

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

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: Re-use Hawaii

Db: N/A

Street Address:
200 Keawe Street
Honolulu HI 96813

Mailing Address:
200 Keawe Street
Honolulu HI 96813

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name: QUINN VITTUM

Title: Executive Director

Phone #: 808-539-8902

Fax #: 808-356-1615

E-mail: Quinn@reusehawaii.org

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:

CONSTRUCTION AND DEMOLITION WASTE REDUCTION PROGRAM SUPPORT.

4. FEDERAL TAX ID #:

5. STATE TAX ID #:

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2019:

\$ 300,615

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

NEW SERVICE (PRESENTLY DOES NOT EXIST) AVAILABLE

EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS

AT THE TIME OF THIS REQUEST:

STATE \$

FEDERAL \$

COUNTY \$

PRIVATE/OTHER \$

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

[Redacted Signature]

QUINN VITTUM, EXECUTIVE DIRECTOR

1/18/18

SIGNED

AUTHORIZED SIGNATURE

NAME & TITLE

DATE

Application for Grants

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

Re-use Hawai'i is an environmentally focused nonprofit organization established to reduce waste through building material reuse and recycling. The mission of Re-use Hawai'i is to preserve our natural resources, provide an affordable building material source through alternatives to demolition, and to sustain Hawai'i's fragile island ecosystem. Through deconstruction and building material reuse, Re-use Hawai'i is transforming Hawai'i's largest source of waste into a sustainability-centered community resource.

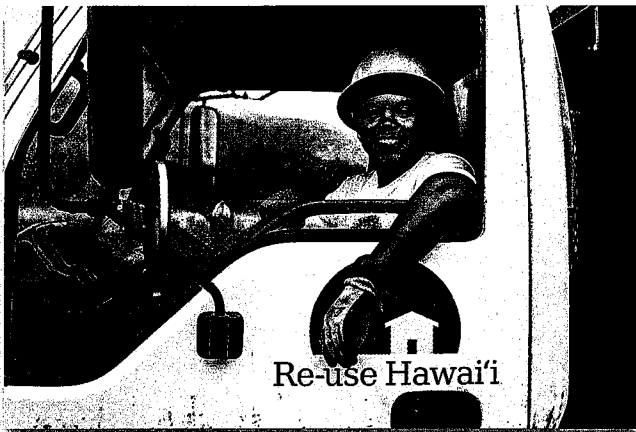
Re-use Hawai'i utilizes two main programs to achieve its mission: The Re-use Hawai'i Redistribution Program and the Re-use Hawai'i Deconstruction Program. The Deconstruction Program dismantles residential and commercial buildings by hand as an alternative to conventional demolition. Through careful and skilled removal, up to 80% of a structure can be salvaged. Reusable material is then transported back to the Redistribution Center, where it is made available to community members. These two programs work together to collect landfill bound materials and distribute them back into community use; reducing waste, minimizing harmful CO2 emissions, and creating green jobs simultaneously. Both the Deconstruction Program and Redistribution Program generate revenue to cover 90% of the organization's operation.



The organization was founded in 2006 to serve as a long-term solution to Hawai'i's issues of waste production and management. Starting with only seven employees, Re-use Hawai'i now consists of a team of over 35 individuals working to help Hawai'i become more sustainable. The organization currently operates at its greatest capacity yet with four-five simultaneously operating deconstruction crews that perform two to three deconstruction projects each per month. Re-use Hawai'i has performed over 500 deconstruction projects, served over 32,000 community members through its Redistribution Center, diverted over 10 million pounds of waste away from the landfill, and turned this waste into a locally produced community resource valuing over \$7 million.

The Re-use Hawai'i Redistribution Center also houses Honolulu Tool Library and Community Workshops. The Honolulu Tool Library, which is fiscally sponsored by Re-use Hawai'i is the first lending library of its kind in Honolulu. Library members have access to hundreds of woodworking and gardening tools. The Community Workshops program, runs by the Tool Library serves as a means to equip community members with the skills needed to utilize salvaged materials.

Within the last two years, the organization has expanded its capacity to salvage material by doing more deconstruction. Throughout the history of the organization, Re-use Hawai'i has operated 2-3 simultaneously running crews at various locations on the island. Due to our capacity



expansion efforts, the organization operates four-five simultaneously running deconstruction crews performing 3-4 deconstruction projects per month. Re-use Hawai'i established its Community Pick-up program in early 2016. This program offers a material pick-up service to community members and businesses who would like to avoid throwing material into the landfill, but do not have the means to transport this material. This new stream of waste diversion is estimated to increase our waste diversion by 11 tons per month.

The salvaging and reuse of lumber through deconstruction is a growing industry in almost every state. Reusing salvaged materials reduces CO2 emissions by avoiding the manufacturing and distribution of new material. Re-use Hawaii's deconstruction program is a very effective way to recover material, is largely self-sustainable, creates jobs and workforce development opportunities, and is scalability to market demand. With over 450 full demolition projects occurring on Oahu each year, there is much opportunity for more waste to be diverted. Our practical methodology allows for growth and is designed to be adopted by others in order to maximize the diversion of waste.

2. **The goals and objectives related to the request**

In alignment with our mission to preserve our natural resources, Re-use Hawai'i is requesting funding to maximize the environmental impact of our waste diversion and to maximize capacity to deconstruct the majority of houses and buildings slated for demolition. Through its 11 years of operation, Re-use Hawai'i has proven the effectiveness of its methods. The priority for the next 1-3 years is the operational refinement of each of our programs with the intent to make the

organization 100% self-sustaining. The identified objectives represent the organization's most immediate path to self-sustainability and greater mission fulfillment.

