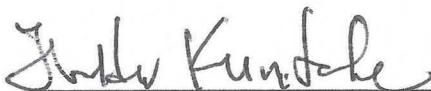


Application Submittal Checklist

The following items are required for submittal of the grant application. Please verify and check off that the items have been included in the application packet.

- 1) Hawaii Compliance Express Certificate (If the Applicant is an Organization)
- 2) Declaration Statement
- 3) Verify that grant shall be used for a public purpose
- 4) Background and Summary
- 5) Service Summary and Outcomes
- 6) Budget
 - 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](#))
- 7) Experience and Capability
- 8) Personnel: Project Organization and Staffing



AUTHORIZED SIGNATURE

WALTER KUNITAKE, CHAIR

PRINT NAME AND TITLE

01/16/2024

DATE

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

Type of Grant Request:

Operating Capital

Legal Name of Requesting Organization or Individual: Db:

Japanese Cultural Center of Kona

Amount of State Funds Requested: \$ 700,000

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

Purchase of Land for the development of the Japanese Cultural Center of Kona.

Amount of Other Funds Available:

State: \$ 50,000

Federal: \$ 0

County: \$ 0

Private/Other: \$ 100,000

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

\$ 125,000

Unrestricted Assets:

\$ 209,339.77

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:

P O Box 206

City:

Kailua-Kona

State:

HI

Zip:

96745

Contact Person for Matters Involving this Application

Name:
Walter Kunitake

Title:
Chair

Email:
kunitake@earthlink.net

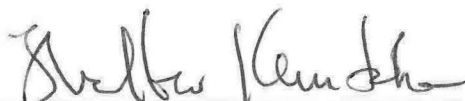
Phone:
808-938-3624

Federal Tax ID#:

██████████

State Tax ID#

██████████



Authorized Signature

Walter Kunitake, Chair

Name and Title

1-16-2024

Date Signed



STATE OF HAWAII
STATE PROCUREMENT OFFICE

CERTIFICATE OF VENDOR COMPLIANCE

This document presents the compliance status of the vendor identified below on the issue date with respect to certificates required from the Hawaii Department of Taxation (DOTAX), the Internal Revenue Service, the Hawaii Department of Labor and Industrial Relations (DLIR), and the Hawaii Department of Commerce and Consumer Affairs (DCCA).

Vendor Name: JAPANESE CULTURAL CENTER OF KONA

Issue Date: 01/08/2024

Status: **Compliant**

Hawaii Tax#:

New Hawaii Tax#:

FEIN/SSN#:

XX-XXX4020

UI#:

No record

DCCA FILE#:

281568

Status of Compliance for this Vendor on issue date:

| Form | Department(s) | Status |
|-------|---|-----------|
| A-6 | Hawaii Department of Taxation | Compliant |
| 8821 | Internal Revenue Service | Compliant |
| COGS | Hawaii Department of Commerce & Consumer Affairs | Exempt |
| LIR27 | Hawaii Department of Labor & Industrial Relations | Compliant |

Status Legend:

| Status | Description |
|---------------|---|
| Exempt | The entity is exempt from this requirement |
| Compliant | The entity is compliant with this requirement or the entity is in agreement with agency and actively working towards compliance |
| Pending | A status determination has not yet been made |
| Submitted | The entity has applied for the certificate but it is awaiting approval |
| Not Compliant | The entity is not in compliance with the requirement and should contact the issuing agency for more information |

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. Hawaii Compliance Express Certificate (If the Applicant is an Organization)

If the applicant is an organization, the applicant shall submit one (1) copy of a Hawaii Compliance Express Certificate from the Comptroller of the Department of Accounting and General Services that is dated no earlier than December 1, 2023.

2. Declaration Statement

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

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](#).

This grant will be used for public purposes to educate local, state and international visitors about the legacy of Kona’s Japanese roots and history. It will also serve the community as a gathering place for interaction with one another and to enjoy the diverse activities the Center has to offer. People can feel safe in a comfortable and peaceful environment of natural and authentic Japanese gardens. Developing a cultural hub with rich offerings will become a destination that the people of Hawaii could be proud of and to become a *Gathering Place of the World*.

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 Japanese Cultural Center of Kona (JCKK) began in October 2018 as a 501(c)(3) non-profit organization. The mission of JCKK is to preserve and educate the world about Kona’s Japanese roots and history by establishing and operating a unique and internationally recognized facility.

Over the past eight years, the formation and foundation of the organization was built by interested and energetic community leaders now serving as Board

members of JCKK. This 11-member Board of Directors personally contributed to build the initial working cash balance for JCKK. They volunteered their services and recruited and received a wide array of cash and in-kind contributions from the community. They have been successful in obtaining pro bono services from outside professionals to achieve essential milestones.

They participated in a capital campaign fundraising workshop provided by a professional fundraiser in the State on a pro bono basis. The Board also engaged in a two-day strategic planning session led by a professional facilitator at no charge that resulted in the March 2017 JCKK Strategic plan. The facilitator now serves as a Board of Governor.

With the strategic plan in hand, the Board engaged in planning charrettes with over 60 community members that offered additional ideas for the Center. This resulted in the development of a conceptual master plan for the JCKK venues including a 7 minute 3-D rendering. The three session meetings were led by Glenn Kimura International. Cost estimates were also provided for each building. Glenn Kimura engaged J Uno & Associates for the cost estimates. The master plan with cost estimates were completed by December 2019. The master plan could be viewed on JCKK's website JapaneseCulturalCenterofKona.com.

