

House District 1
Senate District 4

THE TWENTY-NINTH 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:

Hamakua Agricultural Cooperative

Db/a: n/a

Street Address: 44-151 Paauhau Street, Honokaa, Hawaii

Mailing Address: P.O. Box 1335, Honokaa, Hawaii 96727

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name LORI BEACH

Title _____

Phone # 808 775-1107

Fax # _____

E-mail farmers@hnhac.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

Cooperative

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

REPAIR OF INTERNAL FARM ROADS

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2018: \$180,000

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 \$ 180,000
FEDERAL \$ _____
COUNTY \$ _____
PRIVATE/OTHER \$ _____

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE

AUTHORIZED SIGNATURE

LORI BEACH, EXECUTIVE MANAGER
NAME & TITLE

JANUARY 16, 2017
DATE SIGNED



RECEIVED

1/19/17 ma

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 Hamakua Agricultural Cooperative (Co-op), incorporated in 1994, was designed to provide affordable farmland to the area's displaced sugar workers following the closure of the Hamakua Sugar Plantation on Hawaii Island. Today approximately 60 member/farmers are involved in diversified agricultural production between Paauilo and Waipio, along Hawaii's Hamakua Coast.

Co-op lands are owned by the Hawaii Department of Agriculture (HDOA) and the Department of Land and Natural Resources (DLNR). The Co-op holds 10 individual Master Leases that comprise approx. 800 acres of land, with a total of 102 individual parcels that are subleased to Co-op farmer members.

The Co-op's mission is to create a viable, environmentally sound, diversified economy based on agriculture along the Hamakua Coast by providing their member/farmers with: long-term tenure to agricultural land; training and educational opportunities; marketing and promotion assistance; bulk purchasing of farm supplies and other services as allowed by state law.

While the area is touted as an ideal location for diversified agriculture, the lack of infrastructure is a major impediment to increasing agricultural production. The majority of our lands are quite steep and we have continual damage to our internal unpaved farm roads from the 100 inches average annual rainfall in our area; we frequently receive 20-30 inches of rain over a period of a few days. While our member/farmers try to keep the roads maintained, the roads have reached a point of disrepair that makes access difficult at best and impossible at worse. The majority of the Co-op member/farmers operate small (average size is 7 acres), family-run businesses and lack the capital to fund the immediate repairs needed to keep the roads in good condition. In certain areas the poor access has impeded our ability to find farmers to sub-lease our lands.

We have overcome many obstacles in our history but have not been able to find any assistance with this major problem. We are the only Co-op that holds

Master Leases on State land in order to sub-lease parcels out to residents wishing to farm. We are an "at cost" Co-op which means that we have to rely on our member/farmers to cover all expenses. This unique structure prevents us from qualifying for the usual methods farmers use to rectify these types of issues. We have inquired with the Farm Services Agency (FSA), National Resource Conservation Services (NRCS), the County of Hawaii and various USDA grants for assistance but due to our structure they have been unable to help. The Hawaii Department of Agriculture (HDOA) has told us that they do not assist with internal farm roads on their lands. Representative Mark Nakashima has suggested that we apply for this Grant in Aid and it is our last hope for some assistance with this problem.

2. The goals and objectives related to the request;

The goal is to use the funds to make immediate repairs to the internal farm roads with the objective of improving the roads used by our member/farmers to access their farms and be able to find farmers to lease the lands that are currently not sub-leased.

3. The public purpose and need to be served;

The public purpose and need being served is that our member/farmers will be able to continue their operations and provide locally grown produce and we will be able to find sub-leases for our lands currently unleased due to poor access and thereby increase food security and facilitate small business and economic development along the Hamakua Coast. In addition, since the State employees of the Hamakua Irrigation System use these roads for meter reading and maintenance of the irrigation system, all users of the Irrigation System will benefit.

4. Describe the target population to be served; and

Our member/farmers as well as other farmers/ranchers along the ditch system will be the population most served by this grant. We currently have 60 member/farmers. Approx. 30% are original members that lost their employment when the sugar plantation closed. The remainder of our member/farmers are small family farmers helping to provide fresh, healthy produce for our community thereby increasing our food security and contributing to our local economy.