Objective 1:

Expand and stabilize Deconstruction capacity in order to meet the State of Hawai'i's waste reduction needs and maximize the generation of affordable resources from landfill bound material.

On the island of Oahu, 450 houses are demolished each year producing one third of the islands waste. Re-use Hawai'i currently deconstructs 10% of these residential houses in addition to various commercial projects. In order to make a measurable impact toward further and much needed waste reduction, Re-use Hawai'i's working to expand its Deconstruction Services program capacity. With the support of the state of Hawai'i Grant in Aid, the goal of the organization is increase residential and commercial deconstruction projects by 50%. Re-use Hawai'i currently operates four teams simultaneously and in 2019, will expand to 6 teams.

Objective 2:

Develop and implement Deconstruction Training Certification Program aimed to help and employ unemployed and low-income individuals.

Deconstruction provides many workforce development opportunities. Employees of the our Training Program will learn valuable construction terminology and knowledge. Deconstructing a building in the opposite order as it was constructed is an ideal way to learn and understand framing, plumbing, select elements of electrical engineering, finish carpentry, site work, foundations and utilities. Additionally, participants in Deconstruction Training Programs learn crucial power tools, safety, and teamwork skills.

Objective 3: Expand Deconstruction services to Hawai'i Island.

All major Hawaiian island are in need of a Deconstruction program to facilitate waste reduction, generate a community resource and provide much needed workforce development opportunities. Re-use Hawai'i will expand its Deconstruction Services Program to Hawai'i Island. The expansion will be in collaboration with Habitat for Humanity and Recycle Hawaii, two non-profit organizations currently working on waste reduction efforts on Hawai'i Island. The expansion will begin in early 2018 with a project on the Kona coast that consists of 120 structures slated for demolition.

3. **The public purpose and need to be served**

The island of Oahu creates 1.8 million tons of waste annually, 35% of which comes from the construction and demolition of buildings around the island. This 600,000 tons of material generated by the construction and demolition industry is the single largest source of waste on the island.

A study conducted by Yale University titled, "Linking Waste and Material Flows on the Island of Oahu, Hawaii: The Search for Sustainable Solutions," outlines the potential diversion rates of multiple waste management strategies. The study estimated that a program dedicated to diverting useful construction and demolitions waste away from the landfill and back into use had the potential to divert between 50,000 and 125,000 tons of material every year. Re-use Hawai'i's methodology is based on the effectiveness and practicality of this strategy.

Using traditional demolition methods, 100% of a structure becomes construction waste which is then dumped into the private PVT landfill. This landfill for construction and demolition waste on Oahu is located in Nānākuli on the Wai'anae coast. In their 2012 article published in Anthropology News from the American Anthropological Association titled "Landfill in Paradise, Politics of Waste Management and Environmental Justice in Hawaii", Rachel Harvey and Annette Koh reported that; "From an environmental justice viewpoint Wai'anae has a poverty rate double the island average and is home to Oahu's largest Native Hawaiian population." Harvey and Koh went on to state that; "Most local politicians acknowledge that Wai'anae has shouldered the burden of waste disposal for Oahu." They also cited that Nānākuli residents have been impacted by the presence of construction debris including asbestos dust and other toxins blowing from the PVT landfill into their community. The more waste that is diverted from the PVT landfill, the greater the opportunity to advance the standard of living for this community.

The lumber and wood products industry has a net global emissions level of 467 million tons of CO2 per year. Diversion of lumber and other wood products from landfills has the potential to reduce global CO2 emissions by 135 million tons each year. The transportation of this material creates another source of green house gas emissions.

Due to our distance from our sources of building materials and other products, Oahu receives 16.6 million tons of material from freight shipping each year. Cargo shipping is estimated to account for over 84% of the global impact of CO2 emissions of the transport sector. Through our imports, Hawai'i contributes to the global effects of our changing climate. The work of Re-use Hawai'i cuts CO2 emissions by minimizing both the need for new material production and the need for importing material to Hawai'i.

In their *Pacific Environment and Climate Change Outlook*, the South Pacific Regional Environment Program identifies the Islands of the Pacific as some of the most susceptible to the economic, agricultural, and social effects of climate change. Their research illustrates the impacts of rising sea levels on island populations, and social structures of those islands. Sea level rise will effect the islands of Hawai'i by causing flooding and erosion. Waikiki Beach has been identified as one of the areas that will be most impacted. The loss of this beach alone has been estimated to cost the island \$2 billion each year. Drought and the decrease of available freshwater will follow shifting temperatures and rainfall patterns. Those most greatly impacted are low-income communities with few options to counter the effects of climate change or relocate. As an island community, it is essential that Hawai'i be at the forefront of enacting climate change solutions.

The Hawai'i Island does not have a deconstruction service so the majority of construction and demolition waste goes to the landfill. Re-use Hawaii's Deconstruction Service Program expansion to Hawai'i Island will help that community become more sustainable and self reliant through the production of a salvaged building material resource.

4. Describe the target population to be served

The population served through our objectives are the residents of the state of Hawai'i. All residents are impacted by the practices of the Construction and Demolition industry and the waste that it produces. Providing alternatives to landfill expansion creates new opportunities for the use of public land.

This program also benefits community members whose health and standard of living are directly impacted by landfills and their growth, which has been shown to disproportionately be residents of low to moderate income.

