

House District 3

Senate District 2

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:
HAWAIIAN LEGACY REFORESTATION INITIATIVE

Dbn: Hawaiian Legacy Reforestation Initiative

Street Address: 91 Coelho Way, Honolulu, HI 96817

Mailing Address: 91 Coelho Way, Honolulu, HI 96817

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name MARYELLEN MARKLEY, PHD

Title Development

Phone # 808-561-8096

Fax # _____

E-mail memarkley1@me.com

3. TYPE OF BUSINESS ENTITY:

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

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

HAWAIIAN KOA REFORESTATION, WASTE REDUCTION AND PRESERVATION

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2017: \$ 144,800

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 \$ 160,480

JEFFREY A. DUNSTER, PRESIDENT & CEO

1/22/2016

NAME & TITLE

DATE SIGNED



RECEIVED
1/22/16
dyg

Application for Grants

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. Please include the following:

1. A brief description of the applicant's background:

The Hawaiian Legacy Reforestation Initiative (HLRI) is a Hawaii 501(c)(3) nonprofit whose mission is to establish, maintain and preserve sustainable endemic Hawaiian forests throughout the islands. We use state-of-the-art technologies to develop and maintain permanent Hawaiian forestlands, protect Hawaii's endangered wildlife species, sequester carbon (offsetting global warming caused by, for example, fossil fuel emissions) and recharge Hawaii's island watersheds.

Hawaiian Legacy Reforestation Initiative is dedicated to reestablishing the native koa forests that are endemic to Hawaii. Nonprofit activities include planting genetically diverse native species that have been developed from old growth seeds, controlling and eliminating invasive species, and encouraging native birds such as the Hawaiian Owl and Hawk to return to the forest started by the great Hawaiian King Kamehameha two hundred years ago. Outcomes of this project for which we seek grant funding will eliminate koa waste, and will help to FUND LONG-TERM RESTORATION OF HAWAII'S ENDEMIC FORESTS PERMANENTLY IN THE FUTURE. It will also provide a means to help the Hawaiian forest return to a natural state, improve water production, enhance open spaces, increase biodiversity, improve air quality, and provide a more robust native habitat for native species of wildlife found only in Hawaii. Most importantly, through development of state-of-the-art technology, we hope to help other reforestation projects around the world to achieve best results that will benefit us all.

Hawaiian Legacy Hardwoods has developed innovative fee-for-service income streams that have provided solid future sustainability and has funded the vast majority of the work needed to acquire land, prepare seed, plant, and protect these endemic forests. Most importantly, we are the first company registered in Hawaii by the American Carbon Registry to sell carbon credits, and in that way, use the planted trees to sequester carbon emissions (CO₂e). This has provided a successful business model that will encourage private landowners to grow the trees for the environmental benefit rather than for the timber sales that have decimated Hawaii's endemic forests in the past.

Among many other awards, Hawaiian Legacy Hardwoods has been honored as a Top Global Environmental Business for the past two consecutive years by the nonprofit B Lab. This global award recognizes businesses earning an environmental impact score in the top 10% of all Certified B Corporations in more than 120 industries – a rigorous and comprehensive review of the company's impact on its workers, community and environment.

2. The goals and objectives related to the request;

To build a processing program where koa saplings (that must be removed to allow larger koa trees to flourish), will not be wasted, but instead, will provide a steady stream of income to the nonprofit, all of which will be used to fund the cost of planting more trees.

Very simply, when koa forests are planted, the trees are placed close together to encourage the largest saplings to grow straight and tall. Every few years, the surrounding “crowding” koa saplings must be harvested to make room for the biggest one in the center. In the past, these harvested koa saplings were considered useless, and were turned into landfill or left to rot in the fields. But Hawaiian Legacy Reforestation Initiative has been working with the University of Washington to research the injection of a special medium into the harvested wood, and after a few weeks, the medium (actually a carefully controlled fungus) causes beautiful wood striations and color within the harvested saplings (a process called “Spalting”). In just a few weeks after initial harvesting from the field, this spalting process results in beautifully figured wood that is very highly sought after, and valuable to woodworkers, furniture makers and artists around the world. Once the wood is milled and sold, the resulting income will be used as a permanent fee-for-service funding stream to plant and restore even more endemic Hawaiian forests.

