

House District 11  
Senate District 6

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:  
VETERANS OF FOREIGN WARS OF THE UNITED STATES WILBERT  
WAH HU TOM POST 3850  
Dba:

Street Address: 1136 Uluniu Street, Kihei, HI 96753

Mailing Address: PO Box 2136, Waituku HI 96793-7136

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name DANNY H. KANAHELE

Title Commander

Phone # 808-281-3335

Fax # N/A

E-mail post3850am@gmail.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:

Replacement of 75-year old unstable wooden structure with a steel shell on a concrete pad to provide meeting space, kitchen facilities and ADA compliant restroom facilities. The building will provide a safe and secure location for veterans meetings and activities.

4. FEDERAL TAX ID #:

5. STATE TAX ID #:

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2018: \$ 250,000.00

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 \$ 3,802.64

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

DANNY H. KANAHELE, COMMANDER  
NAME & TITLE

1/14/2017  
DATE SIGNED



RECEIVED

1/19/17 wa

## 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;

Veterans' of Foreign Wars Wilbert Wah Hu Tom Post 3850 (VFW Post 3850) is a Hawaii non-profit corporation organized by the Maui County veterans of WW II and perpetuated by those who served in the Korean War, the Viet Nam War and the more recent conflicts in Iraq & Afghanistan. The State of Hawaii designated the property on which the current buildings are situated as property FOR VETERANS CENTER AND COMMUNITY SUPPORT ACTIVITIES PURPOSES, to be under the control and management of the County of Maui.

2. The goals and objectives related to the request;

The primary goals and objectives of the organization are to provide an environment in which those who served our country in foreign lands can gather for support and to socialize with each other. Additionally, the organization, as a whole, is committed to maintaining an environment which can be utilized by Scouts, Civil Air Patrol, Schools, Churches, other veterans organizations and other non-profit organizations so that they may have a venue at which they can gather and pursue the objectives of their organizations.

3. The public purpose and need to be served;

The opportunity for families to gather for reunions and enjoy the aina at a beach-front location is extremely limited on the island at the present time. The VFW wants to make a contribution to changing that situation. The VFW already has in place a system for reserving use of the property and providing access to the property.

4. Describe the target population to be served; and

The population to be served includes all citizens of Maui County.

5. Describe the geographic coverage.

Maui County

## 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;

Upon receipt of this grant, then VFW will order the materials for a steel shell building. Design and construction plans will be prepared and permits will be applied for to prepare the site with a slab foundation. Prior to pouring the slab plumbing and electrical services will be installed in the appropriate locations. Once all the foundation and utilities are in place and the concrete slab is seasoned, the steel shell will be erected. Once the shell is erected, the interior of the building will be walled and equipped. All activities will be overseen by assigned members of the VFW and professional contractors where appropriate.

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

It is anticipated that the first three months of activity will encompass, design and permitting functions and site preparation including the placement of the concrete slab. The next three months will involve interior work to install restrooms, kitchen equipment and interior walls. Electrical and plumbing installation. Installation of windows and doors and proper ventilation

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 applicant will appoint qualified personnel from its membership that will engage in on-site monitoring of the construction process from start to finish.

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.

The applicant will provide the State Agency which grants the funds with monthly reports on the expenditures and the construction progress.

### 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 Attachment

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
\$100,000.00	\$100,000.00	\$50,000.00	\$0.00	\$250,000.00

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2018.

The applicant will conduct fundraising events throughout the year which are designed to cover the applicant's operating expenses e.g. water, sewer, electricity, gas, community service awards and maintenance supplies. Historically the applicant's operating expenses have equaled its fund-raising efforts and there has been nothing left over for replacement of the deteriorating building.

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 applicant has received no state or federal tax credits within the last three years. As a non-profit organization, the applicant has no knowledge of any state or federal tax credits to which it might be entitled.

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 applicant has received no federal, state or county government grants in the past with the exception that the property lease is a beneficial \$1.00 per year lease. The applicant does not anticipate any future federal, state or county government grants with the exception of this grant for which we are applying.

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2016,

The balance of the applicant's unrestricted assets as of 12/31/2016 was:  
\$4,099.23

#### **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 applicant's membership consists of 250 persons, most of whom are retired from a variety of occupations. Many earned their livelihood in the building and construction trades and are prepared to devote the time to oversee this project. To the extent that an activity presents a challenge to the membership, a professional will be hired to oversee that part of the project.