Through material redistribution, Re-use Hawai'i serves homeowners, renters, contractors, artists, farmers, students, the film industry and others by offering an affordable and locally produced community resource. Over the past eleven years, Re-use Hawai'i has redistributed material valuing over \$6 million into the local economy, and created 40 jobs benefiting all of Oahu's residents. Job creation through our Workforce development program aims to help disadvantaged individuals and further skills development to advance employment opportunities and earning potential for employees.

The prioritization of sustainability today benefits future Hawai'i residents and visitors who will manage the effects of our changing climate and rising sea levels. The production of new material consumes a tremendous amount of green house gases. For every ton of lumber that is salvaged for reuse, 60 lbs. of green house gases are prevented by avoiding the manufacturing of new lumber.

5. Describe the geographic coverage

Re-use Hawai'i's mission of waste reduction and conservation is one that involves the entirety of the state. Currently, the majority of salvaged material is sourced and redistributed on Oahu. Each transaction at our Redistribution Center is tracked and program users information is collected. For each of these transactions we gather the zip codes of origin for our program users. Through this data, we have determined that the highest concentrations of our program users come from Kailua, Kaneohe, Honolulu, and North Shore Oahu. We also work with residents of neighbor islands to transport material from Redistribution Center.

We have performed deconstruction projects on Kauai, Maui, and Hawai'i island. The materials from these projects were redistributed within the communities from which they were salvaged.

Re-use Hawai'i's expansion to Hawai'i Island will be focused on the population centers of Hilo and Kailua-Kona. Our initial project starting in 2018 will be Kona Village Resort, a well known property consisting of 120 bungalows slated for demolition.



II. Service Summary and Outcomes

1. Describe the Scope of Work, Tasks and Responsibilities

The scope of work includes all tasks under three objectives, as detailed below:

Objective 1:

Expand and stabilize Deconstruction Program in order to meet the state of Hawai'i's waste reduction needs and maximize the generation of affordable resources from landfill bound material.

Objective 2:

Develop and implement Deconstruction Training Certification Program aimed to help and employ unemployed and low-income individuals.

Objective 3: Expand Deconstruction Program to Hawai'i Island.

These objectives will be carried out and managed by the Executive Director, Chief Financial Officer, Redistribution Center Manager, and Deconstruction Program Managers. Data will be compiled by the Chief Financial Officer and Administrative coordinator.

2. **Provide a projected annual timeline for accomplishing the outcomes of the service**

Annual Timeline for Accomplishing Objectives

Objective 1: Expand and stabilize Deconstruction Program in order to meet the State of Hawai'i's waste reduction needs and maximize the generation of affordable resources from landfill bound material.				
Activities:	Q1	Q2	Q3	Q4
1. Maintain four-six simultaneously operating deconstruction crews per month performing 70-100 deconstruction projects annually.	*	*	*	*
2. Implement marketing campaign targeting homeowners and contractors.	*	*	*	*
3. Implement Salesforce system to track project development activities.	*	*		
4. Hire an trucker who will also serve as a mechanic for trucks and equipment.	*			
5. Process and redistribute a minimum of an average of 75% of all material from each structure back to the community as an affordable resource.	*	*	*	*

Annual Timeline for Accomplishing Objectives (cont.)

Objective 2: Develop and implement Deconstruction Training Certification Program aimed to help and employ unemplyed and low-income individuals.				
Activities:	Q1	Q2	Q3	Q4
1. Develop workforce development program to provide skills, training and employment.		*	*	*
2. Work with the Building Material Reuse Association to develop and launch a Deconstruction Certification Training program.	*	*		
3. Produce a safety video and safety training protocols.	*	*		
4. Collaborate wth Honolulu Community College and the Building Industry Association. Explore with Honolulu Community College the viability of include Deconstruction Training as a course option in order to develop future Teamleaders, Project Developers and Program Managers within the Deconstruction and building material reuse industry.	*	*		

Annual Timeline for Accomplishing Objectives (cont.)-1

Objective 3: Expand Deconstruction Program to Hawai'i Island.				
Activities:	Q1	Q2	Q3	Q4
1. Execute the Deconstruction of Kona Village Resort, a 120 structure deconstruction project and redistribute all material thought Hawai'i Island as an affordable building material resource.	*	*		
2. Collaborate and support Recycle Hawai'i and Habitat for Humanity by re-donating select fixtures and material.	*	*		
3. Produce Feasibility Report for ongoing Deconstruction program.	*	*		

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

Management staff will preform ongoing project evaluations to provide quality assurance and help to identify strength and growth areas. Deconstruction Client surveys will be used to gauge satisfaction and identify needed improvements. The Chief Financial Officer will issue monthly, quarterly, annual and project profit and loss statements to help managers and the Board of Directors understand and improve financial performance. Project development activities will be monitored on a monthly basis.

Monitor and Evaluation Plans		
Activity	Methods	Information to be monitored & evaluated for future improvement
Objective 1: Expand and stabilize Deconstruction Program	Monthly Project Development activity analysis and project Evaluations Web-based surveys given to Deconstruction clients Bi-monthly management strategic meeting	Project timeframes and safety issues, number of operating crews, tonnage of diverted material, recycled metal, embodied energy conservation (CO2 prevention), status of monthly goals, efficiency of program performance, rate of material disposed vs diverted and number Salesforce contacts.
Objective 2: Develop and implement Deconstruction Training Certification Program	Trainee evaluations Trainee surveys Bi-monthly management strategic meeting	Trainee advancement, rate of retaining trainees, trainee placement in higher level position (internally or externally). Safety rating (Experience Modification Number through National Council on Compensation Insurance (NCCI)). Training effectiveness and knowledge building.

