owned subsidiary of Fish Reef Project Inc. a public non-profit. Our mission is to restore and enhance the marine ecosystem via the creations of new reefs. The background of the organization is that of a dedicated group of ocean lovers, academics, fishermen and environmental advocates who formed the Fish Reef Project as means of direct action to restore and enhance the marine ecosystem. We will work closely with Dr. Zac Forsman, coral recovery specialist at University of Hawaii and Department of Aquatic Resources as well as Dr. Ling Ong of SWAC, a Hawaiian environmental consulting firm. The credentials of our principals include an array of fisheries and marine biology degrees from Humboldt State, University of California at Santa Barbara and University of Hawaii. My personal pedigree consists of a degree of Fisheries and Business from Humboldt State, founder of Fish Reef Project, pioneer of the sustainable seafood movement, author of ocean related novels, and worldwide businessman trading in sustainable, organic marine products.

Reef Balls are a well-tested coral restoration technology. Nearly 500,000 units have been deployed in over 60 countries with great success in restoring coral and fish populations.

2: Goals:

To deploy 300 --one-tonne reef balls made from pH neutral marine concrete reef balls. After deployment, Dr. Zac Forsman will utilize the reef balls to out plant nubs of rare or threatened species of endemic Hawaiian corals. Dr. Forsman operates a coral growing facility on Sand Island- he is in need of proper reef material to out plant the coral that he grows for Department of Aquatic Resources coral recovery unit. Dr. Forsman work is critical for the survival of many endemic coral species. Current threats to coral include wide spread bleaching due to elevated water temperature as well as human run off- also much of the larger coral-heads were lost during hurricane Iniki. As coral forms the basis of the Hawaiian marine ecosystem it is vital that measures, such as creation of new reefs are taken to restore coral populations.

3: Public purpose to be served:

Corals are critical to the local marine ecosystem as well as tourism. Through the creation of reefs that can support out-planted corals, we can restore entire coral

ecosystems; the benefits include protection of property from storm surge, restoration of vital local fisheries, study opportunity and tourism opportunity. We will also create up to 50 temporary and as many as 15 permanent job over the long-term. Fish Reef Project Hawaii will stimulate the local economy through the use of local concrete products and hire staff for outreach and study. Creating healthy corals also stimulates and maintains Hawaii's \$14 billions annual tourism business.

As this is only a pilot reef- once the concept is proven, in future we will make additional reefs. The reefs can be used to mitigate for coral loss when marine infrastructure is removed or improved. Currently certain marine infrastructure projects; such as harbor expansion, derelict pier piling removal or large vessel dry-docking is stalled because to do so would kill coral (which is illegal). Our reef may allow said corals to be relocated thus allowing currently stalled marine projects to be executed.

4: Target population to be served:

The community at large will be served as well as tourists. Beneficiaries include anybody who enjoys a healthy ocean, University of Hawaii staff, Fishermen and tour operators. The project will assist Department of Aquatic Resources in their efforts to restore local coral populations. Also the entities owning harbors, large vessels, marinas, and piers will be served via the mitigation service.

5: Geographic coverage

Initially the pilot reef will be located on the leeward side of Oahu- in future other reefs may be made on neighbor islands.

Applicant Fish Reef Project-Hawaii

II. Service Summary and Outcome

Scope of Work and Tasks:

To permit, build and deploy 300 reef balls in 45-55ft of water. In cooperation with Dr. Zac Forsman of Department of Aquatic Resources, out-plant coral as well as measure natural settlement of wild corals

2. Timeline

Full deployment within six months of funding. Initial coral out-planting to commence within 30 days of deployment.

3. Quality assurance:

We will set parameters for success such as coral growth rate, proof off full deployment and monitoring of any shifting of reef materials. We will hire third party, Hawaiian based, SWAC Environmental consulting firm to cross check (via dive survey) actual outcomes with pre-set parameters.

4. Measures of efficacy reports will be created that is will include:

- a) Proof that all 300 reef balls were deployed within designated area
- b) That coral out-planting is occurring
- c) Success of out-planted coral as well as that of wild coral settlement

Applicant Fish Reef Project-Hawaii

III .Financial

III.