##### **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.

Please see the attached exhibits of the existing and planned facilities.

#### **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.

The lead person to oversee this project will be our member, 1LT Benjamin Spiker of the 871st Engineer Company 1st DET. He has offered to oversee this process and also to minimize our construction costs expense by using the erection of the steel building as one of their local works projects. Also, the applicant's membership consists of 250 persons, most of whom are retired from a variety of occupations. Many earned their livelihood in the building and construction trades and are prepared to devote the time to oversee this project. To the extent that an activity presents a challenge to the membership, a professional will be hired to oversee that part of the project.

##### **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.

The officers of the applicant organization are:

Commander	Danny Kanahale
Sr. Vice Commander	Ross Simmons
Jr. Vice Commander	Ed Dille
Quartermaster	Richard Moss
Adjutant	Mike Molina
Surgeon	Israel Montalvo
Chaplain	Robert Santry
Judge Advocate	Mike Tomita
Trustee-2016	Roy Moriyasu
Trustee-2017	Gain Matsumura
Trustee-2018	Akira Kiabu

Supervision of the construction project will be conducted by qualified volunteers. If the applicant has no qualified volunteers, the applicant will hire a professional to perform the required duties.

**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 VFW is a volunteer organization. None of the officers are compensated for their services and the organization has no salaried or hourly employees.

**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 application has no pending litigation nor does it have any outstanding judgements.

**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.

To the best of our knowledge - 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.

The applicant will not use this grant 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.

The applicant is applying for a one-time grant to help with the replacement of a deteriorating building. The applicant anticipates that it will continue to maintain the property and meet operating expenses through the same fund-raising process it has employed for the past 70 years.

**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.

Please see attached certificate prepared 1/12/17.

## BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2017 to June 30, 2018

Applicant: Veterans of Foreign Wars Wilbert Wah Hu Tom Post 3850

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
<b>A. PERSONNEL COST</b>				
1. Salaries	0	0	0	0
2. Payroll Taxes & Assessments	0	0	0	0
3. Fringe Benefits	0	0	0	0
<b>TOTAL PERSONNEL COST</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B. OTHER CURRENT EXPENSES</b>				
1. Airfare, Inter-Island	0	0	0	0
2. Insurance	0	0	0	0
3. Lease/Rental of Equipment	0	0	0	0
4. Lease/Rental of Space	0	0	0	0
5. Staff Training	0	0	0	0
6. Supplies	0	0	0	0
7. Telecommunication	0	0	0	0
8. Utilities	0	0	0	0
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
<b>TOTAL OTHER CURRENT EXPENSES</b>	<b>0</b>			
<b>C. EQUIPMENT PURCHASES</b>	<b>0</b>			
<b>D. MOTOR VEHICLE PURCHASES</b>	<b>0</b>			
<b>E. CAPITAL</b>	<b>250,000</b>			
<b>TOTAL (A+B+C+D+E)</b>	<b>250,000</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	250,000	Richard Moss 831-588-3631		
(b) Total Federal Funds Requested		N [REDACTED] Phone		
(c) Total County Funds Requested		[REDACTED] 01/14/17		
(d) Total Private/Other Funds Requested		Signature of Authorized Official Date		
<b>TOTAL BUDGET</b>	<b>250,000</b>	Danny H. Kanahele, Commander Name and Title (Please type or print)		



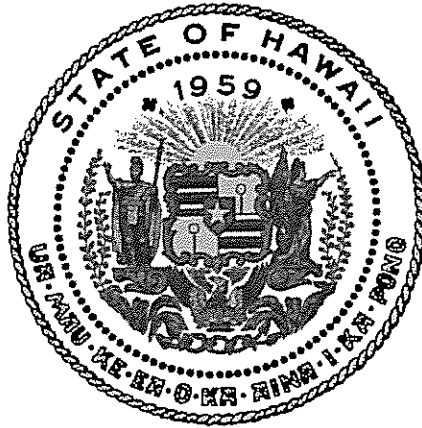
## BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2017 to June 30, 2018

Applicant: Veterans of Foreign Wars Wilbert Wah Hu Tom Post 3850

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			25000			
LAND ACQUISITION			0			
DESIGN			25000			
CONSTRUCTION			100000			
EQUIPMENT			100000			
<b>TOTAL:</b>			<b>250,000</b>			

**JUSTIFICATION/COMMENTS:** It is estimated that the design, planning and permit phase will require funding of \$50,000. The cost of placing the infrastructure, pouring of the foundation slab and constructing the building including the materials will require approximately \$100,000. The cost of finishing the interior and installing the required equipment is estimated to be approximately \$100,000.