Monitor and Evaluation Plans (cont)		
Activity	Methods	Information to be monitored & evaluated for future improvement
Objective 3: Expand Deconstruction Program to Hawai'i Island.	Project Evaluations Customer, Client and Community surveys Bi-monthly management strategic meeting	Execution of Kona Village Resort project, safety issues, tonnage of diverted material, recycled metal, embodied energy conservation (CO2 prevention), status of monthly goals, efficiency of program performance, rate of material disposed vs diverted and number Salesforce contacts Duration to redistribute material back to the community.

4. List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency).

Measures of Effectiveness to be Reported	
Activity	Measure of Effectiveness
Deconstruction Program on Oahu	<ul style="list-style-type: none"> • Maintaining 4-6 Deconstruction Crews • Successful waste diversion from 70-100 deconstruction projects annually. • Maintain a monthly diversion of at least 55 tons of waste per month through deconstruction. • Thorough equipment management.
Workforce Development	<ul style="list-style-type: none"> • Training of 20-30 individuals in the first year of the program. • Successful continued employment of at least 80% of trainees.
Hawai'i Island Expansion	<ul style="list-style-type: none"> • Successful completion of Kona Village Resort Deconstruction. • Completed Feasibility Report for ongoing Deconstruction program. • Establish Kona baseyard.



III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.

All applicable budget documents are supplied with supporting documentation.

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2019.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$75,153.75	\$75,153.75	\$75,153.75	\$75,153.75	\$300,615

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2019.

In addition to the State of Hawai'i GIA, Re-use Hawai'i is seeking funding from Foundations, Corporate Sponsors and the Economic Development Administration. Funding prospects include:

Foundations	Corporate Sponsors
Bank of Hawaii Hawaiian Airlines James and Abigail Campbell Family Foundation Koaniani Fund Kosasa Foundation Matson Foundation Bill Healy Foundation Atherton Family Foundation George N. Wilcox Trust Ward Village Foundation Cooke Family Foundation Hawai'i Community Foundation (FLEX)* Cooke Family Foundation McInerney Foundation A&B Foundation Hawaiian Electric Industries and HECO First Hawaiian Bank	Allied Builder Systems DTL / WCIT Kona Brewing Servco Foundation The Resort Group Riggs Distributing The Kobayashi Group HONBLUE Trinity Investments Cades Schutte Colliers International Deloitte Standard Commercial Fergus and Company Hawai'iLife Ferraro Choi Architects Hawai'i G70 HEMIC Honeywell Joe Uno and Associates Vittum Contracting First Insurance UHA

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.

Not applicable.

5. The applicant shall provide a listing of all federal, state, and county government contracts, grants, and grants in aid it has been granted within the prior three years and will be receiving for fiscal year 2019 for program funding.

State GIA - OCS-GIA-18-04 in the amount of \$175,000

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2017.

\$705,690.33

IV. Experience and Capability

1. **Necessary Skills and Experience**

In the 11 years since Re-use Hawai'i inception, Re-use Hawai'i has preformed over 500 Deconstruction projects, diverted more than 9 million pound of material from the waste stream, and redistributed \$6 million Program has been in operation, Re-use has successfully completed over 400 deconstruction projects island-wide.

Re-use Hawai'i is an established environmental nonprofit organization with an impressive track record of success in fulfilling its mission of waste diversion through building material reuse and recycling. The skills needed to perform this work such as, knowledge of deconstruction methods, demolition industry practices, personnel training, and nonprofit finance, are provided by an experienced management team and dedicated staff.

The revenue generating streams of Re-use Hawai'i allow for income that is not often available to other non-profit organizations. Through it's careful program design, Re-use Hawai'i is able to generate 90% of the revenue needed to operate.

2. **Facilities**

The Re-use Hawai'i Redistribution Warehouse is 40,000 square foot facility in Kaka'ako. Equipment involved in the transportation of material includes: two 17' flat-bed trucks, three pickup trucks, one full-size van, two telescopic forklifts, one skid steer machine and three conventional forklift trucks. The deconstruction program currently maintains four tool sets and two tool trailers. The existing administrative infrastructure consists of five offices with multiple workstations, 11 Mac computers connected to an internal network and a VOIP phone system.

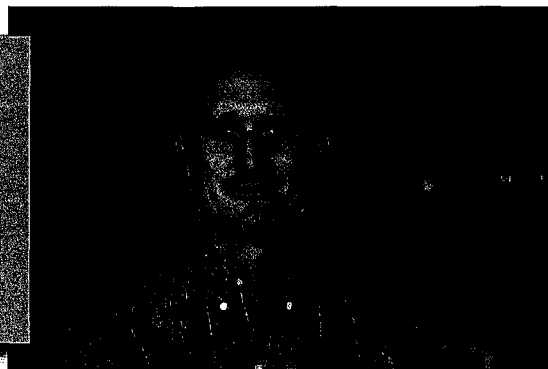


V. Personnel: Project Organization and Staffing

1. **Proposed Staffing, Staff Qualifications, Supervision and Training**

In addition to the Board of Directors (list below), Re-use Hawai'i has a strong management team to implement the growth of our programs.

