

House District 44
Senate District 21

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:

Waianae Economic Development Council
87-151 Liliana Street
Waianae, HI 96792

P.O. Box 737
Waianae, HI 96792

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Joseph Lapilio
President and CEO
(808) 265-3975
JWL3@thewedc.com

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:

Planning and Designing a Multi-Certified Kitchen and Training Facility on the Waianae Coast

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2017: \$ 407,000

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 \$ 407,000
FEDERAL \$ _____ 0
COUNTY \$ _____ 0
PRIVATE/OTHER \$ _____ 0

Joseph Lapilio President/CEO

January 21, 2016

NAME & TITLE

DATE SIGNED



RECEIVED
1/21/16 ML

Application for Grants

I. Background and Summary

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

The Wai`anae Economic Development Council (WEDC) was formed to identify and develop economic opportunities on the Wai`anae Coast. Its mission is to create the conditions for the community to flourish based on its rich resources – its culture, history, natural resources and people. The Wai`anae Economic Development Council will accomplish this mission by adhering to the following operating principles:

- Create value for our community, our clients, and their customers;
- Build relationships among businesses and within the community; and
- Demonstrate respect for our clients, our community and its culture.

To fulfill its mission, the Wai`anae Economic Development Council has taken on the following roles and responsibilities:

- Building capacity by providing training and ongoing technical assistance.
- Improving access to financing, capital and other resources.
- Facilitating the promotion and marketing of Wai`anae Coast products and services.
- Developing new companies, activities and partnerships, particularly those that stimulate further development and help existing businesses.

Our goals over the next three years include:

- Identifying the community's assets and publishing an annual directory of businesses.
- Providing workshops, seminars and consulting services.
- Supporting and strengthening the community's nonprofit sector.
- Building the physical infrastructure needed for local businesses to develop and grow. This includes developing a certified kitchen facility, a retail outlet (site based and online) and a tour company to transport visitors to and around the coast.

The Wai`anae Economic Development Council will meet these goals with the support of experienced leadership in community economic development, collaboration with experienced partners in the field of business development, and with ongoing participation of the community.

2. The goals and objectives related to the request;

The goals of the Wai`anae Economic Development Council include building the physical infrastructure needed for local businesses to develop and grow. For purposes of this Grant-in-Aid request, the Wai`anae Economic Development Council is requesting funding to plan and design a multi-certified kitchen and training facility that will also function as a community hub and gathering place.

3. The public purpose and need to be served;

The members of the Wai`anae Economic Development Council have provided business training and technical assistance to Wai`anae Coast residents and businesses for many years. A central theme from training participants and existing businesses is the lack of facilities that can help these businesses meet the requirements, both regulatory and operationally, to produce products in a safe and cost efficient way. One of these deficiencies is the lack of accessible, adequate and certified facilities to prepare food and food products.

The absence of accessible, certified kitchens prevents businesses, particularly those starting out small, from participating in community events, farmers' markets, and other activities that are prime opportunities for these type of businesses.

Providing access to certified kitchens will help the community in the following ways.

- Increase the number of businesses in the community, particularly start-ups and small and micro-businesses specializing in food products.
- Create employment opportunities for business owners and as their sales volume increases, it will provide jobs to other residents.
- Build household income as these businesses grow and as residents are employed.
- Promote visitor awareness and appreciation for products (in this case food products) from the Wai`anae Coast.

4. Describe the target population to be served; and

The multi-certified kitchen and training facility will provide a location for current businesses and emerging entrepreneurs developing food products for sale. It is expected that the majority of facility users will be from the Wai`anae Coast but it will be available to businesses from other areas of Oahu.

5. Describe the geographic coverage.

The multi-certified kitchen and training facility will be located on the Wai`anae Coast. It will be available to anyone who requests and reserves its use.

II. Service Summary and Outcomes

1. Describe the scope of work, tasks and responsibilities;

This project, if funded, will help the Wai`anae Economic Development Council to plan and design a multi-certified kitchen and training facility. In addition to the certified kitchens, the facility will serve as an incubator for start-up and small food producers. This incubator will provide educational workshops, business development training and access to common supports needed for business to operate. Specifically, the facility will include:

- Multi-kitchen facilities including preparation, baking and full kitchens
- Classroom space for training and business development workshops
- Business center services including printing and other operational support services
- Office space for managing and operating the facility
- Parking, security and lighting
- Café or restaurant
- Retail space to sell products from applicable users of the facility

Four major requirements for this project will be completed prior to the release of any funding appropriated from this State of Hawaii Grant-In-Aid:

- A directory of current businesses (and potential customers) will be completed.
- Business development classes will start on the coast for interested businesses
- Community meetings and input from potential clients will be gathered
- A site will be secured.