## 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

VETERANS OF FOREIGN WARS OF THE UNITED STATES WILBERT WAH  
HUTOM POST 3850

was incorporated under the laws of Hawaii on 09/07/1995 ;  
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 12, 2017

Director of Commerce and Consumer Affairs



**Internal Revenue Service**

Date: February 12, 2004

Veterans of Foreign Wars of the United States-Wilbert  
Wah Hu Tom  
Post 3850  
Po Box 401  
Wailuku, HI 96793

Department of the Treasury  
P. O. Box 2508  
Cincinnati, OH 45201

Person to Contact:  
Pat Mahan 31-04019  
Customer Service Representative  
Toll Free Telephone Number:  
8:00 a.m. to 6:30 p.m. EST  
877-829-5500  
Fax Number:  
513-263-3756  
Federal Identification Number:  
[REDACTED]

Dear Sir or Madam:

This is in response to your request of February 12, 2004, regarding your organization's tax-exempt status.

In April 1972 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(19) of the Internal Revenue Code.

Unless specifically excepted, your organization is liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom it pays \$100 or more during a calendar year. Your organization is also liable for tax under the Federal Unemployment Tax Act for each employee to whom it pays \$50 or more during a calendar quarter if, during the current or preceding calendar year, the organization had one or more employees at any time in each of 20 calendar weeks or it paid wages of \$1,500 or more in any calendar quarter.

If your organization's character, method of operations, or purposes change, please let us know so we can consider the effect of the change on the organization's exempt status. Also, your organization should inform us of all changes in its name or address.

Your organization must file Form 990, *Return of Organization Exempt from Income Tax*, if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay. Because this penalty may also be charged if a return is not complete, please make sure the return is complete before filing it.

This determination is based on your organization's representation that at least 75 percent of its members are past or present members of the Armed Forces of the United States defined under section 501(c)(19) of the Code. It is also based on the organization's representation that substantially all of its other members, if any, are individuals who are cadets, or are spouses, widows, or widowers of past or present members of the Armed Forces of the United States or of cadets.

-2-

Veterans of Foreign Wars of the United States-Wilbert Wah Hu Tom  
[REDACTED]

Based on your organization's representation that at least 90 percent of its members are war veterans and that it is organized and operated primarily for purposes consistent with its current status as a war veterans' organization, donors can deduct contributions made to or for the use of your organization.

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Internal Revenue Code. If it is subject to this tax, your organization must file an income tax return on Form 990-T, *Exempt Organization Business Income Tax Return*. In this letter we are not determining whether any of your organization's activities are unrelated trade or business as defined in section 513 of the Code.

If, in the future, your organization does not meet this membership test or if its purposes, character, or method of operation changes, donors cannot deduct contributions made to or for the use of your organization, as provided by section 170. Please notify the Director, Rulings and Agreements, at the address shown in the heading of this letter of any such change so that the effect on the deductibility of contributions made by these donors can be considered.

Section 6104 of the Internal Revenue Code requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. The law also requires organizations that received recognition of exemption on July 15, 1987, or later, to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. Organizations that received recognition of exemption before July 15, 1987, and had a copy of their exemption application on July 15, 1987, are also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. For additional information on disclosure requirements, please refer to Internal Revenue Bulletin 1999 - 17.

