

**THE THIRTIETH LEGISLATURE  
APPLICATION FOR GRANTS  
CHAPTER 42F, HAWAII REVISED STATUTES**

Type of Grant Request:

Operating

Capital

Legal Name of Requesting Organization or Individual: Dba:

Homestead Community Development Corporation (HCDC)

Brief Description of Request (Please attach word document to back of page if extra space is needed):

The goal of the HCDC Solarized Certified Kitchen Project is to reduce the utility expense on a public purpose, nonprofit certified kitchen owned and operated by HCDC, in order to reduce fees paid by local micro-businesses to sustain the facility.

Amount of Other Funds Available:

State: \$0

Federal: \$0

County: \$0

Private/Other: \$25,000

Total amount of State Grants Received in the Past 5 Fiscal Years:

\$484,000

Unrestricted Assets:

\$1,370,097.72

New Service (Presently Does Not Exist):

Existing Service (Presently in Operation):

Type of Business Entity:

501(C)(3) Non Profit Corporation

Other Non Profit

Other

Mailing Address:

PO BOX 646

City:

Anahola

State:

HI

Zip:

96703

Contact Person for Matters Involving this Application

Name:  
Robin Danner

Title:  
CEO

Email:  
robin@hawaiianhomesteads.org

Phone:  
(808)652-0140

Federal Tax ID#:

State Tax ID#



Authorized Signature

Robin Danner

Name and Title

01/13/2020

Date Signed

**received**  
01/13/2020 TD



## 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

#### HOMESTEAD COMMUNITY DEVELOPMENT CORPORATION

was incorporated under the laws of Hawaii on 06/05/2009 ; 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, 2020

Director of Commerce and Consumer Affairs



**DECLARATION STATEMENT OF  
APPLICANTS FOR GRANTS PURSUANT TO  
CHAPTER 42F, HAWAII REVISIED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

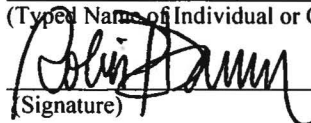
- 1) The applicant meets and will comply with all of the following standards for the award of grants pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide 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.

Homestead Community Development Corporation (HCDC)

(Typed Name of Individual or Organization)

  
(Signature)

01/13/2020  
(Date)

Robin Puanani Danner

(Typed Name)

Chief Executive Officer

(Title)

## Application for Grants

*If any item is not applicable to the request, the applicant should enter "not applicable".*

### **I. Certification – Please attach immediately after cover page**

#### **1. 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, 2019.

COG Dated January 12, 2020 Attached.

#### **2. Declaration Statement**

The applicant shall submit a declaration statement affirming its compliance with Section 42F-103, Hawaii Revised Statutes. ([Link](#))

Declaration Attached.

#### **3. Public Purpose**

The applicant shall specify whether the grant will be used for a public purpose pursuant to Section 42F-102, Hawaii Revised Statutes. ([Link](#))

- (1) The name of the requesting organization;
- (2) The public purpose for the grant or subsidy;
- (3) The services to be supported by the grant or subsidy;
- (4) The target group; and
- (5) The cost of the grant or subsidy and the budget. [L 1997, c 190, pt of §3]

GIA CIP funding is requested by Homestead Community Development Corporation (HCDC) in the amount of \$350,000 to purchase a solar panel energy system and lithium battery system for installation on an existing certified kitchen located in the rural community of Anahola. The public purpose of this request, is to support the economic impact on small and micro businesses owned by residents on Kauai that use the certified kitchen, by lowering kitchen use fees that support the utility costs of the facility. This project directly serves the public need of having access to a low cost certified kitchen to produce food products by locally owned and operated food operators on the island of Kauai. HCDC has focused on the targeted group of Hawaii citizens residing on the island of Kauai, from Kekaha to Haena.