JCKK also conducted in August 2022 an engineering study on a targeted 50acre lot in the heart of Kailua Kona. The engineer's field report will be attached with this application.

The 11-member Board bring a wide variety of skills and experiences in leadership positions in large and small projects. Board members have experiences organizing festivals and events large and small, including golf fundraisers and banquets. Board members have strong networking ties with experts globally in developing an ambitious Cultural Center as planned. Board of Governors listed below also expands the network attracting even broader support in fundraising, professional services, program specialists and much more. Board members with the guidance and advice from the Board of Governors, and many paid and pro-bono experts statewide and beyond have experiences how to monitor, evaluate, and continuously improve on the demands of this complex and ambitious project development. The expansion of the team of supporters is experiencing great momentum in building supporters globally.

The list of Board of Directors and Board of Governors below provide the list of core members behind the planned Center. To view individual member photo and biography, see the website JapaneseCulturalCenterofKona.com. Building of team members including those not listed here that provide expert advice will continue throughout 2024 and beyond.

Officers and Board of Directors

Walter Kunitake, Chair
Claudia Chang, Vice Chair
Steven Kaneko, Treasurer
Jean Kadooka, Secretary
Tony Takai, Japanese Secretary
Takeo “Uki” Izawa, Board Member
Gilbert Kaneko, Board Member
Cheryl Kurashige, Board Member
Nathan Kurashige, Board Member
Linda Nagai, Board Member
Carol Zakahi, Board Member

Board of Governors

Sherry Bracken
Tricia Buskirk
Susan Duprey
Miki Ebara
Earl Fry
Janne Fujimoto-Watase
Carole Hayashino
Margaret Masunaga
Dwayne Mukai
Toyoei Shigeeda
Jane Testa

2. The goals and objectives related to the request;

Goal: To develop a Japanese Cultural Center of Kona. In 2015, a group of Kona residents coalesced to pursue a dream of developing a new Cultural Center with ample parking that the people of Kona could use as a gathering place for events and meetings and to celebrate the arrival of Japanese coffee farmers on Kona’s upland slopes over a hundred years ago. These new arrivals brought with them a particular serving of Japanese culture that deepened the mix of cultures found in Hawaii, and the special coffee they produced has, over time, become renowned the world over for its richness.

The Japanese Cultural Center will celebrate and promote this unique heritage. In doing so, it will support Kona’s longstanding bid to becoming an international gathering place. Given the Japanese cultural centers and gardens that exist elsewhere in Hawaii, this Center is planned to be of such scale, depth and variety to earn it a distinctive position in Hawaii’s visitor and cultural landscape.

Objectives: To detail the vision for the Center. The vision for the Center includes a complex of buildings and venues developed on land that would be large enough to accommodate future expansion from the planned 30acre layout.

In accordance with its purpose, the buildings' interior and exterior would be designed architecturally to evoke a Japanese ambiance. Short descriptions of various components to the Center follow.

*A large capacity, flexibly designed, a multi-purpose auditorium supported by a commercial kitchen that could host events such as community banquets, karaoke nights, manga festivals, weddings, martial arts competitions and demonstrations, *matsuris* (festivals), *kabuki* and bon dances. With a certified kitchen available, an International Poke Festival could be held. The auditorium could be rented out to community organizations or groups for events listed above. Hula halau groups have sprung all over Japan wanting opportunities to visit and perform in Hawaii. However, opportunities are few. Many visit Hawaii during the Merrie Monarch Festival hoping they could win a lottery ticket to watch live. The Center in Kona could provide opportunities for these groups from Japan and abroad annually on a chosen HULA DAY.

*A world-class acoustically sound concert hall will serve as a significant component of the Center. A well-established 100 plus member choral society from Kona that attracts about 700 local people at their events here, scramble to find a place to perform. They receive invitations to perform at the Carnegie Hall and in beautiful concert halls in Japan. Further, they have performed with signers from Japan in Osaka and Tokyo. With the planned concert hall in place, popular rock bands and signing groups from around the globe could gather here making music together. Symphony orchestras from all locations could be similarly brought to Kona. Performing arts of all kinds will be supported not only by a warm and welcoming hall, but ample parking, and other comfortable support facilities will be available to the performers and audiences as well.

*Exhibition spaces will be dedicated for permanent and rotating displays memorializing the heroes and celebrities of Kona such as Ellison Onizuka, Rodney Yano and Harold Sakata who had roles as Toshi Togo and Odd-Job. Artifacts from the life and times of early Japanese immigrants, specialty items from the various prefectures of Japan, contemporary works of art, and displays for *ikebana* and other Japanese crafts could be displayed.

*Smaller meeting spaces for Japanese immigration social organizations (aka Kenjinkais) and other community organizations, and for use as classrooms for lectures, workshops, and recreational classes.

*An expansive garden is planned comparable to famous gardens of Japan such as Korakuen, Kairakuen, and Kenrokuen. It should use materials appropriate to Kona's environment and incorporate the aesthetics of serenity and harmony, artfully integrating ponds, waterfalls, pathways, bridges, rocks, sand, and plant life. Famous wisteria, willow, and pine trees, azaleas, hydrangea, and camelia flowers would be artfully planted to add to the beauty of the serene atmosphere.

*A garden area showcasing trees, plants, flowers unique to Kona and plant products used by early Japanese immigrants as were cultivated by early Hawaiians will be included. Lauhala hats, baskets and hands-on demonstrations on how they are woven are examples. A conservatory for *bonsai* displays would add to the Center's ambiance.