5. Describe the geographic coverage.

The Co-op has 3 different areas that lay between the town of Paauilo and Waipio Valley on the Hamakua Coast on the Island of Hawaii that need road repairs.

Specifically:

Honokaia Farm Lots located Makai of Hwy 240 at mile marker
Hamakua Ag Park lots located Makai of Hwy 19 at mile marker 38
Paauilo Farm lots Makai of Hwy 19 between mile marker 36 and 37

Map showing location of Co-op lands



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;

We have 3 different areas with a total of approx. 4 miles of roads in need of repair. Each area and their corresponding roads need different degrees of work.

After consulting with our farmers and local contractors familiar with this type of work we have defined the general scope of work for all the areas as follows:

- Bulldoze work to smooth and angle the roads so that the water flows off road
- Repair existing water swales on the roads that slow down the velocity of the water and direct it to existing water diversion areas
- Install additional water swales on the roads as needed to slow down the velocity of the water and direct it to new water diversion areas
- Lay gravel in needed areas to help keep roads from becoming slick and muddy

- Concrete selected areas that are so steep that gravel washes away in times of high rainfall.

Specifics for each area:

Honokaia Farm Lots:

There are two main access roads that service this 386 acre area that we informally call Reservoir Road and Rafol Road. There is an additional internal road we refer to as Malanahae Road. These roads total approx. 1.7 miles.

Reservoir Road: This is the main access to this area and approx. 3,085 feet in length. It is very steep and in poor condition which has been an issue for us in being able to find farmers to lease lots in this area.

When the State installed the reservoir at the top of the road several years ago they paved approx. 450 feet of the top portion of the road. Unfortunately, there were no water diversions installed at the time and during periods of heavy rain the runoff from the bottom of the paving causes serious damage to the road below.

The member/farmers in this area have maintained this road for many years using their time and money to grade, install and maintain water swales and water diversion areas, lay gravel and even cemented a 200 foot section on the steepest part of the road several years ago, all at their own expense.

Funds are needed for additional grading, reinforcing existing water swales, creating additional water swales, expanding existing and creating new water diversion areas and extensive gravel and/or possible cementing of critical areas.

Rafol Road: This is the other main access road for this area and is approx. 4,000 feet in length. This is by far the worst road we have. It is very steep and the continual rain damage has deteriorated it to the point where it is impassable in rainy weather. We obtained a quote from GW Construction to pave the worst part of this road and the bid came in just under \$85,000.

This road borders a TMK boundary. This boundary was adjusted several years ago by the neighboring owner and we believe the adjustment was in error. The original road in this location was 60 feet to the east and was an established plantation road, less steep and traversed over hard rock which is not as susceptible to erosion. We believe that it would be more cost effective to reestablish a road in the original location than repair the current road. The neighbor is agreeable to move the boundary if we provide a survey showing that the boundary is indeed in the wrong location. Funds are being requested in the amount of \$5,000 in order to determine the correct location for this road.

If the road is determined to be in the wrong place we feel the new road could be established for approx. \$15,000.

Malanahae Road: Malanahae Road is approx. 1,800 long and will require less work than the other two roads in this area but still needs basic grading, creation of water swales and diversion areas and some gravel.

Photos of roads in Honokaia Farm Lots



Hamakua Ag Park:

There are two main access roads that service this 235 acre area that we informally call Helco Road and Astro Road. There is an additional internal access road we refer to as Ridge Road. These roads total approx. 1 mile. The roads are quite steep and in some places have been reduced to hard rock so will require more bulldozing, water swales and diversions, gravel and/or possible concrete in some areas.

Helco Road: This road is approx. 1,500 feet long. The top 200 feet needs the most attention as there is an intersection at the bottom of the first hill that feeds the surrounding lots which has deteriorated to the point of becoming almost impassable. Funds are needed for grading, creating water swales and water diversions and extensive gravel and/or possible cementing of critical areas.

Astro Road: This is the other main access to this area and is approx. 2,100 feet in length. The critical area in need of repairs on this road is the top 400 feet. Funds are needed for grading, creating water swales and water diversions, gravel and/or possible cementing of critical areas.