## **II. 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 Homestead Community Development Corporation is an incorporated Hawaii nonprofit, founded in 2009 to address affordable housing and economic development. HCDC has developed 22 single family homes on Oahu and Kauai, and is in predevelopment on a 3 acre multi-family project in West Oahu, and has developed numerous economic development projects that create jobs in rural areas of the State. For example, HCDC has constructed a certified kitchen serving small micro-enterprise food hub businesses, an enterprise center delivering small business training, and partnered on a solar facility that funds economic development projects for entrepreneurs.

HCDC's background and expertise includes the operation of a community loan fund for ranchers, farmers, micro-business, as well as families to upgrade safe housing, bedroom additions, and other consumer purposes. Its loan fund delivers financial literacy, family budgeting, and in late 2019, HCDC has logged 16 families within a 2-month period, requesting assistance in the area of foreclosure prevention. The State of Hawaii, DHHL reports over 200 families are currently in a loan delinquency situation, which the HCDC program will be directed at assisting.

HCDC is governed by a 5-member board of commissioners, and a 5-member elder council, with seats dedicated to Kauai, Oahu, Maui, Molokai and Hawaii Island. It is a 11-year old, mature nonprofit, with offices on Oahu, Kauai and Maui, and is led by an experienced CEO.

2. The goals and objectives related to the request;

The goal of the HCDC Solarized Certified Kitchen Project is to reduce the utility expense on a public purpose, nonprofit certified kitchen owned and operated by HCDC, in order to reduce fees paid by local micro-businesses to sustain the facility.

Objectives include 1) purchase and install a commercial solar panel energy system and lithium battery system on a 10 year old certified kitchen; 2) reduce certified kitchen user fees to increase economic impact and profitability of small local food service businesses that access the certified kitchen.

3. The public purpose and need to be served;



GIA CIP funding is requested by Homestead Community Development Corporation (HCDC) in the amount of \$350,000 to purchase a solar panel energy system and lithium battery system for installation on an existing certified kitchen located in the rural community of Anahola. The public purpose of this request, is to support the economic impact on small and micro businesses owned by residents on Kauai that use the certified kitchen, by lowering kitchen use fees that support the utility costs of the facility. This project directly serves the public need of having access to a low cost certified kitchen to produce food products by locally owned and operated food operators on the island of Kauai.

A successful installation of an independent solar panel system is estimated to reduce current annual utility costs at the certified kitchen by \$30,000. Reduction of facility overhead will result in the ability of HCDC to reduce certified kitchen fees to local users by up to 40%, supporting viability and success of local businesses in need of a certified kitchen. The cost reductions from reduced utility expense will also enable HCDC to invest in additional and affordable retail space adjacent to the certified kitchen, and expand its bathroom facilities to service patrons to the East Kauai region, all from utility cost savings.

4. Describe the target population to be served; and

Hawaii citizens residing on the island of Kauai, from Kekaha to Haena. The availability of nonprofit certified kitchens are minimal, yet certified kitchens are in high demand for one of the top areas of locally owned and operated value-added food vendors.

5. Describe the geographic coverage.

The Anahola Marketplace certified kitchen is located in east Kauai in Anahola, however, it serves the entire geographic area of the county of Kauai.

### **III. 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;

The scope of work for HCDC is to purchase and install a solar panel energy system with lithium battery storage on a 10-year old certified kitchen serving the island of Kauai and its residents.

Tasks include:

- a. Procure a solar panel energy system from Hawaii based solar firms – completed by HCDC Program Manager
  - b. Coordinate solar contractor installation – completed by HCDC Program Manager
  - c. Operationalize solar system – completed by HCDC Program Manager
  - d. Track cost savings – completed by HCDC Program Manager
  - e. Reduce certified kitchen user fees based on cost savings - completed by HCDC Program Manager
2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;

Month 1 – Develop procurement and request for proposals

Month 2 – Receive proposals, rank and rate

Month 4 – Select best value proposal

Month 5 & 6 – Oversee installation

Month 7 – Track and compare system impact on certified kitchen costs

Month 12 – Update certified kitchen use fees to Kauai businesses

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

HCDC will select a solar vendor with local ties and experience, and oversee timely installation, testing and operation of the system. The HCDC Program Manager will monitor and document each milestone of the project, including a comprehensive report on cost savings. The HCDC CEO will oversee and supervise the Program Manager to ensure quality control and to evaluate success of the project.