*An authentic Tea House located in a quiet and scenic location with traditional *tatami* mats where tea ceremonies could be conducted.

*A *dojo* will bring many martial art events such as training, demonstrations, and competitions to the Center. Many black belts from around the globe including those competing in the Olympics could be invited. Possibly sumo *rikishi* could bring excitement to the community.

*The Board has begun to interact with individuals, organizations, businesses and government officials throughout the 47 prefectures in Japan to welcome them to participate in events unique to their location, and to provide in-kind donations and any other support toward the Cultural Center's development.

*Commercial facilities configured as small shopping plazas, casual street vendors, or perhaps something reminiscent of Japanese arcades, with cafes offering snacks and drinks, and gift shops selling souvenirs and omiyage of Kona. Such rental spaces would be amenities for visitors and provide long-term income for the Center.

*An on-site coffee farm, which could serve as a revenue-generating component while also providing a living and historical guide on how Japanese immigrants enabled coffee crops to become the world-famous Kona Coffee. Growing *koshi hikari* rice, *wasabi*, *kaki* (persimmon), *biwa* (loquat), and other food related plants would complement the farming component of the Center.

*The Center will feature attractive and iconic Japanese *torii* gates as an important symbol of arrival and entrance. Stone lanterns called *toro* will adorn the entire Center's grounds especially along the gardens' pathways.

The entire complex will be powered by 100% renewable energy consistent with Hawaii State's 100% renewable energy goal by 2045 and the international climate change goals such as those agreed upon at the U.N. Climate Change Conference, COP26, held in Glasgow in November 2021. The Center will be built with environmentally sustainable techniques and materials where possible, qualifying for LEED platinum rating. The Center will be equipped to receive optimum solar energy to produce off-grid capacities of electricity. With an abundance of solar energy, a system to produce hydrogen fuel through electrolysis will enable service of fuel cell vehicles on site as well as service hydrogen fueled stoves in the kitchens. Stations for all EV vehicles, such as

cars, trucks, buses, and golf carts will be available throughout the Center grounds.

Transportation egress and ingress access to the Center will be designed to ensure convenience and safety for community users, for large groups in major events, for people with disability and mobility issues, and for delivery of supplies. Plans are to provide over 500 parking spaces strategically located, many covered by solar panels.

To implement the vision, JCCK organizers have made great progress in eight years by passionate team members in achieving this ambitious vision.

*In 2016, JCCK was organized and Articles of Incorporation, bylaws, and conflict of interest policies adopted. The Board of Directors included representatives from the Kona Fukuoka Kenjinkai, Kona Hiroshima Kenjinkai, Kona Kumamoto Kenjinkai, Kona Okinawa Kenjinkai, Kona Yamaguchi Kenjinkai, Kona Japanese Civic Association and other leaders and representatives from the community.

*In 2017, a strategic plan for the project was developed.

*JCCK received approval in 2018 to become a 501(c)(3) nonprofit corporation.

*In 2019, JCCK was awarded \$75,000 in GIA funds by the Hawaii State to master plan the project, and an inaugural charity golf tournament fundraiser was successfully held, netting about \$18,000. Also, JCCK formed a Land Acquisition Task Force actively reviewed many possible large parcels of land in North and South Kona.

*In January 2020, a successful inaugural banquet, netting about \$25,000, was held prior to the pandemic arrived.

*2021: Board of Directors and Board of Governors have been added to include not only local members but nationally as well. JCCK has also reached out to include members internationally. Preliminary discussions with a landowner of the preferred site to acquire the parcel began in December 2021.

*2022: (a) In May 2022 the landowner submitted a tentative three lot subdivision of his 129acre parcel. JCCK expressed interest in acquiring one of the 50acre subdivided lot, (b) JCCK retained in March 2022 attorney Damon Key Leong Kupchak Hastert to represent JCCK in the acquisition of the 50acre lot, (c) JCCK held a charity golf tournament in April 2022 netting \$45,000, and (d) JCCK obtained in August 2022 an engineering firm Okahara and Associates to perform a field study of the 50acre lot for the Center's feasibility. The engineer's field study was provided pro-bono whose report will be provided in this GIA application. See Appendix A.

*2023: JCKK launched a fundraising gala on January 22 netting \$100,000. The golf tournament in October netted almost \$30,000.

*2024: JCKK will be launching a major fundraising capital campaign to acquire the parcel of land and for site preparation.

3. The public purpose and need to be served;

The prevalence of cross-cultural marriages, international travel, global media and the like has brought people of the world much closer together. Seeing and experiencing more of other ethnic groups and their culture coming together will only enhance this positive trend with an inclusive Cultural Center. The more this broadening experience expands, the more harmonious and peaceful the world could become. The Center's programs, events and activities will support building positive bridges to link diverse cultures and countries, especially when conflicts around the globe are at an all-time high.

Over one hundred fifty years ago, the first generation of Japanese immigrants settled on the Kona's upland slopes and helped to build a premier coffee industry. The first generation of immigrants, known as *issei*, started from humble beginnings as coffee farmers and left a legacy that has evolved in a distinctive community which blends Japanese traditions and the spirit of Aloha. The Center is envisioned as a singular destination that will showcase Japanese-American contributions to the diversity that is Hawaii. It will be a gathering place to share and perpetuate the culture, provide opportunities to maintain ties with today's Japan. It will provide broad experiences that can be enjoyed by the diverse individuals, bringing the community closer together. In short, the Center will provide light and deep experiences for all.