Funding from this GIA, if awarded, would be used for the planning and design of the multi-certified kitchen and training facility.

The Vice-President of the Wai`anae Economic Development Council Board of Directors will oversee the entire project and work closely with the Project Manager, Sharlette Poe. The Project Manager will be responsible for the following tasks:

- Convene community meetings to discuss the project and gather input.
- Complete a Business Plan, including a strategy for sustaining operating costs
- Hire an Architect (contracted) who will participate in community meetings and design the facility incorporating input from the community and board of directors.
- Ensure the project consistent with board and community input.
- Identify and pursue additional financing and resources to support the development and management of the Facility
- Submit reports to the board of directors and to the State of Hawaii as requested.

The Architect will work with the Project Manager to gather input from the community, the WEDC Board of Directors and translate recommendations into design.

- A draft will be completed in Month Six for review by the board of directors.
- A final design will be completed in Month Nine.
- A final report will be completed by the Executive Director in Month 12.

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

The following is the anticipated timeline for this project:

MONTHS	TASK	RESPONSIBILITY
1 - 2	Project Manager starts, Complete the business plan	Board of Directors/VP
2 - 3	Hire an Architect, Complete Fund Development Plan	Project Manager
3 - 5	Continue community meetings to gather input for design of the facility	Project Manager/Architect
6 - 7	Develop preliminary drawings and concept	Project Manager/Architect
7 - 8	Board review, revisions, approval	Board of Directors
9 - 10	Final Design and Materials	Project Manager/Architect
11-12	Final Report	Board President

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

The Wai'anae Economic Development Council is fortunate to have a member of the board who has experience with this type of project. Dan Gomes, the Board Vice-President, was the primary individual responsible for planning, designing and constructing the certified kitchen and culinary arts facility at Wai'anae High School. Dan will be the Project Director and primary person responsible for oversight of the entire project, and will work with the Project Manager to ensure that all benchmarks are met, the project is done professionally, on budget and as scheduled.

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 following measures will be used to report on the progress of this project:

- Site control will be secured. Documentation verifying site control will be available.
- Contract for the Architect will be completed and on file.
- A report of the planning process will be completed and submitted.
- A preliminary design will be completed by the architect and submitted.
- Community comments on the preliminary design will be recorded and filed.
- A final design for the project will be completed and submitted.
- The Business Plan will be completed.

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 2016.**

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
67,375	101,750	101,750	136,125	407,000

3. **The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2016.**

Preliminary planning is taking place in the community. As conceptual plans are developed, we will identify and pursue appropriate funding resources. At this time, preliminary discussions are taking place with the US Department of Agriculture and the Economic Development Administration but no formal proposal have been submitted.

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 Wai`anae Economic Development Council has not received any state or federal tax credits. To date, we have not applied for any state or federal tax credits. At the completion of the design phase, the Wai`anae Economic Development Council anticipates exploring the option of applying for state and federal tax credits to help finance construction of the facility.

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

The Wai`anae Economic Development Council is not receiving any program funding for the facility and anticipates that such funding will not be solicited until construction of the facility takes place.

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

The Wai`anae Economic Development Council had no unrestricted assets at the end of 2015.

IV. Experience and Capability

A. Necessary Skills and Experience

The Wai`anae Economic Development Council is governed by a Board of Directors who volunteer and bring a wealth of experience and expertise in community economic development. The members of the board are also active members of the Wai`anae Coast community and bring a broad perspective to the planning and implementation of the organization's larger goals. The members of the board of directors include:

Joseph Lapilio, President and CEO of the Wai`anae Economic Development Council, has worked on the Wai`anae Coast for more than forty years. Joseph is a community and organizational development consultant. He was the executive director of the Wai`anae Coast Coalition for eleven years and coordinated community projects focused on economic development including leading the Wai`anae Business Center for five years. Joseph is active in the community including the Wai`anae Coast Rotary Club, the Lualualei Hawai`ian Civic Club and the Native Hawai`ian Chamber of Commerce, among others. Joseph will serve as the Program Director for this application, if it is funded.

Dan Gomes is the Vice-President of the Board of Directors. He is also a member of Ulu Mau Development LLC, a firm specializing in business developments benefiting the Wai`anae Coast. Prior to this, Dan was the business manager at Wai`anae High School and responsible for the planning and construction of the culinary arts facility (including a certified kitchen) at the school. Dan is retired from Pitney Bowes where he was the District General Manager. Dan is active in the community as a member of the board of directors for the Wai`anae Coast Comprehensive Health Center and a member of the board of directors for the Wai`anae Boys and Girls Club. He is also a member of the Wai`anae High School Community Council.