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.

Measure 1 – Procurement completed

Measure 2 – Ranking, Rating and Vendor Selection

Measure 3 – Installation

Measure 4 – Operation

Measure 5 – Report on Cost Savings

Measure 6 – Certified Kitchen User Fees Updated

#### **IV. Financial**

## **Budget**

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
  - a. Budget request by source of funds ([Link](#))
  - b. Personnel salaries and wages ([Link](#))
  - c. Equipment and motor vehicles ([Link](#))
  - d. Capital project details ([Link](#))
  - e. Government contracts, grants, and grants in aid ([Link](#))
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2021.

Quarter 1 = \$0  
Quarter 2 = \$150,000  
Quarter 3 = \$200,000  
Quarter 4 = \$0  
Total Grant = \$350,000

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2021.

N/A

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.

N/A

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 2021 for program funding.

HCDC has never received a Grants in Aid award. Report Attached.

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2019.

\$193,283 consisting primarily of cash and accounts receivables.

## **V. Experience and Capability**

### **1. 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.

HCDC is an incorporated Hawaii nonprofit, founded in 2009 to address affordable housing and economic development on or near Hawaiian Home Lands. As such, for 11 years, it has operated programming in building affordable homes, building community facilities that create jobs, and delivering direct technical assistance to entrepreneurs and families in mostly rural homestead areas to strengthen financial capacity and business and family prosperity, regardless of homestead residency. HCDC is a community development financial institution, funded by the U.S. Treasury to deliver loans and financial services to residents of homestead communities statewide.

HCDC constructed a certified kitchen on Hawaiian Home Lands in 2009 to serve the entire island of Kauai and its residents, through a competitive grant award by the U.S. Department of Housing & Urban Development, under its Alaska Native/Native Hawaiian Institutions Assisting Communities program. The facility was qualified because of its location on Native Hawaiian trust lands in the homestead region of Anahola, Kauai. However, its use is not limited to Native Hawaiians, and is available to support residents of the County of Kauai.

HCDC is capable of completing this project, based on its development of the certified kitchen itself, as well as its construction of another community facility in west Kauai, in Kekaha.

Moreover, HCDC is led by a CEO with 28 years of executive management experience in finance, construction, business and community development projects. HCDC also has on staff, three Program Managers with excellent experience in private sector investment finance, corporate retail management experience, project management and social enterprise operations.

In the last 3 years, HCDC has been awarded government grants to provide technical assistance to small and micro business entrepreneurs and agricultural related family businesses, and to provide financial literacy services to families. In the last 3 years, HCDC has been awarded private foundation and agency funds to deliver services to build rural economies in Hawaii, and in 2019, HCDC was awarded \$300,000 in federal and private capital for its homestead loan fund.

## **2. 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.

HCDC maintains 3 physical offices in the State of Hawaii, located on the island of Oahu, Maui and Kauai. In addition, HCDC owns and operates an Enterprise Center, a Certified Kitchen and an open air marketplace with a business incubator providing a dozen retail spaces for local entrepreneurs. This GIA request would direct funding to improve the 10-year old certified kitchen to upgrade to a solar and battery system to reduce costs that will further reduce costs to local entrepreneurs on the island of Kauai.

## **VI. Personnel: Project Organization and Staffing**

### **1. 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 HCDC Solarized Certified Kitchen project consists of procurement, fund management, vendor management and quality control. The project will be led by an HCDC Program Manager responsible for all economic development projects operated by HCDC. This GIA requests includes funding only for the solar and battery system, and does not request any staffing costs.

HCDC, as an 11-year old Hawaii nonprofit, with a total of 8 FTE. It has audited financial statements, a sophisticated accounting system based on multiple funding sources and projects, which requires an excellent management structure, with experienced leadership. HCDC has excellent policies and procedures in place, which includes staff development and training. As a nonprofit community development corporation, HCDC has developed and maintains community facilities, ensuring its capacity to complete the Solarized Certified Kitchen project.