Kona experiencing the fastest growing population in the State is without a large and modern venue for conventions, concert, performances and meeting places for local organizations and adequate access to diverse cultural events available in a bigger city. As an example, by building a world class concert hall, locals could experience performing in it, as well as bringing in world class performers and performances. The Maui Arts & Cultural Center is prime example to provide opportunities to the people on the island of Maui.

4. Describe the target population to be served; and

The target population span a wide range from the very young to *kupuna*, and from local residents to people across the globe. Youngsters could participate in lantern parades, girls' and boys' day activities, *shichigosan* ceremonies, origami making, Japanese dancing, as well as attending adult events. Children of Japanese heritage will begin to learn more about their own cultural roots, while other will learn more about their neighbors.

Students from local schools could be provided with educational tours and classes at the Center. They could be brought in through group excursions, including from neighbor islands. International student exchange programs hosted by the Cultural Center will help foster beneficial relationships across continents.

The adult population local or international will be provided a wide range of experiences at the museum, outdoor amphitheater, gardens, tea ceremonies, gallery, coffee farm, and performing art events. Performers from abroad in turn become visitors themselves.

Volunteers will be an important component in making the Cultural Center a success. By promoting volunteerism in the development and maintenance of the Center, the more ownership they will feel toward the Center while gaining knowledge of the Japanese Culture. It's a way to increase staffing needs while maintaining a cost-effective budget.

Professional performers, artisans, experts and speakers from around the world participating and sharing at the Cultural Center in Kona will provide the community with an experience of a richer lifestyle. Otherwise, local residents can only experience first-hand by traveling abroad.

5. Describe the geographic coverage.

The geographic coverage spans the entire globe. Kona is a highly desirable destination for visitors from all over the world. This will continue as there are more direct flights to Kona from the mainland, Japan, and other corners of the globe. The trend is supported by Kona's global reputation for Kona coffee, deep sea fishing, stargazing, clean air, the hospitality of the Kona people, and the laid-back country and natural atmosphere of paradise. The stable year-round mild climate and a safe and conflict free environment adds to Kona's allure as a visitor destination. But Kona also exerts a powerful pull for new residents as well, they are moving to Kona at record numbers and making it their home.

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 2017 strategic plan outlined a cultural center spanning 25 acres, followed by the creation of a Land Acquisition Task Force to identify suitable sites. Approximately 30 sites were initially identified. Three sites had been identified as the most viable and one has been designated the preferred at this time. Expert individuals, such as planners, engineers, surveyors, consultants in environmental

issues, landscape architects, and others helped the Board to arrive at the preferred site. Multiple tours of the preferred site with the owner allowed the Board and other team members to review, analyze and do much due diligence work on the property.

In spite of the pandemic, the Board sought advice and input from many via emails, telephone, Zoom and small face-to-face group meetings. Areas of inquiries and discussions spanned issues related to the development of the entire Center through its final completion. The matrix of collaborated energies and spirit came together from the Board members' expertise, experiences, and commitment, the Board of Governors resumes of wisdom, and all other team members in the circle contributing greatly to advance the implementation of the vision and goals of the Center.

The Board with a team of knowledgeable individuals is currently engaged to execute the acquisition, exploring various options with the landowner on a purchase agreement. In March 2022, JCKK retained attorney Ms. Christine Kubota with Damon Key Leong Kupchak Hastert to represent JCKK in the acquisition of Property. JCKK secured a preliminary memorandum of agreement in JCKK's acquisition of the 50-acre portion expressed earlier. The request for funds in this GIA application will be applied to the acquisition of the property including legal and other land acquisition related costs, site-specific master planning, and construction-related studies. The JCKK Board realizes it is ultimately responsible for its purchase decision and obligations to it thereafter.

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

A summary outline is provided below:

- 2024-2025: Purchase land, perform environmental studies, develop site-specific master plan
- 2025-2027: Grubbing, grading, site preparation
- 2027-2030: Construction
- 2030: Opening Cultural Center for operation (See attached Proforma Financial Statements)

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 JCKK Board members have worked closely and will continue to work closely with consultants, advisors, attorney, planners, engineers, fundraisers, surveyors

and financial advisors to assist the Board in the acquisition of the parcel and to address any challenges that may arise. Due diligence on properties have been ongoing regarding location, size, topography, potable water availability, irrigation water access, access to electricity, sewer system, vehicular access, zoning, flood issues, elevation, slope, scenic views, fee simple ownership, and the like.

JCCK Board members are in close contact with appropriate County of Hawaii officials regarding various issues in site acquisition, development, permitting, cultural issues, and applicable rules and regulations. State and Federal rules and regulations will be followed.

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 JCCK Board will review the specific and measurable goals of the land acquisition phase. Board Members have begun meeting with the landowner of the preferred property for the Cultural Center site. The JCCK team also include professional legal members familiar with land acquisition matters. JCCK with a team of experts will soon meet with the landowner to arrive at a memorandum of understanding for the acquisition and a financial acquisition plan. Continuous due diligence work will be applied to monitor the feasibility of the parcel under consideration. Progress on the purchase transaction will be reported as acquisition is executed. Ongoing cost estimates will be revised as appropriate for site preparation. Board members have historically and properly filed reports for prior years' grant-in-aid funds received from the State and County of Hawaii. When necessary, JCCK will seek advice and guidance from consultants to meet compliance rules, regulations, laws, policies, and procedures of the State, Federal and the County agencies.

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](#))

- The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2025.

| Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Total Grant |
|-----------|-----------|-----------|-----------|-------------|
| \$0 | \$250,000 | \$250,000 | \$200,000 | \$700,000 |

- The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2025.