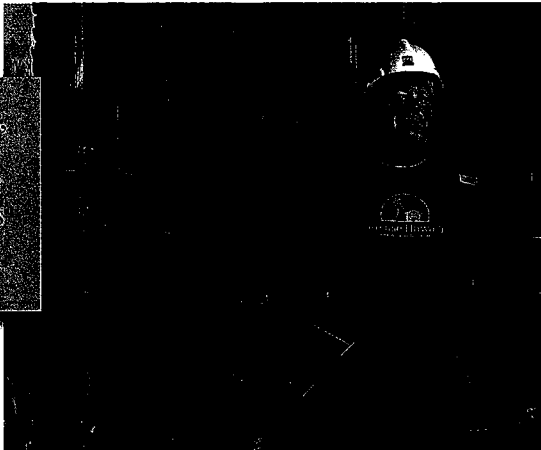
Executive Director Quinn Vitum has been working in the building material reuse industry since 2001. He was a director of two reuse organizations in Washington state and has experience in all facets of non-profit building material reuse. Quinn is looked to as a national leader for innovating whole house deconstruction techniques.



Chief Financial Officer, Daniel Murren has 15 years of experience in non-profit and private industry accounting. He's been Re-use Hawai'i's CFO since its inception. Daniel is familiar with all aspects of operations and has impressive expertise in budgeting and cashflow management.



Mike Dube, Deconstruction Program Manager, has 35 years experience in the building industry. Previously the Redistribution Center Manager, Mike has four years of experience as a Re-use Hawai'i manager.



Carolyn Murren, Redistribution Center Manager, has a background in marketing and communications. She previously lead Re-use Hawai'i Receiving Department. Carolyn sits on the organization's Communications Committee.



Lucas Rensko, Deconstruction Project Developer, has a background in financial management. Initially hired as a Team Leader, Lucas executed Re-use Hawai'i's largest deconstruction project to date.



**RE-USE HAWAI'I
BOARD OF DIRECTORS**



MIKE LAM

President

Director, Investments at A&B Properties, Inc.

mlam@abprop.com

CASEY CHING

Treasurer

Vice President, Corporate Properties at Servco Pacific Inc.

casey.ching@servco.com

NOREEN REIMEL

Secretary

Communications Manager, Ulupono Initiative

nreimel@ulupono.com

KIRRA DOWNING

Director of Communications, DTL, LLC

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STEPHEN JONES

Partner, Ning Lilly & Jones

stevejones@nljlaw.com

QUINN VITTUM

Executive Director, Re-use Hawai'i

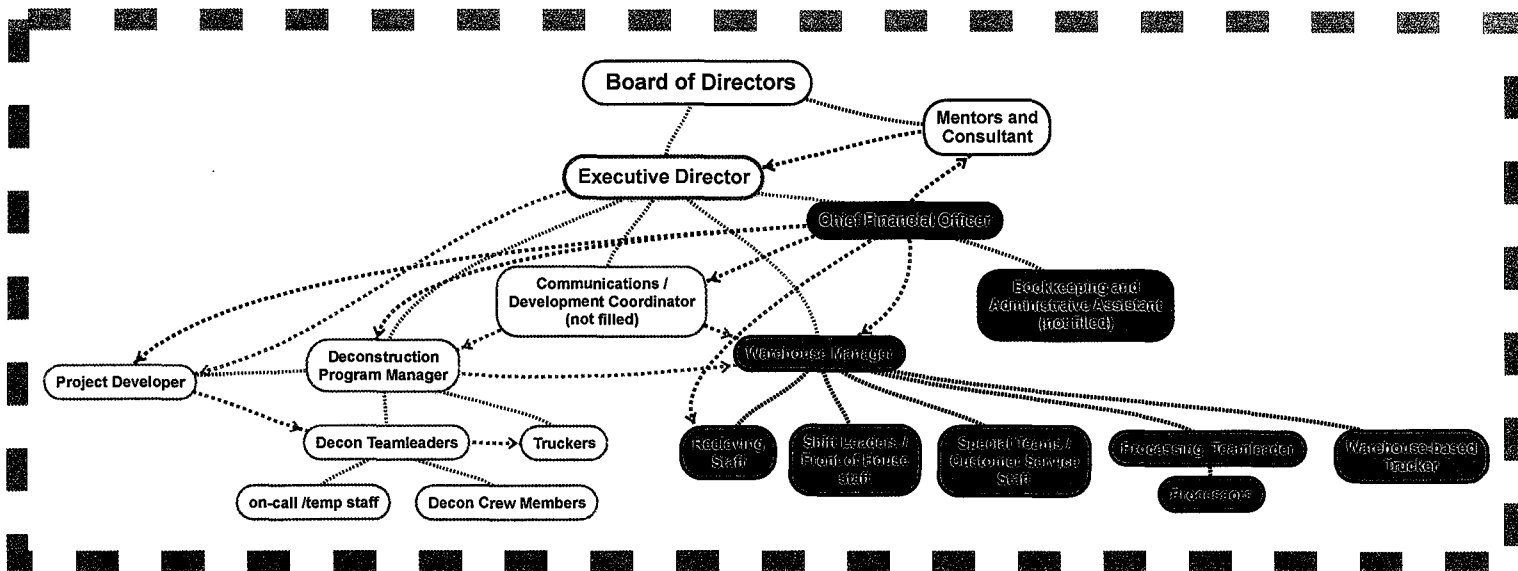
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808.537.2228

2. Organization Chart



Organizational Chart showing Re-use Hawai'i's management structure and lines of collaboration. The goal of Re-use Hawai'i is to cultivate high performing teams. A high-performance team is defined as a group of people with specific roles and complementary talents and skills, aligned with and committed to a common purpose, who consistently show high levels of collaboration and innovation, that produce superior results.