Ridge Road: This is an internal access road and is quite steep in spots and is approx. 1,950 feet in length. General Maintenance is needed on this road which would include grading, creating water swales and water diversions and gravel.

Photos of roads in Hamakua Ag Park



Paauilo Farm Lots:

There are approx. 1 mile of roads that service this 164 acre area. For the most part, roads in this area are not as steep as in the other areas and consequently have more top soil on them. Due to this, in times of heavy rain, these roads become impassable due to standing water and muddy conditions.

Funds are needed for grading, creating water swales and water diversions and gravel.

Photos of roads in Paauilo Farm Lots



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

Work will start immediately upon receipt of funds. A project manager, with experience in road work, will be hired to finalize plans, arrange for bulldozer work and order appropriate sized gravel and oversee the on the ground work being performed.

Honokaia Farm Lots: A survey will be immediately ordered and after receipt of it a decision will be made to either repair the existing road or to move the road to a new, better location.

It is expected that it will take approx. 3.5-weeks to complete the tasks listed on the scope of work for this area. Exact timing will depend on the availability of the equipment operator and gravel delivery and the final decision on moving the existing road.

Hamakua Ag Park: It is expected that it will take approx. 2 weeks to complete the tasks listed on the scope of work for this area. Exact timing will depend on the availability of the equipment operator and gravel delivery.

Paauilo Farm Lots: It is expected that it will take approx. 10-days to complete the tasks listed on the scope of work for this area. Exact timing will depend on the availability of the equipment operator and gravel delivery.

We anticipate completing the entire project within 6-months from receiving the funds.

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

A project manager who is familiar with road repair work will be hired to finalize the work plan and arrange for the work to be performed, order the proper sized gravel for the job and oversee the work performed. We anticipate this position will require no more than 80 hours over the course of several months.

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.

Measures of effectiveness include:

Surveying members to determine if the following goals have been achieved:

Roads are restored and improved so they do not wash out as easily.

Increased quantity/number of water diversions are effective at moving the water off of the roads.

Farmers can access their farms more easily with reduced impact on vehicles.

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 2018.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$180,000				

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2018. None
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. None
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. None
6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2016. Approx. \$5,600

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.

The Co-op has managed these leases since 1994 providing all needed services to our member/farmers. We have successfully managed approx. \$60,000 in grant funds over the last few years and successfully initiated a Post-Harvest Processing Facility for our member/farmers use.

Grants administered by the Co-op in the last four years include the following:

- HDOA Product Placement Grant
- CTAHR Value-Added Grant
- Rural Business Enterprise Grant

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 Co-op currently leases office space in Paauhau. No other facilities are needed to accomplish the work plan.

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.

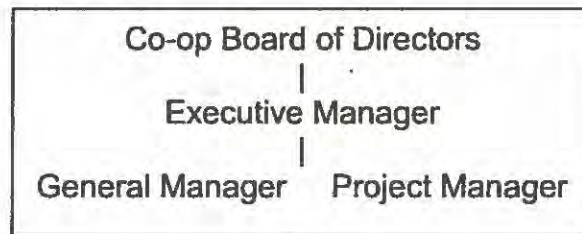
Executive Manager, Lori Beach will oversee this project. She has over 30-years' experience in business administration including being directly responsible for administration of approx. \$500,000 in grants over the last few years. She has been involved with the Co-op in different capacities for 17-years and is intimately familiar with the road repair needs. Over the last 3-years she has been instrumental in the development of Hamakua Harvest, Inc. a food hub on 15-acres in Hamakua. Her duties included all facets of this start up project. In the past she has been involved in property development.

General Manager, Marielle Hampton will handle the day to day administrative operations of the grant. She has been in charge of the daily management of the office for several years now where she has proven her skills in this regard.

A Project Manager will be hired upon receipt of funds. The successful candidate will have experience with road repairs and will have knowledge of local contractors best suited to carry out the work required.

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.



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.

The only two individuals receiving payment for services from the Co-op are:

Executive Manager works on a contract basis for part time hours and is compensated at the rate of \$25/hour.