Budget –

1-. see attached spread sheets

2 2016 estimated exp : Q1 \$190,000- Q2 \$53,000- Q3 : \$53,000 -Q4 \$53,000

3. 2016 other source of Funding

- a) Support from Fish Reef Project Inc. in California
- b) Matson Shipping Hawaii
- c) Hawaii 50- Real estate in Hawaii
- d) Sale of coral remediation credits in Hawaii
- e) Various private donations

4. No Tax credits applies for or received

5. No government contracts applied for or received

6. Unrestricted assets : \$10,000 --cameras and office equipment

Applicant Fish Reef Project-Hawaii

IV. Necessary Skills

A. Necessary Skills and Experience:

The Fish Reef Project Inc. has already executed, on their own, a small pilot reef off Santa Barbara, California using reef balls. The reef was deemed a success. The backbone of our expertise comes from support through the Reef Ball Foundation, a separate entity and creator of reef ball technology- they advise us and provide material support. With over 25 years experience in creating reefs, the Reef Ball Foundation is the world leader in reef creation. Our sub contracted reef builder, Reef Innovations has laid over 100,000 reef balls around the globe.

B. Facilities

Once ready to deploy Reef Innovations will ship over two 40-foot containers of fiberglass molds and support gear. We have made a deal with Hawaiian Cement that will allow us to build the 300 reef balls at their facility using their concrete. The dried reef balls are then trucked to the port for loading onto a barge and deployed.

Applicant Fish Reef Project-Hawaii

V. Personnel: Project Organization and Staffing

A. Proposed staffing, Staff Qualifications, Supervision and Training;

Staff will include:

- a) Master Project Manager: Chris Goldblatt- (current MP of Fish Reef Project)
- b) Local post deployment support project manager: Ben Pernie (Masters in Aquatic Biology- lives full time in Hawaii)- Ben will assist Dr. Forsman with out-planting of corals and creation monitoring videos, plus conduct continued community outreach.
- c) Dr. Zac Forsman of Department of Aquatic Resources and University of Hawaii will manage growth of corals nubs at the Sand Island Location and subsequent out-planting.
- d) Actual reef construction and deployment will be sub contracted to Reef Innovations. CEO Larry Beggs has 20 years experience in building reefs- he will hire and manage local labor for the project as needed.
- e) Dr. Ling Ong of SWAC consulting will handle permitting and provide third party analysis of benchmarks for success.

Staff Organizational Chart :

Project Manager => Local Team Leader => Reef Contractor/local hired
Labor=>DAR/Dr. Forsman=SWAC Consulting=>local volunteers and Fish Reef board members for outreach

c. Compensation

- 1) Chris Goldblatt to receive \$5,000/month plus expenses
- 2) Ben Pernie \$1,500/month plus expenses
- 4) Larry Beggs of Reef Innovation- His firm will receive a flat fee of \$150,000 for construction and deployment of 300 reef balls.

Applicant Fish Reef Project-Hawaii

VI. Litigation

- A. No current litigation
- B. Licensure or Accreditation: N/A
- C. Federal and County Grants: None
- D. Private Educational Institutes: none

E. Future Sustainability

The Fish Reef Project-Hawaii is a wholly owned subsidiary of Fish Reef Project Inc. In California- donations made to the non-profit will in part be passed through to fund the Hawaii project.

Once the initial 300-ball reef is established a business will commence where project owners such as harbors, marinas, piers, large vessels and beach side developments who are in need of coral remediation will contact the Fish Reef Project-Hawaii. Fish Reef Project Hawaii will determine the number of coral heads and species that need to be moved or saved in order for project owners to execute their plans. Fish Reef Project Hawaii will then bill at a function of time and materials to either physically relocate said coral heads or when coral heads cannot be moved then Dr. Forsman will grow nubs of the same species and those nubs will be out-planted thus creating a genetic rescue of the coral. Billing for this service will be considerable and allow Fish Reef Project Hawaii to expand and create new reefs thus restoring and enhancing the coral ecosystem while providing a robust artificial reef program to the people of Hawaii at no additional cost to the tax payer. It is important to say that all other seaside and lakeside states in the Union enjoy a robust reefing program -so it is fitting that the state of Hawaii also enjoy a proper reef making program.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2015 to June 30, 2016