3. **Compensation**

Executive Director - \$45,760

Chief Financial Officer - \$45,760

Deconstruction Program Manager - \$44,720

VI. Other

1. **Litigation**

None.

2. **Licensure or Accreditation**

Hawaii State Contractors License # C-28351.

3. **Private Educational Institutions**

Not applicable.

4. **Future Sustainability Plan**

Please see attached.

5. **Certificate of Good Standing**

Please see attached.

6. **Declaration Statement**

Please see attached.

7. **Public Purpose**

Please see attached.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2018 to June 30, 2019

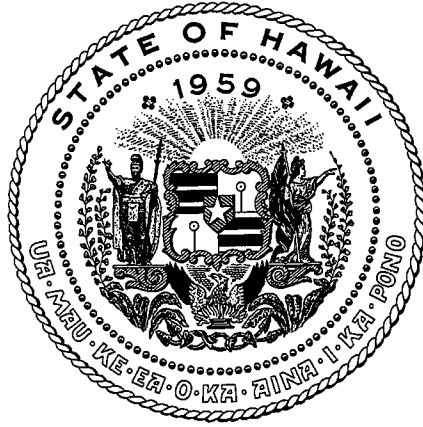
Applicant: Re-use Hawaii

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	144,680			631,083
2. Payroll Taxes & Assessments	35,870			156,461
3. Fringe Benefits	20,385			88,918
TOTAL PERSONNEL COST	200,934			876,462
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment	16,785			73,215
4. Lease/Rental of Space	204			889
5. Staff Training				
6. Supplies & Tools	8,952			39,048
7. Telecommunication	1,447			6,310
8. Utilities				
9 Disposal Services	49,843			217,410
10 Generator/Equipment Fuel	90			390
11 Equipment Hauling	2,296			10,016
12 Machinery Maintenance	1,194			5,208
13 Permitting Planning	2,238			9,762
14 Portable Bathroom Rentals	3,357			14,643
15 Professional Services	1,119			4,881
16 Subcontracted Services	4,476			19,524
17 Trucking Expenses	7,680			33,502
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	99,680			434,799
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	300,615			1,311,261
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	300,615	Daniel Murren 808-539-8904		
(b) Total Federal Funds Requested	0	Name (Please type or print) Phone		
(c) Total County Funds Requested	0	Date		
(d) Total Private/Other Funds Requested	1,311,261	Signature of Authorized Official Date		
TOTAL BUDGET	1,611,876	Daniel Murren, Chief Financial Officer Name and Title (Please type or print)		

Period: July 1, 2018 to June 30, 2019

Applicant: Re-use Hawaii

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Program Manager	1	\$44,685.60	18.65%	\$ 8,333.86
Project Developer	1	\$41,568.00	18.65%	\$ 7,752.43
Team Leader 1	1	\$39,489.60	18.65%	\$ 7,364.81
Team Leader 2	1	\$37,411.20	18.65%	\$ 6,977.19
Team Leader 3	3	\$102,880.80	18.65%	\$ 19,187.27
Decon Crew Member 1	8	\$205,761.60	18.65%	\$ 38,374.54
Decon Crew Member 2	2	\$60,273.60	18.65%	\$ 11,241.03
Decon Crew Member 3	6	\$174,585.60	18.65%	\$ 32,560.21
Trucker 1	1	\$33,774.00	18.65%	\$ 6,298.85
Trucker 2	1	\$35,332.80	18.65%	\$ 6,589.57
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				144,679.76
JUSTIFICATION/COMMENTS:				



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

RE-USE HAWAII

was incorporated under the laws of Hawaii on 10/10/2006 ; 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 18, 2018

Director of Commerce and Consumer Affairs

Thursday, January 18, 2018

RE: State of Hawaii GIA Public Purpose



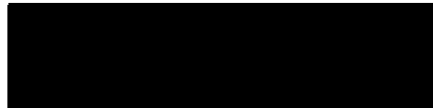
Dear House Committee on Finance and Senate Committee on Ways and Means,

Pursuant to Section 42F-102 of the Hawai'i Revised Statutes. Re-use Hawai'i is requesting funding through the State Grants in Aid process to support our waste reduction programs. The public purpose of the grant is to recover landfill-bound material and redistribute them to the community as an affordable resource. The programs will target the populations of Oahu and Hawaii Island and aims to train and employ low income and unemployed individuals.

The request is in the amount of \$300,615 out of a program budget of \$1,611,876.

If you have questions, please contact me at the email or phone number below.

Sincerely,



Quinn Vittum
Executive Director
quinn@reusehawaii.org
808-539-8902

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS PURSUANT TO
CHAPTER 42F, HAWAI'I REVISED 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, Hawai'i 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, Hawai'i 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, Hawai'i 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, Hawai'i 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.

Re-use Hawai'i

(Typed Name of Individual or Organization)	1/18/18
(Signature) Quinn Vittum	(Date) Executive Director
(Typed Name)	(Title)

GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID

Applicant: _____ Re-use Hawai'i _____

Contracts Total: 175,000

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1	Salvaging and Redistribution of Useful Landfill-Bound Materials Created By Construction and Demolition Activity (OCS-GIA-18-04)	July 1, 2017	Office of Community Services	State	\$ 175,000.00
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2018 Strategic & Sustainability Plan

Mission Statement

The mission of Re-use Hawai'i is to preserve our natural resources, provide an affordable building material resource through alternatives to demolition, and to sustain Hawai'i's fragile island ecosystem. Re-use Hawai'i's goals are to recover landfill-bound building material as efficiently and cost effectively as possible and to redistribute this material to the community as an affordable, locally produced resource.