Individuals, businesses, charitable foundations, and governmental grants in Hawaii and Japan will be solicited throughout 2024 and 2025 to help capital and operating needs for the project development.

- 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

- 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 2025 for program funding.

2021-2022: Federal, none; State, none; Hawaii County, \$9,900

2022-2023: Federal, none; State, \$250,000

2023-2024: Federal, none; State, \$50,000; Hawaii County, \$45,000

- The applicant shall provide the balance of its unrestricted current assets as of December 31, 2023.

\$209,339.77

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.

The Japanese Cultural Center of Kona has no paid employee and is led by an all-volunteer Board that receives no compensation. All eleven members of the Board are leaders of the community with vast experiences and knowledge in planning, project development, fundraising, human resources, marketing, banking and more. Board members serve as presidents of the Kona Fukuoka, Kona Hiroshima, Kona Kumamoto, Kona Okinawa Kenjinkais, vice president of the Kona Yamaguchi Kenjinkai and president of the Kona Japanese Civic Association.

They also have extensive knowledge of Japan and the Japanese culture. Two board members were born and raised in Japan. Other members have visited Japan dozens of times. Board members range from being *issei* (first generation Japanese) to *yonsei* (fourth generation Japanese). Many of the members grew up on the coffee farm, several of whom continue to farm coffee who own and operate heavy construction equipment.

The Board team includes a banker, a former educator in accounting and two Board of Governors with extensive finance backgrounds. Another team member served as the CEO of the Japanese American National Museum in Los Angeles. The chief curator of the Portland Japanese Garden will be assisting by providing advice on the development of the Japanese gardens. A specialist from a statewide recognized renewable energy entity has been advising on solar energy systems development. Reputable experts in engineering, cultural issues, surveying, planning, and construction are also assisting in the project. The vast team of experts are generously supporting the advancement of the project pro bono. There is clear understanding by all that this magnificent project is a major undertaking for a nonprofit entity yet are collectively confident that the project is spiritually and financially viable.

Two Board of Governors are Japanese residing in Japan. Ms. Miki Ebara served as Chief International Correspondent and Executive Producer of NHK World and former Consul General of Japan in Honolulu Toyoei Shigeeda both serve as JCKK's Board of Governors. Their involvements are invaluable.

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.

JCKK does not have any facility of its own. It uses space for meeting and storage as an in-kind donated space by a Board member.

The request in this application is to help fund the acquisition of land on which to build the new Center with office spaces to function more readily.

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.

As embodied by the JCCK Board, the supporters of JCCK are a group of Kona residents and others in the State who volunteer their time and resources to realize this ambitious goal. There is no paid staff at this time.

2. 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.

As explained above, there is no staff and therefore, no organization chart exists.

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.

There is no compensation paid to any officer, director, or employee at this time.

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.

None

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.

None

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.

Grant will not support any sectarian or non-sectarian private educational institutions.

4. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2024-25 the activity funded by the grant if the grant of this application is:

- (a) Received by the applicant for fiscal year 2024-25, but
- (b) Not received by the applicant thereafter.

A detailed pro forma plan has been prepared to ensure the sustainability of the project that includes funding from Federal, State, County, charitable and private foundations, businesses, and individual donors. JCKK has begun approaching and will be expand reaching out to businesses, individuals, and governmental units in Japan for participation and support. The Cultural Center will include a wide range of components of Japanese culture so it will be absolutely essential to collaborate, work with, and ask for support from appropriate matching units in Japan to successfully develop an authentic Japanese Cultural Center.

The income to sustain the Center will be from multiple sources. Fundraising is just one category of fund sources. The attractive gardens, daily and special events, interesting collection of displays in the museum, unique stories of the Kona pioneers, and many other opportunities is expected increased foot traffic and visitor fees in the revenue column. Annual membership dues will become another steady source of income. Sales at the gift shop, vending machines, and restaurant will add revenue. Renting of various facilities such as the ball rooms for private parties will not only bring patrons on site for its rental income, but will bring more future and repeat visitors to the Center. Weddings held on site will bring in income as well as enhance the ambiance to the Center's setting.

In sum, implementing a plethora of well-planned long term fund sources will enable the Center's sustainability as a gathering place and serve as a cultural hub at the same time.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2024 to June 30, 2025

Applicant: Japanese Cultural Center of Kona

| 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 | | | | |
| 2. Payroll Taxes & Assessments | | | | |
| 3. Fringe Benefits | | | | |
| TOTAL PERSONNEL COST | 0 | 0 | 0 | 0 |
| B. OTHER CURRENT EXPENSES | | | | |
| 1. Airfare, Inter-Island | | | | |
| 2. Insurance | | | | |
| 3. Lease/Rental of Equipment | | | | |
| 4. Lease/Rental of Space | | | | |
| 5. Staff Training | | | | |
| 6. Supplies | | | | |
| 7. Telecommunication | | | | |
| 8. Utilities | | | | |
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| 19 | | | | |
| 20 | | | | |
| TOTAL OTHER CURRENT EXPENSES | 0 | 0 | 0 | 0 |
| C. EQUIPMENT PURCHASES | 0 | 0 | 0 | 0 |
| D. MOTOR VEHICLE PURCHASES | 0 | 0 | 0 | 0 |
| E. CAPITAL | 700,000 | 0 | 0 | 300,000 |
| TOTAL (A+B+C+D+E) | 700,000 | 0 | 0 | 300,000 |
| SOURCES OF FUNDING | | Budget Prepared By: | | |
| (a) Total State Funds Requested | 700,000 | Walter Kunitake | | 808-938-3624 |
| (b) Total Federal Funds Requested | 0 | Name (Please type or print) Phone | | |
| (c) Total County Funds Requested | 0 | <i>Walter Kunitake</i> 1-16-2024 | | |
| (d) Total Private/Other Funds Requested | 300,000 | Signature of Authorized Official Date | | |
| TOTAL BUDGET | 1,000,000 | Walter Kunitake, Chair | | |
| | | Name and Title (Please type or print) | | |