Applicant: _____

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
A. PERSONNEL COST				
1. Salaries	78,000			50,000
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST	78,000			50,000
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	2,000			
2. Insurance	1,500			
3. Lease/Rental of Equipment	3,000			
4. Lease/Rental of Space	2,000			
5. Staff Training	2,000			
6. Supplies	1,000			
7. Telecommunication	2,000			
8. Utilities	1,000			
9. Reef innovations- Sub to Build reef	150,000			
10. SWAC permitting	10,000			
11 Monitoring and outreach	50,000			
112. Cash in Bank	27,500			
13 Travel by staff	20,000			
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	272,000			
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	350,000			50,000
SOURCES OF FUNDING		Budget Prepared By: Chris Goldblatt 831-274-2302		
(a) Total State Funds Requested		Name (Please type or print) Phone		
(b) Total Federal Funds Requested		[REDACTED] 1-9-15		
(c) Total County Funds Requested		Signature of Authorized Official Date		
(d) Total Private/Other Funds Requested		Chris Goldblatt		
TOTAL BUDGET		Name and Title (Please type or print)		

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2015 to June 30, 2016

Fish Reef project Hawaii

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST
SCUBA GEAR- 3 sets	3.00	\$1,500.00	\$ 4,500.00
Barge	3	\$8,000.00	\$ 24,000.00
UW Camera and Support Gear	1	\$3,000.00	\$ 3,000.00
Misc. Scientific Equipment	1	\$5,000.00	\$ 5,000.00
			\$ -
TOTAL:	8		\$ 36,500.00

JUSTIFICATION/COMMENTS:

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST
Rental car-2 cars 60 days	2.00	\$1,000.00	\$ 2,000.00
			\$ -
			\$ -
			\$ -
			\$ -
TOTAL:	2		\$ 2,000.00

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2015 to June 30, 2016

Fish Reef Project Hawaii

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: 2013-2014	FY: 2014-2015	FY:2015-2016	FY:2015-2016	FY:2016-2017	FY:2017-2018
PLANS	20000	30000	50000	50000	350000	350000
LAND ACQUISITION						
DESIGN			15000		15000	15000
CONSTRUCTION			150000		150000	150000
EQUIPMENT	10000	10000	36500		10000	10000
TOTAL:	30000	40000	251,500	50,000	525,000	525,000
JUSTIFICATION/COMMENTS:						
it is assumed we will make additional reefs beyond 2015 hence the additional funds						

GOVERNMENT CONTRACTS AND/OR GRANTS

Applicant: _____ Fish Reef Project Hawaii _____

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1.	NONE				
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
				TOTAL	

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS 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 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 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 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.

- 2) If the applicant is an organization, 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 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 used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant 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 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.