In addition, both more employment opportunities and housing will be provided for the agricultural workers involved in this innovative program. Unemployment levels in rural areas of the Big Island are very high compared to the rest of the state, and even if a job is available, workers often have to travel great distances to reach their employment site. This project will also include module buildings that can be used both for a mobile laboratory and processing plant for the koa saplings, but also as very attractive housing for agricultural project workers and technicians that can be moved from site to site as the work evolves.

3. The public purpose and need to be served;

- (a) Once built, this project will provide an innovative way to **permanently fund continued planting** and reforestation of endemic trees in Hawaii without State or Federal funding.
- (b) The project will provide both much needed employment and free new housing opportunities for agricultural workers in Hawaii.
- (c) The project will stop the waste of koa saplings that formerly were harvested and thrown into landfill because it was assumed that they were worthless, and the resulting spalted wood (the result of a post-harvesting treatment) will become a valuable asset because it is much sought after by wood artists such as musical instrument makers.
- (d) Finally, the resulting forests will protect Hawaii’s watersheds, reduce global warming, sequester and monetize carbon and other eco-assets, and provide both the State of Hawaii and private landowners with a fail-proof model to profitably establish and *maintain permanent forests without ever selling the wood for the value of the lumber.*

4. Describe the target population to be served; and

Both the State of Hawaii and private landowners will benefit from the technology that will make it profitable to restore Hawaii’s native endemic forests. The project will provide permanent technical and agricultural employment to workers in Hawaii, and low-or-no-cost housing for those that choose to live near the reforestation projects. Finally, the state and the world will benefit from restoration of fragile ecosystems and reduction of global warming by restoration of one of Hawaii’s greatest assets – her native forests.

5. Describe the geographic coverage.

Initially, this program will be utilized and perfected in the reforested areas of the Big Island on the slopes of Mauna Kea where we have planted more than 300,000 new and protected koa trees over the past seven years. But it is a model that can be moved to any other island in Hawaii, and be used to avoid koa waste, provide beautiful new spalted koa which is in high demand by craftsmen around the world, and the proceeds from the sale of the spalted koa wood will be used to plant more trees in a cycle that will result in the full reforestation of Hawaii's endemic forests at no cost to the State of Hawaii outside of this initial Grant In Aid funding.

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:

An on-site laboratory, sawmill and treatment facility will be built using easily movable module buildings so that the work can be performed in the reforestation fields of Hawaii. Additional modules will be included for technology and agricultural workers to live in while the koa trees are thinned (at 5 years, 10 years and 15 years of growth), and the resulting harvested saplings are treated and turned into a viable, valuable product.

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

Research has been performed, and a provider of the necessary movable modules has been identified. In the first quarter of the project, the necessary modules and related equipment will be ordered and shipped to Hawaii. In the second quarter, the initial research village will be installed in the current reforestation fields on the slopes of Mauna Kea on the Big Island, and used to do the initial thinning of more than 300,000 koa trees planted within the past several years. In the third quarter, the harvested saplings will be treated to induce spalting, and then kiln dried when the perfect level of spalting is achieved. In the fourth quarter, the resulting finished spalted wood will be dried, sent through our custom mobile saw mill facility, and then sold to waiting wood artists. The income from these sales will be reinvested directly into the planting of additional koa trees, and the cycle will begin again.

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

Our science and technology teams have worked closely with the researchers at the University of Washington, School of Forestry, which has been working on this spalting process for more than 15 years. All research and results will be shared by both teams of scientists, and any fine tuning will be performed early in the project. The process is not a long one, so by the end of the grant year, the resulting profits from the sale of the spalted woods resulting from trees that would formerly have been treated as just waste, will be proof of concept, and will be reinvested directly in future reforestation efforts.