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2024 to June 30, 2025

Applicant: Japanese Cultural Center of Kona

| DESCRIPTION EQUIPMENT | NO. OF ITEMS | COST PER ITEM | TOTAL COST | TOTAL BUDGETED |
|--------------------------|-----------------|------------------|---------------|-------------------|
| Not Applicable | | | \$ - | |
| | | | \$ - | |
| | | | \$ - | |
| | | | \$ - | |
| | | | \$ - | |
| TOTAL: | | | | |

JUSTIFICATION/COMMENTS:

| DESCRIPTION OF MOTOR VEHICLE | NO. OF VEHICLES | COST PER VEHICLE | TOTAL COST | TOTAL BUDGETED |
|---------------------------------|--------------------|---------------------|---------------|-------------------|
| Not Applicable | | | \$ - | |
| | | | \$ - | |
| | | | \$ - | |
| | | | \$ - | |
| | | | \$ - | |
| TOTAL: | | | | |

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2024 to June 30, 2025

Applicant: Japanese Cultural Center of Kona

| FUNDING AMOUNT REQUESTED | | | | | | |
|---|--|---------------|-----------------------|----------------------------------|--------------------------------------|------------------|
| TOTAL PROJECT COST | ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS | | STATE FUNDS REQUESTED | OTHER SOURCES OF FUNDS REQUESTED | FUNDING REQUIRED IN SUCCEEDING YEARS | |
| | FY: 2022-2023 | FY: 2023-2024 | FY:2024-2025 | FY:2024-2025 | FY:2025-2026 | FY:2026-2027 |
| PLANS | | | | | 75000 | |
| LAND ACQUISITION | | 50000 | 700000 | 300000 | 1000000 | |
| DESIGN | | | | | 50000 | |
| CONSTRUCTION | | | | | | 1500000 |
| EQUIPMENT | | | | | | |
| TOTAL: | | 50000 | 700,000 | 300,000 | 1,125,000 | 1,500,000 |
| JUSTIFICATION/COMMENTS: Purchase of Land | | | | | | |

GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID

Applicant: Japanese Cultural Center of Kona

Contracts Total: 354,900

| | CONTRACT DESCRIPTION | EFFECTIVE DATES | AGENCY | GOVERNMENT ENTITY (U.S./State/Hawaii/ Honolulu/ Kauai/ Maui County) | CONTRACT VALUE |
|----|---|------------------------|---------------|--|-----------------------|
| 1 | Land Acquisition Due Diligence Work Grant | 7/1/21 - 6/30/22 | Finance Dept. | Hawaii County | 9900 |
| 2 | Land Acquisition Costs Grant In Aid | 7/1/21 - 6/30/22 | DLIR | State | 250,000 |
| 3 | Office Modernization Grant | 7/1/23 - 6/30/24 | Finance Dept. | Hawaii County | 45,000 |
| 4 | Land Acquisition Grant | 7/1/23 - 6/30/24 | DLIR | State | 50,000 |
| 5 | | | | | |
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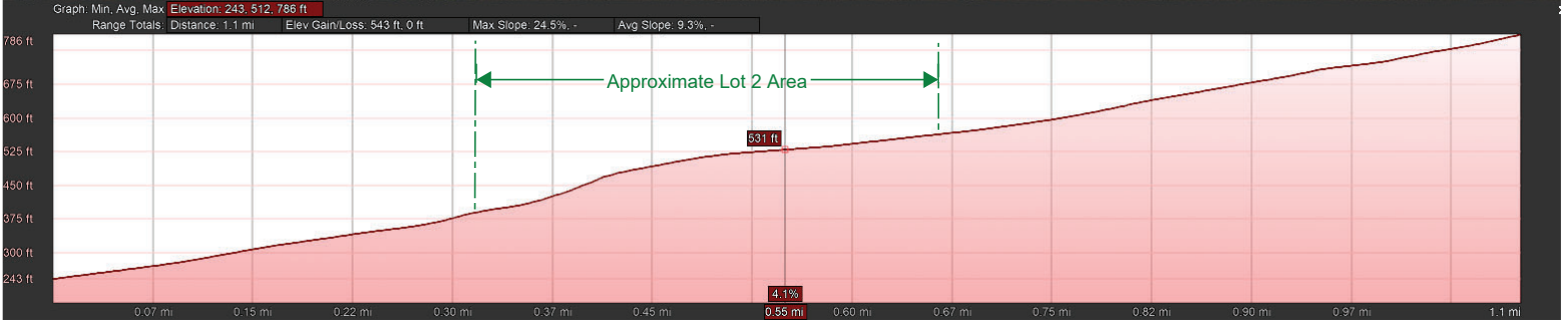
Appendix
Hawaii State GIA 2024-2025

1. Okahara & Associates Site Report August 2022
2. Pro Forma Income and Balance Sheet Statements

A site visit was conducted on August 26, 2022, from 10 a.m. to noon. Attendees included Richard Wheelock, Walter Kunitake, Bruce Meyers, Chris Rivera

Chris drove the group in a Honda 750 side-by-side along the approximate path shown on the attached map.