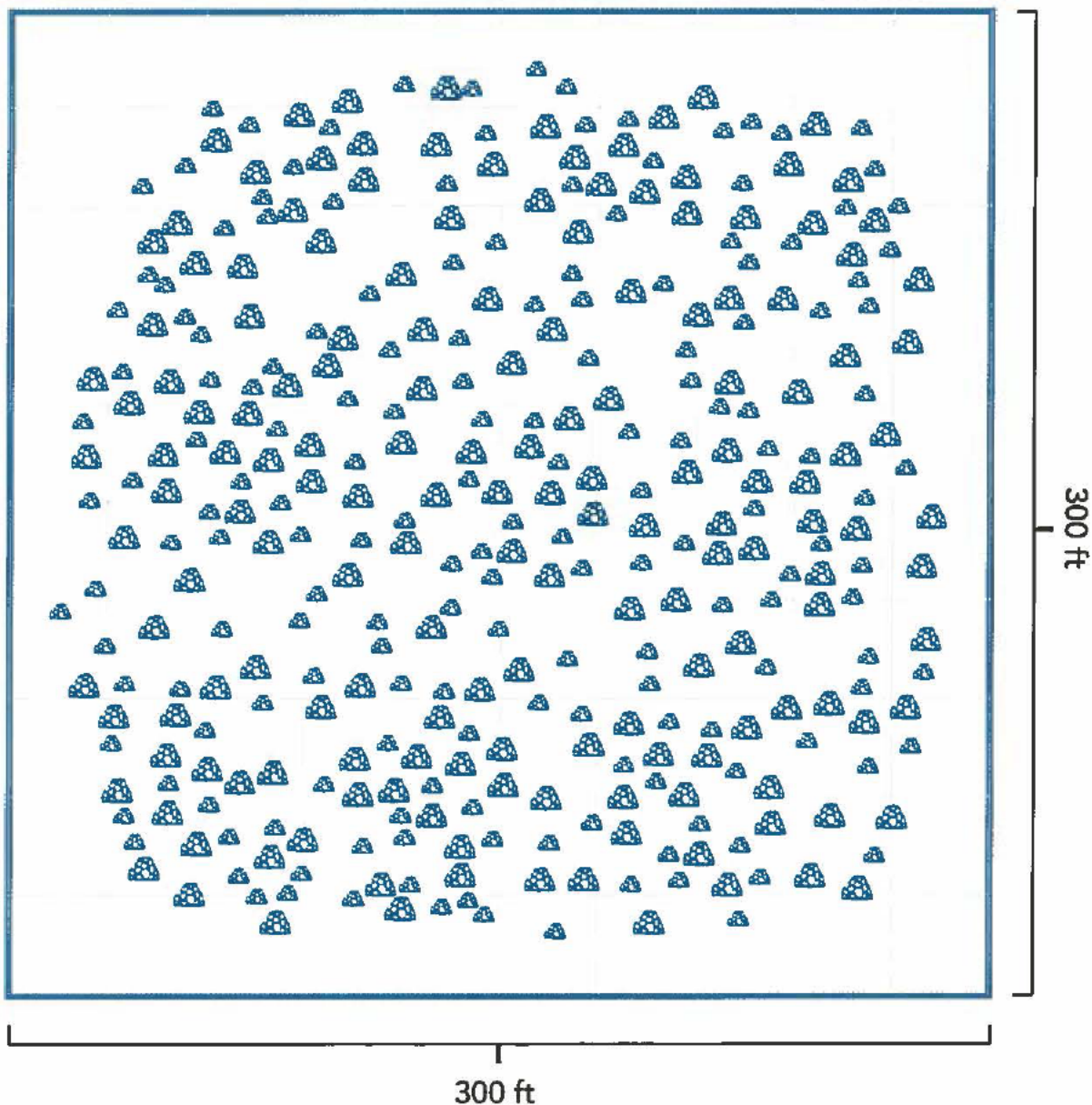
Fish Reef Project Hawaii
(Typed Name of Individual or Organization)


(Signature) 1-9-2015
(Date)

Chris F. Goldblatt President
(Typed Name) (Title)

Oahu Fish Reef

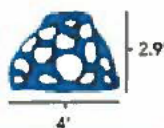
Coral Restoration and Study Project



Reef Ball Dimensions

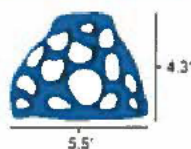
Pallet Ball

1500 - 2200 lbs
 0.33 cubic yards Concrete
 75 square foot Surface
 17 - 24 Holes



Ultra Ball

3500 - 4500 lbs
 0.9 cubic yards Concrete
 150 square foot Surface
 22 - 34 Holes



Reef Ball Totals

Pallet Balls - 150

Ultra Balls - 150

Total - 300



December 16, 2014

Mr. Chris Goldblatt
Managing Director
Fish Reef Project
315 Meigs Road, Ste. A 289
Santa Barbara, CA 93109

Dear Mr. Goldblatt:

Since our founding in 1882, Matson has supported the needs of the communities we serve and in which our employees live and work. In 2012, we became an independent, publicly traded, Hawaii-headquartered corporation and established a charitable giving program as the Matson Foundation.

Since then, Matson has supported a broad cross-section of charities in Hawaii, on the U.S. Mainland and in the Western and South Pacific, where Matson's vessels travel to serve local communities.