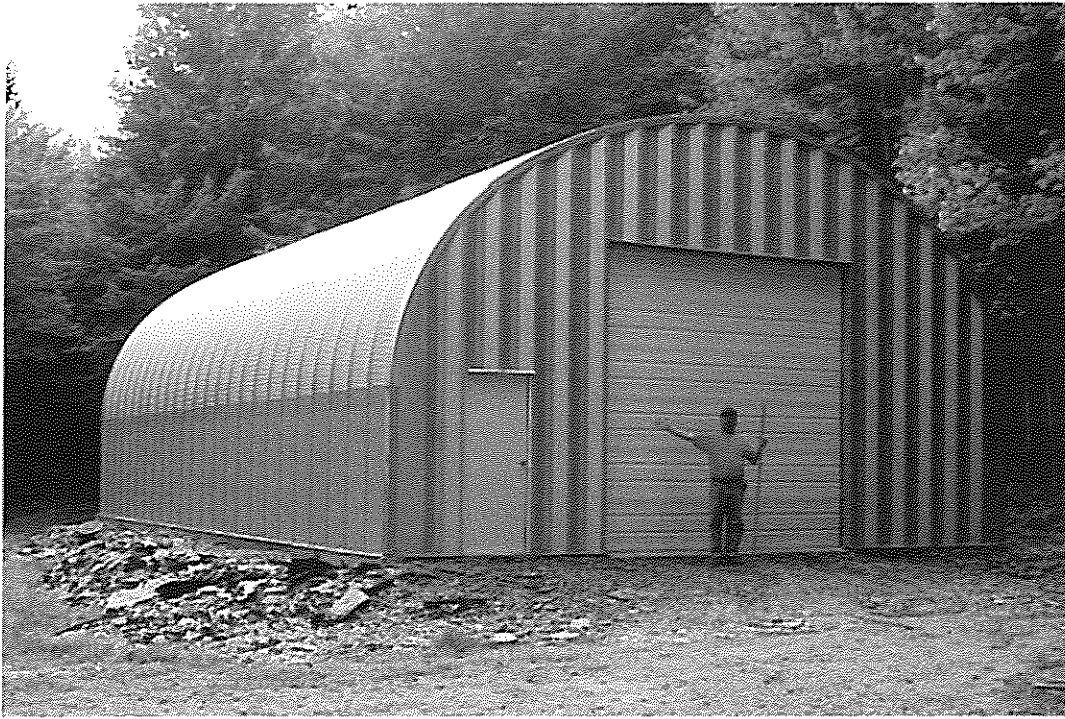
Because this letter could help resolve any questions about your organization's exempt status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

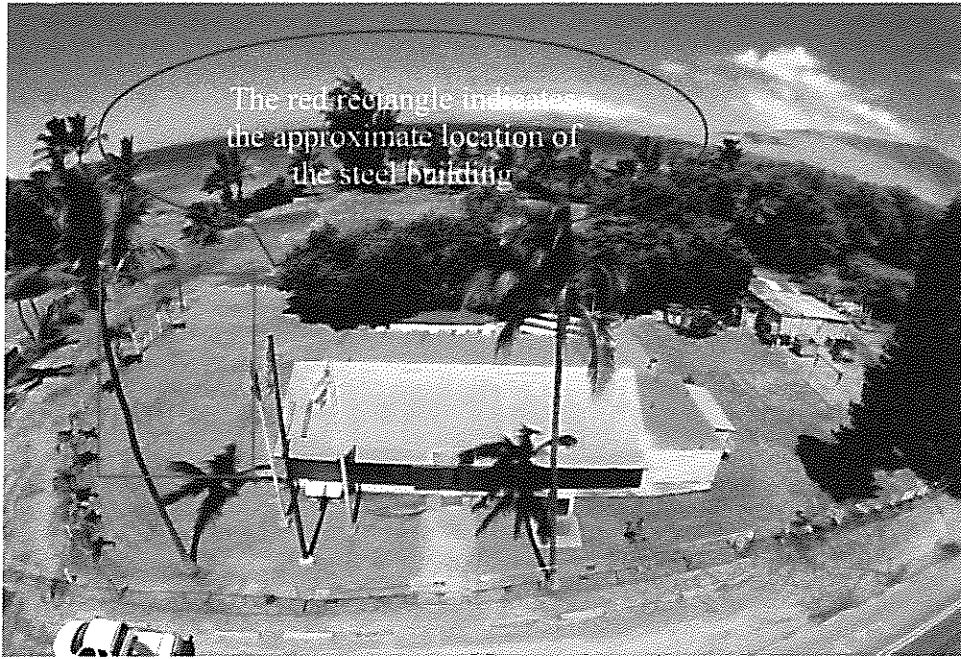
Sincerely,

[REDACTED]  
Janna K. Skufca, Acting Director, TE/GE  
Customer Account Services



The two photos depict the design of the structure the VFW wishes to erect in place of the 75-year old building donated to the VFW in 1947. It was originally a Marine Corps Headquarters Building at the Puunene Air Station. The basic structure would rest on a 40 x 80 concrete pad and would require interior/exterior finishing, e.g. interior walls, ADA compliant restrooms and kitchen facilities, plumbing, electrical, air circulation, windows & doors. The total project cost, including the removal of the current building to be \$250,000.00. Upon completion of the project, the building would be donated to the County of Maui, the current custodian of the land.