1. This is a very workable site. Grades average between 4% to 7% mauka of the rock wall. See the second page of the attached.
2. Material is rock which is good for construction. The upper site can be flattened for larger buildings, parking, outdoor gathering areas, etc. Retaining walls can be used to accomplish this and also provide prominent viewing areas.
3. Observed several small stream beds throughout the property. Richard has an engineer doing a CLOMR to revise the flood ways upstream to be more favorable to Lot 2. Some water ways can be used as water features if done right.
4. The group stopped at the points shown with the red dots. The area by the two dots (3 & 4) near the labeled rock wall provides spectacular views of the Kailua Kona coast. The steeper slope makai of the rock wall should be kept unobstructed, perhaps using low profile shrubs, trees, and grasses.
5. Walter and Bruce climbed a rock outcrop at red dot 4 and observe a higher vantage point that could be a useful feature.
6. Discussions:
 - a. Richard asked if JCCK would consider extending Hiona Street through to Queen Kaahumanu. Walter and Bruce expressed reservations because of security concerns, heavy vehicular traffic usage, unwanted exposure, noise, negative impact on exclusive feel of the site, etc. Richard agreed and will not pursue it. The residents living along Hiona Street subdivision prefers not to connect to Queen Kaahumanu.
 - b. Richard feels that Archaeological Inventory Study (AIS) conducted by SCS in 2007 is still good. Follow up post-meeting discussion: SHPD has adapted new rules that could outdated the AIS, depending on what type of archaeological features are on the site. There is one burial site, but it is located in Lot 3, not in the JCCK site.
 - c. Richard brought up potable water plans in the area, which is to construct a 1,000,000 gallon tank within Lot 2 at the 580-foot elevation. UPDATE: The 580-foot elevation does not go into Lot 2 but is entirely in Lot 1 (mauka of Lot 2 / JCCK lot).
 - d. There is a sewer line in Queen Kaahumanu in the residential subdivision but it is a private system. Could connect if agreeable to everyone involved. The public sewer is located about 1,200 feet from the south-west corner of Lot 3 in Queen Kaahumanu Hwy. Because of this distance to the public sewer, septic tanks and leaching fields may be used at the JCCK site.



JAPANESE CULTURAL CENTER OF KONA

Pro Forma Financial Statements

CLARKE & ASSOCIATES, LLC

75-240 Nani Kailua Drive Ste 5

Kailua Kona, HI 96740

Ph: (808)331-8150 Fax: (808)331-8154

Accountant's Compilation Report

To The Board of Members of
Japanese Cultural Center of Kona

I have compiled the accompanying pro forma financial information of Japanese Cultural Center of Kona (JCKK) for the years ending December 31, 2030 thru December 31, 2039 as of November 20 2023, reflecting the business' projected financial position and the projected statement of activities for that period. I have not audited or reviewed the accompanying pro forma financial information and, accordingly, do not express an opinion or provide any assurance about whether the pro forma financial information is in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the pro forma financial information in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the pro forma financial information.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of pro forma financial information without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the pro forma financial information.

The objective of this pro forma financial information is to show public and interested parties the feasibility of such a cultural center and to garner support for such endeavor.

Pro forma financial statements are inherently speculative and do not reflect actual past or present performance. Furthermore, they cannot account for all external factors that could affect a company's future performance such as changes in customer preferences or new competition entering the market.

David Clarke, CPA

David Clarke, CPA
Clarke & Associates, LLC

November 20, 2023

Japanese Cultural Center of Kona
Statement of Financial Position Pro Forma
For the Years Ended 2030 thru 2034 and Years 2035 - 2039

| Assets | | 2030 | 2031 | 2032 | 2033 | 2034 | 2035-2039 |
|---|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------|
| | | Projected Year 1 | Projected Year 2 | Projected Year 3 | Projected Year 4 | Projected Year 5 | Projected Year 6 thru 10 |
| Current Assets | | | | | | | |
| | Cash and cash equivalents | 472,539 | 34,543 | 99,414 | 223,417 | 350,005 | 1,715,365 |
| Total Current Assets | | 472,539 | 34,543 | 99,414 | 223,417 | 350,005 | 1,715,365 |
| Long Term Assets | | | | | | | |
| | Land and buildings | 118,800,000 | 118,800,000 | 118,800,000 | 118,800,000 | 118,800,000 | 118,800,000 |
| | Investments | 0 | 0 | 100,000 | 500,000 | 1,000,000 | 14,500,000 |
| Total Long Term Assets | | 118,800,000 | 118,800,000 | 118,900,000 | 119,300,000 | 119,800,000 | 133,300,000 |
| TOTAL Assets | | \$ 119,272,539 | \$ 118,834,543 | \$ 118,999,414 | \$ 119,523,417 | \$ 120,150,005 | \$ 135,015,365 |
| Total Liabilities and Net Assets | | | | | | | |
| Liabilities | | | | | | | |
| Total Liabilities | | | | | | | |
| Net Assets | | | | | | | |
| | Unrestricted Assets | 119,272,539 | 118,834,543 | 118,899,414 | 119,023,417 | 119,150,005 | 120,515,365 |
| | Temporarily Restricted Assets | 0 | 0 | 100,000 | 500,000 | 1,000,000 | 14,500,000 |
| Total Net Assets | | 119,272,539 | 118,834,543 | 118,999,414 | 119,523,417 | 120,150,005 | 135,015,365 |
| TOTAL Liabilities and Net Assets | | \$ 119,272,539 | \$ 118,834,543 | \$ 118,999,414 | \$ 119,523,417 | \$ 120,150,005 | \$ 135,015,365 |