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.

Part of the mission of HLRI is to find ways to improve the efficiency of the utilization of Hawaii's forest resources. The area of benefit is state wide. Hawaii is a very prolific growing region for all manner of tropical trees. Koa is perhaps most sought, but there is value in many other tropical trees including trees in the urban landscape of Honolulu. The history of logging in Hawaii is a sad history. Trees were felled with little regard for other endemic trees destroyed just to get access to the more valuable koa. Additionally, the prime butt log was hauled to a stationary mill site and all of the valuable limb and smaller dimension wood was left to rot in the forest. This inefficient use of Hawaii's precious forest resources has been a waste of the public wealth. Nowhere has this been more egregious than on the Big Island. As you travel the upland slopes of Mauna Kea and Mauna Loa you will encounter a bone yard of millions of board feet of wasted value and the raw materials which would have supported hundreds of jobs and the fuel for many Hawaii-based value-added industries.

The obstacle to making use of this material has always been transportation and access. What has been needed is a modular field operation system that can house a small team, an efficient portable mill, an incubator / dry kiln, and dry storage for processed materials. HLRI has already made strides in preparing for this new approach to handling a rare resource. We have acquired a large band saw for breaking down material into market ready products with a minimum of waste. Large trailer mounted generators have already been purchased to provide power to a movable mill system. A military steam generator is also on hand to provide heat for the sterilization of the incubator / dry kiln. This whole facility will be built with 20' shipping containers. Also already acquired is a 10 ton 6-wheel drive flatbed truck built for moving these module containers. We also have a crane mounted on a 6-wheel drive truck that can move and position these containers in off-road environments. We have also begun work to implement a proprietary technology for increasing the value of sapling koa wood derived from the forest management practice of thinning to increase the health of the forest and select for the best trees. This early thinning was always treated as a nuisance and waste product. This developing technology will allow these trees to be turned into very high value products that can fuel millwork, furniture and artisan woodworking in Hawaii.

This portable and modular mill site could be moved by truck within the island and interisland by barge, allowing for use at any location statewide. By taking the mill to the work, we avoid hauling material that will later become sawdust. We also have the luxury of processing smaller and lower valued material into value added products right at the site. On Oahu, for example, tree trimmers have an ongoing problem. They have to pay tipping fees to dispose of the trunks

and logs generated when they remove trees from public and private lands. One of these units near the landfill would provide them an alternative to paying to dump valuable wood such as mango, Norfolk pine, kamani, lychee and others. HLRI's science and technology team has already developed the necessary contacts to market many of the woods that currently make it into the waste stream of Oahu. This is an untapped industry that can develop quickly once the logistics of one site processing are refined. The resulting products can then be sold and income from those sales will be reinvested 100% to continue replanting Hawaii's dwindling endemic forests, without having to actually harvest and sell the best of the koa we are trying to reforest.

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
See Attached
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2017.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$65,000	\$39,000	20,800	\$20,000	\$ 144,800

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2017.

See Attached

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.

The Hawaiian Legacy Reforestation Initiative has received NO state or federal tax credits within the prior three years.

5. The applicant shall provide a listing of all federal, state, and county government contracts and grants it has been and will be receiving for program funding.

The Hawaiian Legacy Reforestation Initiative has applied for a USDA Research Grant, but it has not yet been approved as of submission of this grant.

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2015.

\$72,775

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.

Hawaiian Legacy Reforestation Initiative was developed as the nonprofit technology arm of Hawaiian Legacy Hardwoods (HLH). HLH has a very successful seven-year history of planting for permanent reforestation on Hawaii Island. This includes, for example, a 60-year lease on 1,100 acres that we have planted with over 300,000 koa, sandalwood and other native trees. We are currently also developing an additional arm of HLRI on Oahu to expand those efforts there.