On behalf of the Matson Foundation, we appreciate the initiative by Fish Reef Project, reaching across the Pacific to lay the groundwork for a pilot project in Hawaii's nearshore waters. The promise of these 'reef balls' to augment natural reef systems and provide homes for coral, fish and other marine life is encouraging.

We recognize the technology has been tested in other states and countries and has the endorsement of the Division of Aquatic Resources at the State DLNR and the Hawaii Institute of Marine Biology at the University of Hawaii.

Therefore, Matson is pleased to make a donation to Fish Reef Project in the amount of \$5,000. Our check is enclosed. We recognize your broad fundraising effort will reach out to gain the support of other corporations, individuals, charitable funders and public funding, and appreciate the opportunity to be an early supporter.

At your convenience, we would appreciate a letter acknowledging acceptance of this charitable funding; if we may provide a logo for recognition purposes, please contact Linda Howe at lhowe@matson.com.

Mr. Chris Goldblatt
December 16, 2014
Page Two

We extend our appreciation to you and your fellow volunteer leaders for bringing this project to the attention of our community. Best wishes for the successful completion of your fundraising and partnership efforts in order to implement the Project in Hawaii.

Sincerely,



Matthew J. Cox
President & CEO, Matson
President, Matson Foundation



Gary Y. Nakamatsu
Vice President, Sales-Hawaii, Matson
Pacific Committee Chair, Matson Foundation

MJC/GYN:lh

Enclosure: ck# 6011028

Cc: Vic S. Angoco, Jr., Matson/Matson Foundation
Ku'uhaku Park, Matson/Matson Foundation
U.S. Representative Tulsi Gabbard
Hawaii State Representative Della Au Belatti
Kathleen Kagawa, Fish Reef, Hawaii Advisory Board/Hawaii 5-0 Realty
Daryl Wong DDS, Fish Reef, Hawaii Advisory Board
Zac H. Forsman Ph.D., Researcher, Hawaii Institute of Marine Biology (UH)
Paul Murakawa, Aquatic Biologist, Division of Aquatic Resources, DLNR

C



UNIVERSITY
of HAWAII[®]
MANOA

Chris Goldblatt
Fish Reef Project
315 Meigs Rd. Ste A 289
Santa Barbara ca 93109

Dear Chris,

I am writing this letter in general support of the Fish Reef Projects planned efforts in Hawaii, particularly the project you described in cooperation with Atlantis Submarines off of Waikiki, and the project off of Ewa beach. My personal research interest falls in two categories: 1) studies of cultivation and propagation of reef building coral, and 2) ecological and evolutionary genetics of coral. I am particularly interested in developing methods to cultivate, farm, mass-produce and out-plant reef building coral.

These artificial reef structures could serve as receptacles for transplanting corals that would otherwise be destroyed. I believe there are also substantial opportunities to develop modules covered in nursery grown coral that could be quickly and easily attached to artificial reef structures. Artificial reefs have some potential to meet many of the objectives for which they are promoted; such as providing habitat for aggregation (or possible new production) of reef fish, and providing hard substrate for settlement of benthic flora and fauna, including reef building coral. Although artificial reefs have interesting potential, it has been a major scientific challenge to assess artificial reefs in terms of cost effectiveness, ecological value, and long-term management objectives. I view these challenges as major scientific and resource management opportunities. It is my hope that researchers and resource managers can work together collaboratively to take advantage of these opportunities to better understand the ecology of artificial reef structures. I wish your project success and I look forward to future collaborations.

All the best.

A handwritten signature in black ink, appearing to read "Zac H. Forsman".

Zac H. Forsman, PhD.
Researcher, Hawaii Institute of Marine Biology.

Moku O Lo'e (Coconut Island)
P.O. Box 1346
Kāne'ohe, Hawai'i 96744-1346
Telephone: (808) 236-7401
Fax: (808) 236-7443

Parent Entity

D

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

DEPARTMENT OF THE TREASURY

Date: **FEB 27 2013**

FISH REEF PROJECT INC
315 MEIGS RD STE A289
SANTA BARBARA, CA 93109

Employer Identification Number:

DLN:

Contact Person:

DANIEL RENNER

ID# 31697

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:

June 06, 2011

Contribution Deductibility:

Yes

Addendum Applies:

No

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. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)