| | 2030 | 2031 | 2032 | 2033 | 2034 | 2035-2039 |
|---|------------------|------------------|------------------|------------------|------------------|--------------------------|
| REVENUE | Projected Year 1 | Projected Year 2 | Projected Year 3 | Projected Year 4 | Projected Year 5 | Projected Year 6 thru 10 |
| Admission Fees (Per Person x # Visitors) | \$ 987,500.00 | \$ 1,234,375.00 | \$ 1,776,800.00 | \$ 2,373,850.00 | \$ 2,968,240.00 | \$ 15,793,944.00 |
| Coffee Sales (#'s of Coffee to be Sold) | \$ 650,000.00 | \$ 675,000.00 | \$ 721,000.00 | \$ 771,358.00 | \$ 771,430.00 | \$ 2,085,229.00 |
| Based on 10 acres of coffee | | | | | | |
| Concert Hall Income (Net) | \$ 50,000.00 | \$ 52,500.00 | \$ 56,825.00 | \$ 63,781.25 | \$ 66,977.00 | \$ 159,573.00 |
| Flat Fee + 10-20% of tickets | | | | | | |
| Donations/Sponsors | \$ 100,000.00 | \$ 100,000.00 | \$ 103,000.00 | \$ 110,194.00 | \$ 110,204.00 | \$ 208,523.00 |
| Events | \$ 12,000.00 | \$ 12,000.00 | \$ 15,000.00 | \$ 16,000.00 | \$ 17,000.00 | \$ 25,000.00 |
| Program sales, Spring Festivals, Art Festivals | | | | | | |
| Fundraising (golf tournaments, gala) | \$ 100,000.00 | \$ 100,000.00 | \$ 100,000.00 | \$ 100,000.00 | \$ 100,000.00 | \$ 100,000.00 |
| Gift Shop Sales (Net) | \$ 50,000.00 | \$ 60,000.00 | \$ 70,000.00 | \$ 75,000.00 | \$ 75,000.00 | \$ 90,000.00 |
| Grants | \$ 50,000.00 | \$ 50,000.00 | \$ 77,300.00 | \$ 82,646.00 | \$ 99,184.00 | \$ 250,228.00 |
| Investment Income | \$ - | \$ - | \$ 3,000.00 | \$ 18,000.00 | \$ 51,000.00 | \$ 486,000.00 |
| Interest on Reserve Account | | | | | | |
| Memberships | \$ 210,000.00 | \$ 448,125.00 | \$ 692,387.50 | \$ 922,048.00 | \$ 1,383,890.00 | \$ 7,444,269.00 |
| Naming Opportunities | \$ 60,000.00 | \$ 60,000.00 | \$ 60,000.00 | \$ 60,000.00 | \$ 60,000.00 | \$ 60,000.00 |
| Trees | | | | | | |
| Hydrogen fuel stations | \$ 7,200.00 | \$ 14,400.00 | \$ 21,600.00 | \$ 28,800.00 | \$ 36,000.00 | \$ 72,000.00 |
| EV will be free of charge | | | | | | |
| Rental Income | \$ 25,000.00 | \$ 35,000.00 | \$ 45,000.00 | \$ 55,000.00 | \$ 65,000.00 | \$ 110,000.00 |
| Ballroom, ampitheatre | | | | | | |
| Vending Machines | \$ 12,000.00 | \$ 12,000.00 | \$ 13,000.00 | \$ 13,000.00 | \$ 14,000.00 | \$ 16,000.00 |
| Total Income | \$ 2,313,700.00 | \$ 2,853,400.00 | \$ 3,754,912.50 | \$ 4,689,677.25 | \$ 5,817,925.00 | \$ 26,900,766.00 |

| | 2030 | 2031 | 2032 | 2033 | 2034 | 2035-2039 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------------------|
| EXPENSES | Projected Year 1 | Projected Year 2 | Projected Year 3 | Projected Year 4 | Projected Year 5 | Projected Year 6 thru 10 |
| Reserve Fund - Future renovations/repl | \$ - | \$ - | \$ 100,000.00 | \$ 500,000.00 | \$ 1,000,000.00 | \$ 3,500,000.00 |
| <i>Work up to 6% annual of building cost, equipment, vehicles, mowers, etc</i> | | | | | | |
| Tax Preparation Fees - CPA | \$ 25,000.00 | \$ 25,000.00 | \$ 25,000.00 | \$ 25,000.00 | \$ 25,000.00 | \$ 35,000.00 |
| Taxes | \$ 90,426.29 | \$ 112,931.78 | \$ 149,136.24 | \$ 186,967.51 | \$ 231,949.29 | \$ 1,082,565.83 |
| <i>GE Taxes (ticket sales, sponsorships, membership, RPT)</i> | | | | | | |
| Utilities | \$ 300,000.00 | \$ 315,000.00 | \$ 330,750.00 | \$ 347,287.50 | \$ 364,651.88 | \$ 465,398.46 |
| <i>Sewer/water/gas/cable/electricity (doing PV)</i> | | | | | | |
| Total Operating Expenses | \$ 3,043,191.29 | \$ 3,253,609.53 | \$ 3,596,022.33 | \$ 4,183,647.31 | \$ 5,213,412.42 | \$ 9,788,400.42 |
| Total Net Income (Loss) | \$ (729,491.29) | \$ (400,209.53) | \$ 158,890.17 | \$ 506,029.94 | \$ 604,512.58 | \$ 17,112,365.58 |