In another one to two years, as part of required forest management practices, we must start thinning these stands of trees. We have established a laboratory and have experimented with development and marketing of high end spalted wood products from the wood available from these thinning practices and spalting technology as described above. This innovative approach in conjunction with the modular portable mill and processing site could not only increase the efficiency of managing Hawaii's forests, but it could create a powerful motivation to replant Hawaii's forests and preserve its unique ecosystems. For example, even private landowners may decide to reforest land if they knew that they could gain a valuable and in-demand product every five years or so without actually cutting down the primary endemic trees on their properties. This can result in the preservation of Hawaii's native endemic forests, endangered birds and animals that live in them, and provide more employment opportunities for Hawaii's people.

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.

Hawaiian Legacy Reforestation Initiative has already building stationary laboratory and testing facilities, and acquired the necessary harvesting equipment to gently and carefully remove the thinning saplings from the koa fields, and has been testing those saplings for large scale production and marketing of spalted wood products. Developing a mobile laboratory and sawmill, along with employee housing for the agricultural workers, is the next logical step to taking the income-producing technology statewide, and providing the most promising fee-for-service income to date to create full sustainability to Hawaii's reforestation efforts.

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.

All scientists and laboratory technicians will be hired locally, trained on site, and most will be given the opportunity to live without cost in the house modules in order to avoid long commutes to different reforestation and sapling fields. Up to 30 employees for each field can be hired, trained, and provided with valuable skills which they can use continuing to work with HLRI, or with other private landowners who are interested in pursuing their own reforestation efforts.

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 organization chart that illustrates the placement of this request.

See attached

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.

Vice President – Corporate Partnership	- \$34,900
Accountant// Book Keeper	- \$11,900
Administrator – Legacy Tree Program	- \$ 7,700

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.

Streamline Consulting Group LLC (“SCG”) has filed a lawsuit against Hawaiian Legacy Reforestation Initiative, a Hawaii nonprofit corporation, and other defendants.

SCG's claims in both the lawsuit arise out of two agreements: (1) a services Agreement entered into on January 1, 2014 ("Services Agreement") and (2) a Confidentiality, Non-disclosure, and Non-Circumvention Agreement dated December 17, 2013 (the "NCA").

Not only was HLRI not a party to either the Services Agreement or NCA, but HLRI did not even exist when each agreement was entered into by the parties thereto. HLRI was not formed until February 28, 2014. HLRI is a Hawaii nonprofit corporation that has its own separate corporate existence apart from the other defendants in the lawsuit.

There is no basis in law or fact for the claims alleged by Streamline against HLRI which we anticipate will be dismissed with prejudice.

B. Licensure or Accreditation

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

Not applicable to this project or request.

C. Private Educational Institutions

The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question.

None of this grant funding, should it be granted, will be used by any private educational institution.

D. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2016-17 the activity funded by the grant if the grant of this application is:

- (1) Received by the applicant for fiscal year 2016-17, but
- (2) Not received by the applicant thereafter.

This is a one-time-only grant for a project that is fully self-sustaining.

E. Certificate of Good Standing (If the Applicant is an Organization)

If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2015.

Attached.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2016 to June 30, 2017

Applicant:

HAWAIIAN LEGACY REFORESTATION INITIATIVE

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				
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				60,000
4. Lease/Rental of Space				14,480
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				74,480
C. EQUIPMENT PURCHASES				86,000
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	\$144,800.00			
TOTAL (A+B+C+D+E)	\$144,800.00			160,480
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	\$144,800.00	Maryellen Markley, Ph.D.	808-561-8096	
(b) Total Federal Funds Requested			Phone	
(c) Total County Funds Requested			1/21/2018	
(d) Total Private/Other Funds Requested	\$160,480.00	Signature of Authorized Official	Date	
TOTAL BUDGET	305,280	Jeffrey A. Dunster Name and Title (Please type or print)		