Gail Gomes is the Secretary-Treasurer and a member of the Board of Directors for the Wai`anae Economic Development Council. Gail is the editor of Westside Stories, the community's monthly newspaper and she is noted for her awareness of the community. Gail has served on the Wai`anae Coast Neighborhood Board, the Neighborhood Commission with the City and County of Honolulu and the Wai`anae Coast Rotary Club. Gail will be responsible for coordinating the publication of community business directory and convening community meetings to solicit input from residents and businesses.

Frances Ah Nee is a member of the Board of Directors. She is the branch manager for Bank of Hawai`i in Wai`anae. Frances is active in the community as a member of the Wai`anae Coast Rotary Club. Frances assists with business development classes and other support activities to current and local businesses.

Verna Landford-Bright is a member of the Board of Directors. She has lived on the Wai`anae Coast most of her life and is currently a Job Specialist with the City and County of Honolulu, Department of Community Services, WorkHawaii Program. She

has had this position for 16 years. Prior to this, Verna was a case manager with the Wai`anae Mental Health Center. Verna is an active member of the Wai`anae Coast community. She was a member of Valley of Rainbows until 2015. She volunteers as a case manager for the Visitor Aloha Society of Hawai`i where she assists visitors in need. Verna is a member of the Wai`anae High School Alumni Foundation where she was a Co-Founder and President for five years. She is a member of the Research Committee with the Wai`anae Coast Comprehensive Health Center. Her passion and skills are in case management where she is able to work with people.

The Wai`anae Economic Development Council is also home to a cadre of associates who bring broad range of experience and education. These associates are residents of the community and work on the coast in a variety of fields including education, employment training, business and nonprofit management and law, among others.

B. Facilities

While the community hosts several stand alone certified kitchens, those that are not operating solely as food establishments are difficult to find and use on a regular basis. Most Wai`anae Coast businesses who are required to use a certified kitchen build their own kitchens or must travel to Honolulu to the certified kitchen facilities of Pacific Gateway in Kalihi.

Many small and emerging businesses do not have the capital needed to build their own facilities and are unable to travel to town. A large number of vendors operate under the radar and skirt the rules. This is particularly true for those businesses that sell products along the highway or are hidden from view and inspection.

Many start-up businesses, including micro-businesses, need a certified kitchen but also require some time to establish their businesses and gain the experience and knowledge needed to succeed. A multi-certified kitchen and training facility linked to the Wai`anae Economic Development Council would serve as an incubator for those needing it and improve access to experienced and knowledgeable individuals who can train and provide needed technical assistance.

This type of facility does not exist on the Wai`anae Coast and is the reason for this request. Funding from this GIA, if awarded, would be used to plan and design a multi-kitchen facility certified for food preparation by the Department of Health. The facility would also be used to hold classes and workshops for residents interested in starting or are already in business and need additional support. The Wai`anae Economic Development Council will be in the new facility to provide ongoing support to those that are starting their businesses and/or using the kitchen.

Negotiations for a site on the coast are underway and will be completed before funding for this project is released.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

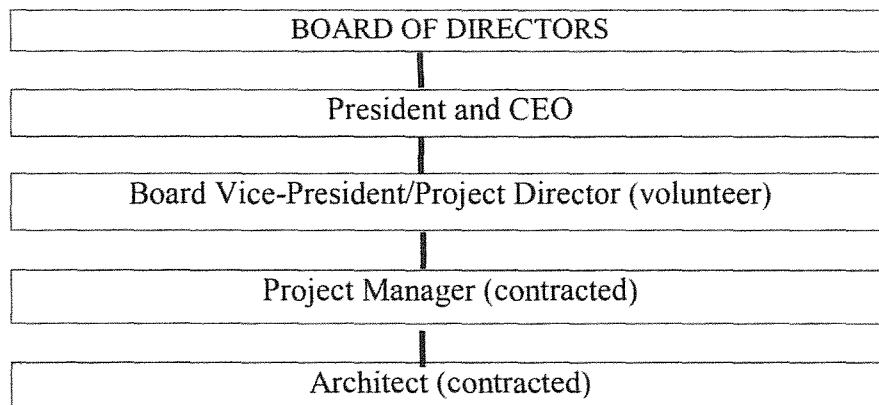
The Board President, Joseph Lapilio, is the President and CEO of the organization with overall responsibility for completion of this project. He is an seasoned nonprofit executive and served in many organizations demonstrating experience in large projects.

The Board Vice-President, Dan Gomes, will serve as a pro bono Project Director (PD) and oversee the project. Dan will work with the Project Manager (PM), Shar Poe, who will be responsible for completing the tasks defined in this proposal. The PM will complete the business plan and, under the supervision of the PD and the WEDC President, will hire the Architect, monitor the progress and deliverables of the Architect, make recommendations to the Board of Directors, and provide reports as needed. She will also be responsible to work with the PD and the WEDC President to identify and secure additional funding to construct the facility. Dan Gomes is a highly experienced and talented with experience planning, designing and constructing a certified kitchen.