The red rectangle indicates  
the approximate location of  
the steel building



**TRUSTEE'S REPORT OF AUDIT VFW POST 3850**  
**The Books and Records of the Quartermaster of Wilbert Wah Hu Tom Post 3850**  
**Department of Hawaii for Quarter Ending 12/31/16**

FISCAL QUARTERS: July 1 - Sept. 30      **Oct. 1 - Dec. 31**      Jan. 1 - March 31      April 1 - June 30

FUNDS:	13. Net Cash Balances Begin- ing of Quarter	14. Receipts During the Quarter	15. Expenditures During the Quarter	16. Net Cash Balances at End of Quarter
1. National and Department Dues (Per Capita Tax)	-\$27.50	\$15.50	\$0.00	-\$12.00
2. Admission or Applications Fees (Department)	-\$1.00	\$0.00	\$1.00	-\$2.00
3. Post General Fund	\$3,954.72	\$14,468.99	\$14,324.48	\$4,099.23
4. Post Relief Fund (Poppy Profits, Donations, etc.)	\$3,418.37	\$0.00	\$0.00	\$3,418.37
5. Post Dues Reserve Fund (See Sec. 218, Manual of Proc.)	\$1,010.52	\$0.00	\$0.00	\$1,010.52
6. Post Home or Building Fund (Including Savings but not RE)	\$2,813.08	\$1,123.11	\$133.55	\$3,802.64
7. Post Canteen or Club Fund	\$0.00	\$0.00	\$0.00	\$0.00
8. Post Scholarship Fund	\$1,848.04	\$0.00	\$0.00	\$1,848.04
9. Life Membership Fund	\$0.00	\$0.00	\$0.00	\$0.00
10. State Convention Travel Reserve	\$0.00	\$0.00	\$0.00	\$0.00
11. State Convention Host Fund	\$0.00	\$0.00	\$0.00	\$0.00
12. Other	\$0.00	\$0.00	\$0.00	\$0.00
<b>17. TOTALS</b>	<b>\$13,016.23</b>	<b>\$15,607.60</b>	<b>\$14,459.03</b>	<b>\$14,164.80</b>

**OPERATIONS**

**RECONCILIATION OF CASH & INVESTMENTS**

Have the required payroll deductions been made?	N/A	General Fund Checking Account	
Have payments been made to the proper State and Federal agencies this quarter?	Yes	Ending Balance per Bank Statement	\$4,276.80
Have sales taxes been collected and paid?	Yes	Less: Outstanding Checks	\$140.52
Are club employees bonded?	N/A	Plus: Deposits in Transit	\$0.00
Amount of outstanding bills	\$0.00	Account Balance	\$4,136.28
Value of Real Estate	\$50,000.00	Other Checking Accounts (if applicable)	
Amount of Liability Insurance	\$2,000,000.00	Ending Balance per Bank Statement	\$10,028.52
Owed on mortgages and loans	\$0.00	Less: Outstanding Checks	\$0.00
Value of Personal Property	\$50,000.00	Plus: Deposits in Transit	\$0.00
Amount of Property Insurance	\$50,000.00	Account Balance	\$10,028.52
		Savings Account Balance	\$0.00
		Cash On Hand	\$0.00
<b>TRUSTEES' AND COMMANDER'S</b>		<b>Total Cash</b>	<b>\$0.00</b>
<b>CERTIFICATE OF AUDIT</b>		Bonds and Other Investments	\$0.00
Date: January 14, 2017		<b>Total Cash and Investments</b>	<b>\$14,164.80</b>

This is to certify that we (or qualified accountants) have audited the books and records of the Adjutant and Quartermaster of Wilbert Wah Hu Tom Post 3850 for the fiscal quarter ending 12/31/2016 in accordance with the National By-Laws and that this report is a true and correct statement thereof, to the best of our knowledge and belief. All vouchers and checks have been examined and found to be properly approved and checks countersigned.

Post Quartermaster	Signed: _____	Trustee
Richard Moss		
P.O. Box 2136	Signed: _____	Trustee
Wailuku, HI 96793-7136		
	Signed: _____	Trustee

This is to certify that the Office of the Quartermaster is bonded with the Department of Hawaii Group Bond in the amount of \$40,000.00 until August 31, 2017 and that this audit is correctly made out to the best of my knowledge and belief.

Signed: \_\_\_\_\_ Commander