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2016 to June 30, 2017

Hawaiian Legacy Reforestation Initiative

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
N/A				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				\$ -
JUSTIFICATION/COMMENTS:				
<i>No requested Grant funding will be used for salaries or wages</i>				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2016 to June 30, 2017

Applicant: Hawaiian Legacy Reforestation Initiative__

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Field Module Container Units used as movable wood preparation laboratory and also worker homes	12	\$5,400.00	\$ 64,800.00	\$64,800.00
20' container to be modified into a field laboratory, drying kiln and moveable saw mill	2	\$20,000.00	\$ 40,000.00	\$40,000.00
Truss roof and bridging materials to attach the lab and sawmill buildings	1	\$18,000.00	\$ 18,000.00	\$18,000.00
Shipping costs to bring units to Hawaii from manufacturing site on the mainland	1	\$22,000.00	\$ 22,000.00	\$22,000.00
			\$ -	
TOTAL:	16		\$ 144,800.00	\$144,800.00

JUSTIFICATION/COMMENTS:

All of the above can be moved from location to location throughout the state as needed to harvest and treat the koa, and provide free housing for the workers.

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

JUSTIFICATION/COMMENTS:

No motor vehicles will be purchased with this grant funding

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2016 to June 30, 2017

Applicant: __Hawaii Legacy Reforestation Initiat

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: 2014-2015	FY: 2015-2016	FY:2016-2017	FY:2016-2017	FY:2017-2018	FY:2018-2019
PLANS	0	0	0	0	0	0
LAND ACQUISITION	0	0	0	0	0	0
DESIGN	0	\$35,000.00	0	0	0	0
CONSTRUCTION	0			\$30,480.00	0	0
EQUIPMENT	0	\$320,000.00	144800.00	\$130,000.00	0	
TOTAL:			\$144,800.00	\$160,480.00		

JUSTIFICATION/COMMENTS:

A GIA funding will be used to create a mobile laboratory and sawmill to produce the spalted koa, and provide housing for employees who choose to remain close to the reforestation projects.

GOVERNMENT CONTRACTS AND / OR GRANTS

App: Hawaii Legacy Reforestation Initiative

Contracts Total: -

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1					
2	There are currently no government contracts or grants related to this project.				
3					
4					
5					
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**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.