Sharlette Poe has 27 years of experience as a small business owner of a traditional marble and granite monument and memorial company; over 20 years' experience as an internet marketer and global entrepreneur, and 12 years' experience in the non-profit sector. She is highly active and well respected in community efforts across industries and sectors.

The Architect for this project has not been selected at this time. If funding if approved, the Wai'anae Economic Development Council Board of Directors, with the support of its Vice-President/Project Director, will establish the process for selection of the Architect.

B. Organization Chart



C. Compensation

All current positions within the Wai'anae Economic Development Council are filled by volunteers. Funding from this GIA request will be used to contract the expertise needed to develop this project.

VI. Other

A. Litigation

The Wai`anae Economic Development Council does not have any pending litigation to which it is a party nor does it have any outstanding judgments.

B. Licensure or Accreditation

Licenses and/or accreditation are not needed at this point. However, planning and designing the facility will require that the architect be licensed. The design of the kitchen will also need to ensure that the facility is certifiable by the Department of Health.

C. Federal and County Grants

No federal or county grants were awarded in the past year.

D. Private Educational Institutions

This grant, if awarded, will not be used to support or benefit a sectarian or non-sectarian private educational institution.

E. Future Sustainability Plan

A business plan outlining the revenue projections of the multi-certified kitchen and training facility is being completed. Preliminary projections indicate that the multi-certified kitchen and training facility will generate sufficient income to meet operating costs.

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

A copy of the current certificate of good standing from the Director of Commerce and Consumer Affairs is attached.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2016 to June 30, 2017

Applicant: Waianae Economic Development Council

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	0	0		
2. Payroll Taxes & Assessments	0	0		
3. Fringe Benefits	0	0		
TOTAL PERSONNEL COST	0	0		
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				
7. Telecommunication				
8. Utilities				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	0	0		
C. EQUIPMENT PURCHASES	0	0		
D. MOTOR VEHICLE PURCHASES	0	0		
E. CAPITAL	407,000	407,000		
TOTAL (A+B+C+D+E)	407,000	407,000		
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	407,000			(808) 265-3975
(b) Total Federal Funds Requested				Phone
(c) Total County Funds Requested				1/21/2016
(d) Total Private/Other Funds Requested				Date
TOTAL BUDGET	407,000	_____ President and CEO		

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2016 to June 30, 2017

Applicant: Waianae Economic Development Council

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
				\$ -
Not Applicable				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				
JUSTIFICATION/COMMENTS: No staff will be hired for this project. Work will be performed utilizing contractors (see page 8).				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2016 to June 30, 2017

Applicant: Waianae Economic Development Coun

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
			\$ -	
Not applicable			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS: No equipment will be purchased or leased for this project.				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
Not applicable			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS: No motor vehicles will be purchased or leased for this project.				

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2016 to June 30, 2017

Applicant: Waianae Economic Development C

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2013-2014	FY: 2014-2015	FY:2015-2016	FY:2015-2016	FY:2016-2017	FY:2017-2018
PROJECT MANAGER	0	0	72000	0	0	0
PLANNING	0	0	60000	0	0	0
DESIGN	0	0	275000	0	0	0
CONSTRUCTION	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
TOTAL:	0	0	407,000	0	0	0
JUSTIFICATION/COMMENTS: Any funding for this project, if received, will be used for planning and design of the certified multi-kitchen facility. Project Management includes oversight of the project and the GIA, if awarded. Planning includes any community outreach and preliminary and related drawings and other materials. Design will be done by a certified architect.						

GOVERNMENT CONTRACTS AND/OR GRANTS

Applicant: Waianae Economic Development Council

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1.					
2.	Not Applicable				
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.

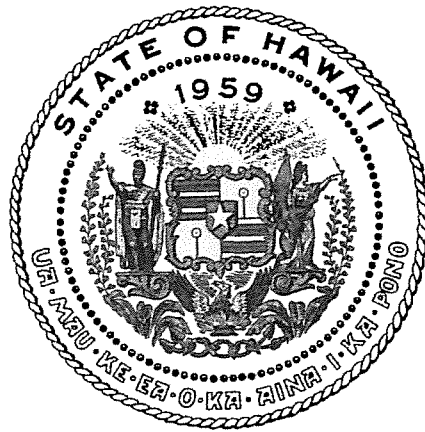
Waianae Economic Development Council

(organization)

January 21, 2016

(Date)
President and CEO

(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

WAIANAE ECONOMIC DEVELOPMENT COUNCIL

was incorporated under the laws of Hawaii on 08/21/2014 ; 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 13, 2016



Director of Commerce and Consumer Affairs