Strengths

- Deconstruction program remains strong with 3-4 teams and unprecedented project development.
- \$175k in State funding received for the Redistribution Center.
- Strong staff engagement, especially within program management, social media, and front-of-house staff.
- Tool Library is helping diversify community engagement and workshops.
- Landlord relations have strengthened in the last year.
- Local donation appraiser is established.
- Community awareness around Re-use Hawai'i and our mission is improving.
- Board Development is on-track with new board-members, committees, and more frequent meetings.
- Overall fundraising momentum is good with \$100k raised in the first quarter of the fiscal year.

Weaknesses:

- Lack of capital reserve and financial security.
- Material sales have slowed.
- Administrative capacity is stretched.
- Loss of key personnel such as Deconstruction team leaders, managers, project developers and admin staff remains a vulnerability. Replacements are not easily or quickly found and trained.
- Difficulty with securing bonding for larger projects due to lack of capital.
- With increased Deconstruction jobs, the Pick Up Program flatbed truck availability is constrained.

Threats:

- Low landfill tipping fees and cost of demolition.
- Union involvement in larger scale projects prohibits Re-use Hawai'i's involvement.

Opportunities:

- Legislation that requires reuse and recycling in construction/demolition industry. Efforts by State legislators to introduce a bill is under way.
- State, City and County, and Federal grants in larger amounts than private grants.
- Corporate sponsorships have potential to raise \$100K/year.
- Hawaii Island expansion has potential to more-than double mission fulfillment in 2018-2019.
- Collaboration with other non-profits and government to expand the reach in the community. Such work could expand our fundraising and marketing potential.
- Secure a dedicated truck and driver for the Community Pick-up Program to insure consistent new material from retailers and distributors.
- Develop and implement a meaningful internship and volunteer program in order to engage with community members and conserve funds.
- Finalize/refine organization policies and procedures.
- Support for a structured Workforce Training Program is strong.

Strategic Goals

Goal 1: Strengthen Financials through cost-saving and revenue-generating strategies.

Re-use Hawai'i must improve its financial security by building a capital reserve.

- a) Drive Deconstruction Program revenue by maintaining four projects simultaneously. Focusing on predictable residential whole house and large contract commercial projects.
- b) Reduce equipment rentals by only renting for periods when needed.
- c) Reduce or eliminate overtime.
- d) Reduce inaccurate time tracking through the use of a time-tracking application.
- e) Limit pay increases to only key personnel and those doing exemplary work.
- f) Monitor PPE and shirt usage with a sign-out sheet or a more monitored check-out process.
- g) Increase productivity and efficiency by training Team Leaders more and setting project goals and agreements about what their productivity should be.
- h) Consider incentives to finish Decon projects.
- i) Better allocation for Trucker down-time to be used for maintenance and pick-ups.
- j) Monitor teams to identify operational issues around safety, efficiency, and rule following.
- k) Maintain \$65-70k+ per month material sales revenue by focusing on bringing in higher quality material from pickups and B2B donations, having high performance teams providing excellent customer service, fine-tuning pricing, and getting more people in the door through social media, press outreach, and other proactive marketing efforts (e.g., eNewsletter, PR efforts, etc.).
- l) Maximize material value and avoid damage. (e.g., bins for light fixtures, etc.)
- m) Develop furniture making program in order to increase revenue.
- n) Expand Consignment Program to showcase more variety in items and price points.
- o) Cut work comp costs by engaging with HEMIC on proven strategies.
- p) Focus on commercial project development or higher contract value projects.
- q) Refine Community Pick-up Program in order to increase and diversify inventory, which will lead to increased sales.

Goal 2: Increase Fundraising and Financial Safety Net

- a) Hire Communications and Development Coordinator to improve capacity for grant management.
- b) Maintain and grow fundraising by reapplying annually to current and past funders. Identify new funding sources such as mainland foundations, corporate sponsors, and government grant opportunities.
- c) Consider non-profit working capital loan from a community development financial institution (CDFI).
- d) Coordinate fundraising event. Possible "one decade" celebration, silent auction, etc.
- e) Engage Board Treasurer and Finance Committee to help review and direct financial management.
- f) Develop bond-ability in order to be eligible for certain Decon project such as local government projects.
- g) Develop more structured donor recognition plan including gifts, social media, posts, signage and website features.

Goal 3: Board Development

At this stage in the organization's development, a more active, diverse, governing, and structured Board of Directors is necessary.

- a) Build understanding and expectations with Board members about involvement and responsibility.
- b) Recruit new Board members with the following strengths and experience: community building, non-profit work, policy making/government, construction operations, and fundraising.
- c) Hold regular Board meetings every quarter. In the beginning of 2018, hold meetings every six weeks.
- d) Establish and develop Board of Directors executive positions and roles.
- e) Develop Board committees including: fundraising, event planning, communications/marketing, finance, and organizational effectiveness.

Goal 4: Personnel Development

Our staff's engagement, commitment, and development is critical to program success. Based on our 2016 and 2017 employee surveys, we will work to improve retention and increase engagement and productivity. The result will be a high performing team that will self govern, collaborate, and problem solve.