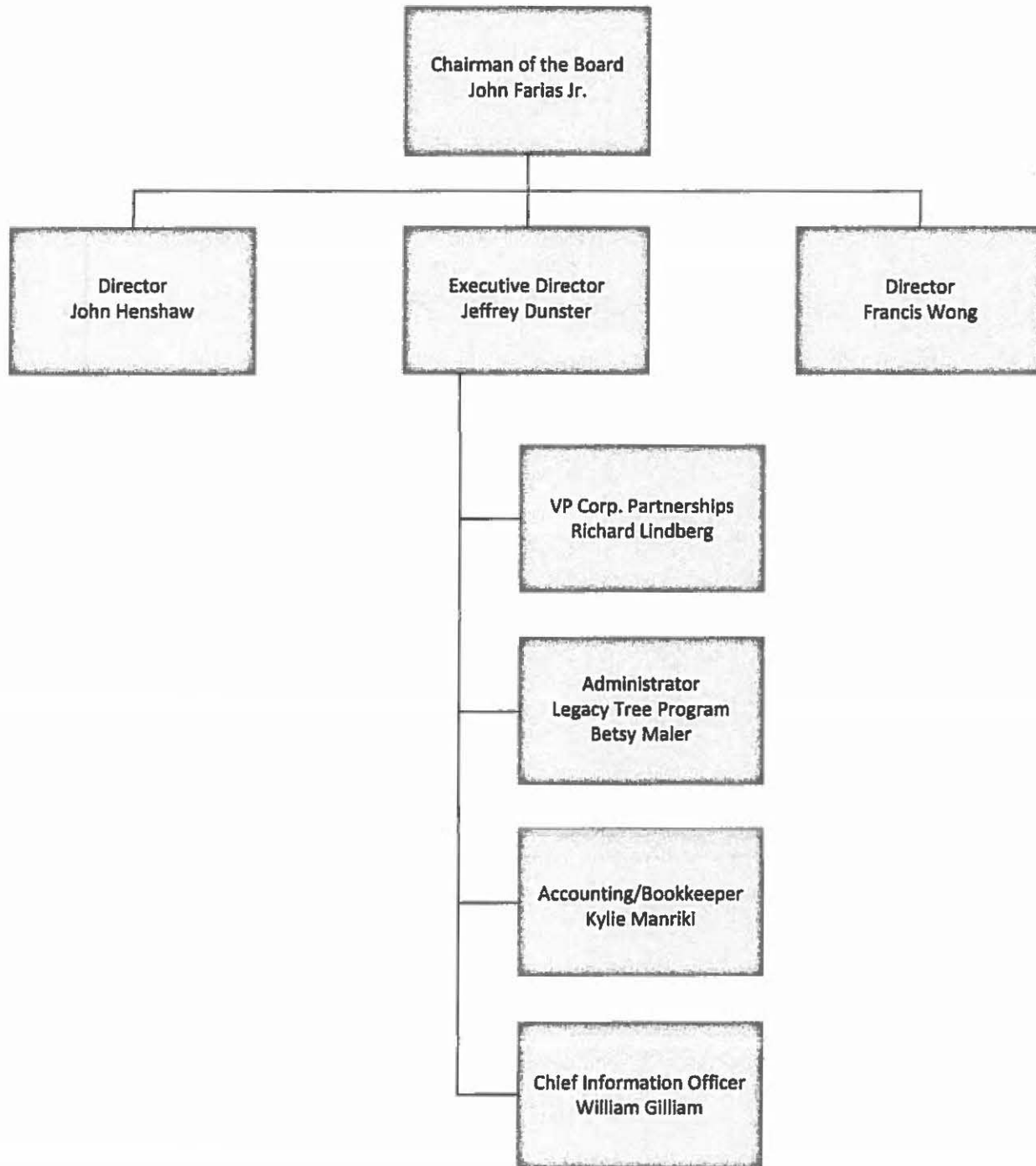
Pursuant to Section 42F-103, Hawaii Revised Statutes, for grants used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with 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.

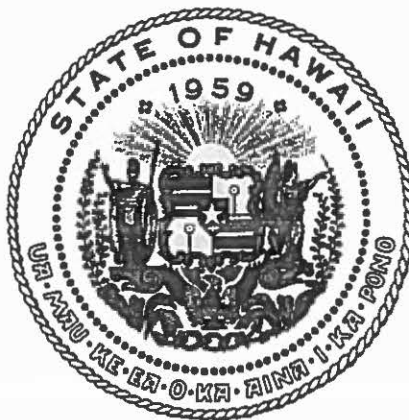
Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Hawaiian Legacy Reforestation Initiative

(Individual or Organization)
 _____
(Signature) (Date)

Jeffrey A. Dunster, _____ President & CEO
(Typed Name) (Title)





Department of Commerce and Consumer Affairs

CERTIFICATE OF GOOD STANDING

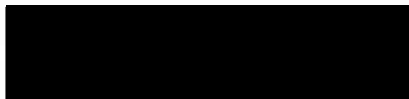
I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

HAWAIIAN LEGACY REFORESTATION INITIATIVE

was incorporated under the laws of Hawaii on 02/28/2014 ; that it is an existing nonprofit corporation; and that, as far as the records of this Department reveal, has complied with all of the provisions of the Hawaii Nonprofit Corporations Act, regulating domestic nonprofit corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, Hawaii.

Dated: January 21, 2016



Director of Commerce and Consumer Affairs