### **2. Organization Chart**

HCDC Organizational Chart Attached.

### **3. Compensation**

The applicant shall provide an annual salary range paid by the applicant to the three highest paid officers, directors, or employees of the organization by position title, not employee name.

1. CEO - \$75,000 to \$85,000
2. Program Manager - \$40,000 to \$65,000
3. Program Assistant - \$30,000 to \$42,000

**VII. Other**

**1. 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.

N/A

**2. 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.

N/A

**3. 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.

N/A

**4. Future Sustainability Plan**

The applicant shall provide a plan for sustaining after fiscal year 2020-21 the activity funded by the grant if the grant of this application is:

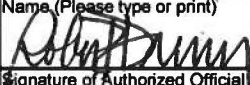
- (a) Received by the applicant for fiscal year 2020-21, but
- (b) Not received by the applicant thereafter.

HCDC requests a one-time CIP grant award of \$350,000 to install a solar panel energy system with lithium batteries to reduce the cost to the public in using its nonprofit certified kitchen. Additional funding is not required for the project to be successful.

## BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2020 to June 30, 2021

Applicant: Homestead Community Development Corporation

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				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
<b>TOTAL PERSONNEL COST</b>				
<b>B. OTHER CURRENT EXPENSES</b>				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
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<b>TOTAL OTHER CURRENT EXPENSES</b>				
<b>C. EQUIPMENT PURCHASES</b>	<b>350,000</b>			
<b>D. MOTOR VEHICLE PURCHASES</b>				
<b>E. CAPITAL</b>				
<b>TOTAL (A+B+C+D+E)</b>	<b>350,000</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	350,000	Robin Danner, HCDC	808-652-0140	
(b) Total Federal Funds Requested		Name (Please type or print)	Phone	
(c) Total County Funds Requested			01/13/2020	
(d) Total Private/Other Funds Requested		Signature of Authorized Official	Date	
<b>TOTAL BUDGET</b>	<b>350,000</b>	Robin Danner, CEO		
		Name and Title (Please type or print)		





## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2020 to June 30, 2021

Applicant: Homestead Community Development C

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Commercial Grade Solar Panel Energy System	1.00	\$350,000.00	\$ 350,000.00	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>	1		\$ 350,000.00	
<b>JUSTIFICATION/COMMENTS:</b> System will reduce energy costs at a nonprofit certified kitchen serving the island of Kauai				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>				
<b>JUSTIFICATION/COMMENTS:</b>				

## BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2020 to June 30, 2021

Applicant: Homestead Community Developer

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: 2018-2019	FY: 2019-2020	FY:2020-2021	FY:2020-2021	FY:2021-2022	FY:2022-2023
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION						
EQUIPMENT			350000			
<b>TOTAL:</b>			<b>350,000</b>			
<b>JUSTIFICATION/COMMENTS: equipment purchase is a one-time purchase and installation to reduce energy costs at a certified kitchen serving the public</b>						

**GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID**

Apemstead Community Development Corporation

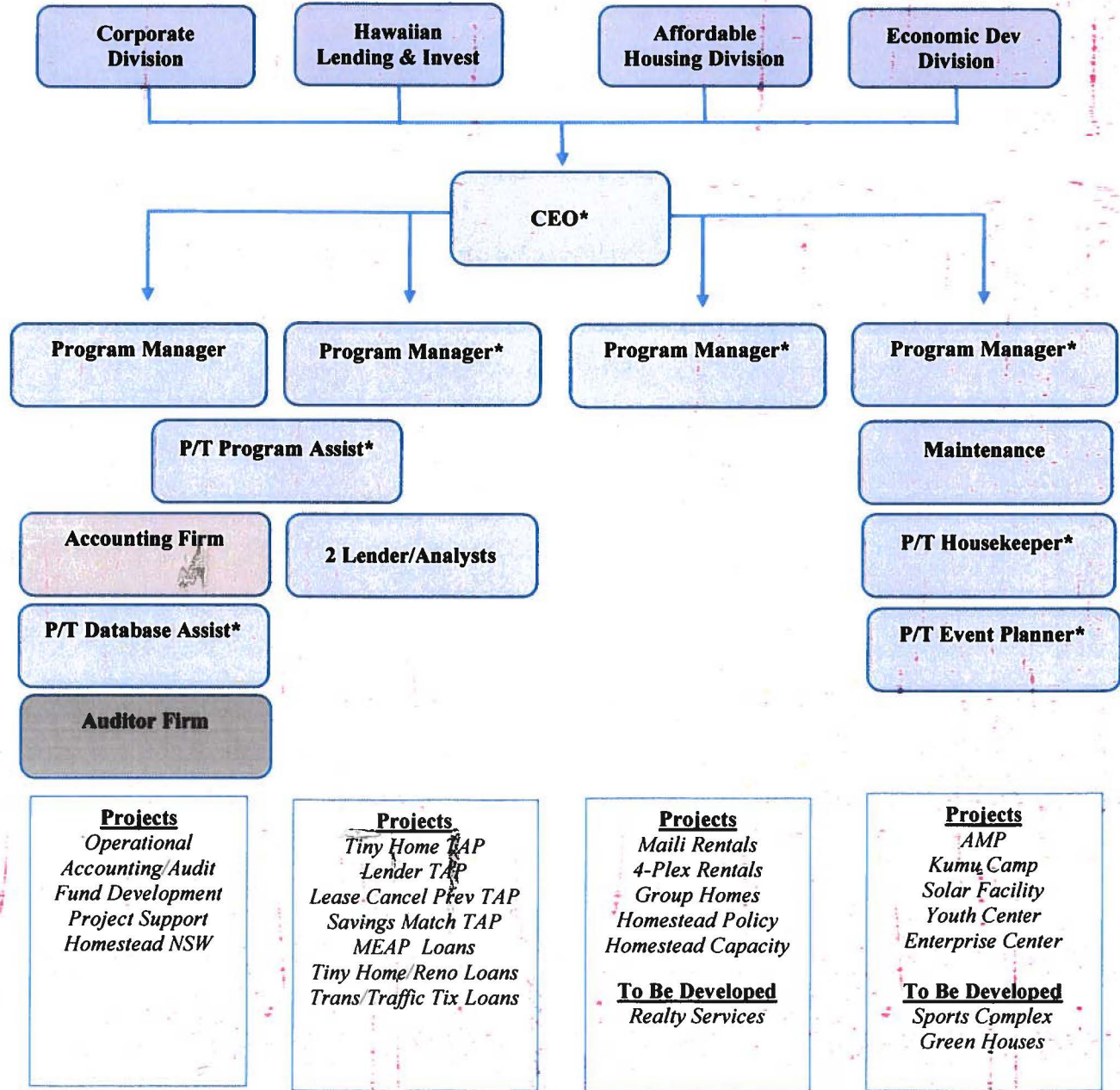
Contracts Total: 780,000

	<b>CONTRACT DESCRIPTION</b>	<b>EFFECTIVE DATES</b>	<b>AGENCY</b>	<b>GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)</b>	<b>CONTRACT VALUE</b>
1	CDFI Homestead Loan Fund	12/19 - 12/20	CDFI Fund	U.S.	150,000
2	Deliver Financial Services	10/19 - 9/21	OHA	State	484,000
3	Deliver Farming Finance Capacity Svcs	07/19 - 06/20	Econ Development	County Kauai	18,000
4	Deliver Tiny Home Assistance	07/18 - 06/19	Housing	County Kauai	32,000
5	Deliver Micro Enterprise Assistance	07/17-0618	Housing	County Kauai	96,000
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# HCDC Human Resources & Program Organizational Chart

**5 Board of Commissioners & 5 Kupuna Council Members  
+ Homestead Association Advisory Boards**  
 100% Governed by HHCA Beneficiaries/Homestead Residents



**Gray = Specialty Firms**