General Manager works on a contract basis for part time hours and is compensated at the rate of \$18/hour.

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 Hamakua Agricultural Cooperative is currently terminating the sub-lease of one member/farmer through a court proceeding as he is not in compliance with the terms of his lease.

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.

None

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.

No, it will not be used to support or benefit a sectarian or non-sectarian private educational institution.

D. Future Sustainability Plan –

The applicant shall provide a plan for sustaining after fiscal year 2017-18 the activity funded by the grant if the grant of this application is:

- (1) Received by the applicant for fiscal year 2017-18, but
- (2) Not received by the applicant thereafter.

We expect that the upgrades made to the roads with these funds will allow our members to more easily maintain the roads in the future. However, we will be initiating a road maintenance fund which will collect funds from our members for future road maintenance.

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, 2016.

See below



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

HAMAKUA AGRICULTURAL COOPERATIVE

was incorporated under the laws of Hawaii on 07/22/1993 ; that it is an existing agricultural cooperative association; and that as far as the records of this Department reveal, has complied with all of the provisions of Chapter 421 of the Hawaii Revised Statutes, regulating agricultural cooperative associations.



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 16, 2017

Catherine P. O'Neal-Cole

Director of Commerce and Consumer Affairs

To check the authenticity of this certificate, please visit <http://hbe.ehawaii.gov/documents/authenticate.html>
Authentication Code: 269887-COGS_PDF-92569A2

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2017 to June 30, 2018

App Hamakua Agricultural Cooperative

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 - contract basis	5,475			
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST	5,475			
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. * Lease/Rental of Equipment w/ operator	41,400			
4. Lease/Rental of Space				
5. Staff Training				
6. *Supplies - gravel/concrete	43,125			
7. Telecommunication				
8. Utilities				
9. GW Construction - Contractor	85,000			
10. Survey	5,000			
11				
*Based on quotes received from Edwin DeLuz, Contractor				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	174,525			
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	180,000			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	180,000	Lori Beach	808 775-8209	
(b) Total Federal Funds Requested		Name (Please type or print) Phone		
(c) Total County Funds Requested		Lori Beach	1/16/2017	
(d) Total Private/Other Funds Requested		Signature of Authorized Official Date		
TOTAL BUDGET	180,000	Name and Title (Please type or print) Lori Beach, Executive Manager		

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2017 to June 30, 2018

Applicant: Hamakua Agricultural Cooperative

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Executive Manager - part time work on a per hour basis	53000	\$10,000.00	5.00%	\$ 500.00
General Manager - part time work on a per hour basis	37400	\$14,004.00	6.96%	\$ 975.00
Project Manager		\$4,000.00	100.00%	\$ 4,000.00
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				5,475.00
JUSTIFICATION/COMMENTS:				
Both Executive Manager and General Manager are paid less than average rates for work performed.				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2017 to June 30, 2018

Applicant: Hamakua Agricultural Cooperative

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
No equipment will be purchased but will be leased with operator as quoted by local contract			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				

JUSTIFICATION/COMMENTS:

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

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2017 to June 30, 2018

Applicant: Hamakua Agricultural Cooperative__

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2015-2016	FY: 2016-2017	FY:2017-2018	FY:2017-2018	FY:2018-2019	FY:2019-2020
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION	0	0	180000	0	0	0
EQUIPMENT						
TOTAL:			180,000			
JUSTIFICATION/COMMENTS:						

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2017 to June 30, 2018

Applicant: Hamakua Agricultural Cooperative__

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2015-2016	FY: 2016-2017	FY:2017-2018	FY:2017-2018	FY:2018-2019	FY:2019-2020
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION	0	0	180000	0	0	0
EQUIPMENT						
TOTAL:			180,000			
JUSTIFICATION/COMMENTS:						

GOVERNMENT CONTRACTS AND / OR GRANTS

Applicant: Hamakua Agricultural Cooperative

Contracts Total: \emptyset -

CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1 None				
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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.

Hamakua Agricultural Cooperative
(Typed Name of Applicant Organization)


(Signature)

Lori Beach
(Typed Name)

January 16, 2017

(Date)

Executive Manager
(Title)