- a) Hold more Deconstruction department meetings to streamline refinements in the program and foster more engagement from Team Leaders.
- b) Conduct customer service trainings and training follow-ups for warehouse staff.
- c) Conduct more equipment and safety trainings for committed staff and managers.
- d) Maintain and promote benefits such as paid time off and health insurance.
- e) Provide more team leader training such as OSHA 10 classes and leader training.
- f) Coordinate all crew events, parties, and pau hanas to help build the team.
- g) Highlight the achievements of the team and individual team members.
- h) Put more attention into equipment and supply management.
- i) Continue to work on advancing wage and benefits for committed, exceptional employees.
- j) Build staff understanding of our mission through Basecamp messages, internal discussions, quarterly mission fulfillment reports, and Decon project statistics.
- k) Provide more transparency on goals and progress.
- l) Bring in outside trainers to educate staff and management on how to operate as High Performance Teams (see definition below).
- m) Hold sensitivity trainings for all staff.

- n) Identify and **track** department performance measures (Decon, Warehouse, Project Development, Processing and Admin).
- o) Maintain consistent policies and discipline.
- p) Consider closing in observance of one Hawai'i specific holiday.
- q) Conduct an annual employee survey in August 2018 using an outside consultant.
- r) Work to establish a human resources department.
- s) Develop an Internship and Volunteer program for warehouse and administration.
- t) Develop Work Force Development programs.

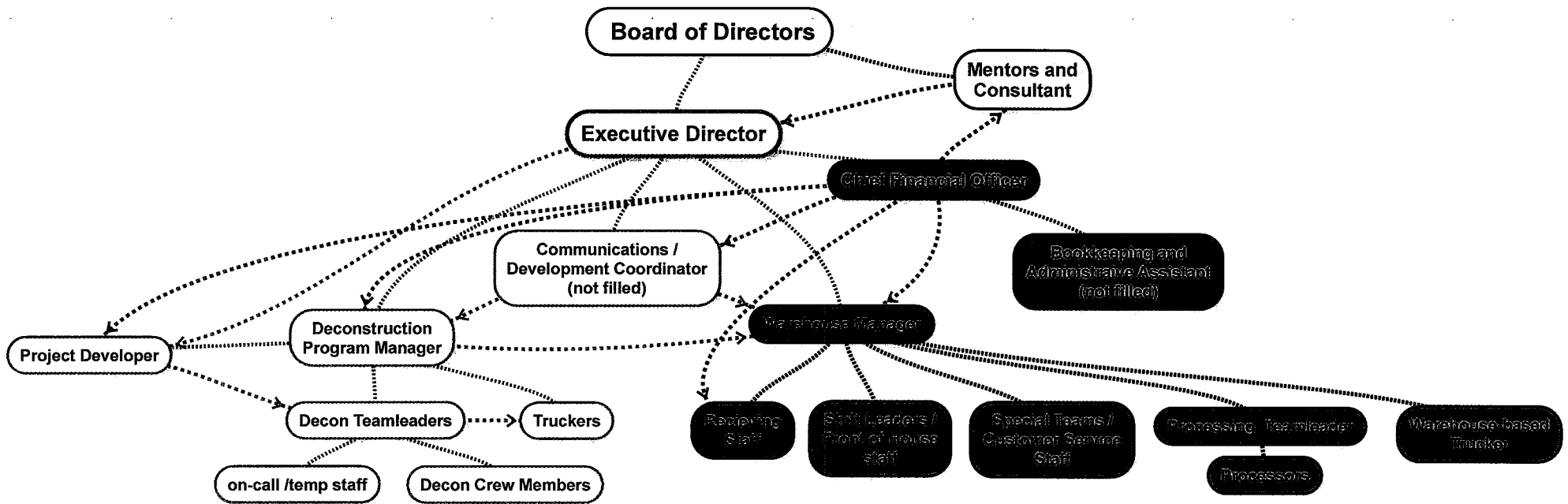
Goal 5: Marketing and Communications

- a) Produce more short videos to share on social media.
- b) Shorten Re-use intro video for use on our website and crowd funding.
- c) Develop, update, and refresh website and consistently curate content to become a more active marketing tool (drive traffic via social media, eNewsletters, PR, etc.).
- d) Define strategic goals and implement action plan for all Social Media efforts. Redesign, reprint, and distribute general and program-focused brochures. Consider other collateral for B2B and B2C engagement (e.g., gift cards, thank you notes, etc.).
- e) Attract more press coverage, monthly coverage in magazine, news paper, TV and radio.
- f) Attend and present at special events related to our industry and the environment. Film select presentations for use in Social Media.
- g) Collaborate with other non-profits.
- h) Showcase projects that have used salvaged material.
- i) Implement Salesforce database in order to track and organize contacts and maintain outreach and correspondence toward increasing revenue and supporting our mission
- j) Engage existing customers to refer new customers and install brochure boxes at high traffic sites. Brochure and digital communication will drive to our website (which will be reworked to be a more current and active tool).
- k) Build a stronger network of business and government contacts in order to help with all efforts.
- l) Maximize project development success by responding to inquiries within 24 hours and following up with prospective clients monthly.

Goal 6: Other Strategies

- a) Recruit one additional local appraiser.
- b) Utilize Catchafire, a pro bono service to help with fundraising, management, elevator pitch, Sale Force set, HR Management, etc.
- c) Work with Senator Gabbard to introduce waste reduction legislation.

Organizational Flow Chart



High Performance Team

A high-performance team is defined as a group of people with specific roles and complementary talents and skills, aligned with and committed to a common purpose, who consistently show high levels of collaboration and innovation, that produce superior results.