

House District 39

Senate District 22

THE TWENTY-SIXTH LEGISLATURE  
HAWAII STATE LEGISLATURE  
APPLICATION FOR GRANTS & SUBSIDIES  
CHAPTER 42F, HAWAII REVISED STATUTES

Log No: 86-C

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST - OPERATING

GRANT REQUEST - CAPITAL

SUBSIDY REQUEST

"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.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

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:

Surfing the Nations

Dba: Not Applicable

Street Address: 64 Ohai Street, Wahiawa, HI 96786

Mailing Address: P.O. Box 860366, Wahiawa, HI 96786

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name CINDY BAUER

Title Executive Director

Phone # 808-622-6234

Fax # 808-622-6236

e-mail cindybauer@surfingthenations.com

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION
- FOR PROFIT CORPORATION
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

RENOVATION OF 35 SOUTH KAMEHAMEHA PROPERTY TO BE TRANSFORMED INTO THE SURFING THE NATIONS COMMUNITY OUTREACH AND TRAINING CENTER FOR WAHIAWA

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FY 2012-2013: \$ 500,000

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
- EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$0  
 FEDERAL \$0  
 COUNTY \$0  
 PRIVATE/OTHER \$0

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

[REDACTED SIGNATURE]

CINDY BAUER, EXECUTIVE DIRECTOR  
NAME & TITLE

JANUARY 27, 2012  
DATE SIGNED

## Application for Grants and Subsidies

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

### I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

1. A brief description of the applicant's background;

Surfing the Nations (STN) is a non-profit IRS 501 (c) 3 organization that was established in 1997 as part of the vision of founders Tom & Cindy Bauer to integrate the sport of surfing with humanitarian work. Since its humble beginnings 14 years ago, Surfing the Nations extends its humanitarian work by mobilizing not only surfers, but non-surfers in Hawaii and around the world to give back through community service. STN has a proven track record in serving Hawaii's working poor, youth at-risk, and disenfranchised through programs such as Feeding the Hungry, Ulu Pono, an after-school children's program, and the Waianae Surf Club, an ocean safety and mentoring program for children in the Leeward community's transitional housing shelters. By providing not only food and care services but also family services and job skills training, STN is committed to helping those in need break the cycle of homelessness, violence and poverty, particularly for those in the Central Oahu community. STN currently has 45 full time volunteer staff, each one raising their own support to serve in a full range of humanitarian needs, including staffing for major programs and community events, as well as providing in-kind labor for facility improvements. Despite the cost of living issues in the Hawaii marketplace, STN has continued to yield a steady workforce supply since its inception through word of mouth and viral marketing.

2. The goals and objectives related to the request;

In 2008, STN established a headquarters in the heart of downtown Wahiawa, a HUD-designated Neighborhood Revitalization Strategy Area (NRSA) that meets the threshold for low/moderate income residents (51.16%) in Wahiawa. The property, formerly the site of the “Top Hat Bar,” is located near destructive influences of strip bars, pornography and drugs and prostitution. The goal of STN is revitalize the heart of Wahiawa and transform the current atmosphere of violence and family stress into a rich community facility and resource.



STN has 4 adjoining properties that include 8 buildings, two of which were purchased in 2008 for \$1.5 million and are debt-free. As part of a master plan for this block, STN intends to renovate each property to create job training and micro enterprise opportunities, as well as install a commercial kitchen to prepare meals for the homeless. STN also plans to create a Community Outreach and Training Center by renovating a property at the rear of 35 South Kamehameha Highway that was acquired for approximately \$1.4 million. The Center will house STN's Feeding the Hungry Program, the Ulu Pono At-Risk Youth Program, office space for pro-bono social workers and health/counseling services, and training space for outreach and community development.

3. State the public purpose and need to be served;

#### **The Community Outreach & Training Center**

In 1998 STN established its first feeding the hungry outreach, serving seven families who were hungry and with little hope. Since that time, Surfing the Nations feeds more than 3,500 people each week through the feeding programs in Kalihi, Wahiawa, Haleiwa and Waianae. Today, Surfing the Nations is one of the largest private distributors of Hawaii Foodbank supplies in the state, managing the distribution of food to more than 550 families on Oahu each week.

**Food Pantry and On-Site Storage Facility:** STN must currently rely on Hawaii Foodbank drops at churches and parks to get canned goods as well as fresh food to those in need. Unfortunately, the working poor, homeless and others in need must wait for a scheduled food distribution in order to pick up groceries, which often lead to a perpetuating cycle of desperation. The Community Outreach and Training Center would feature a Food pantry as well as a food storage area to ensure on-site ability to meet the needs of the hungry immediately. Recipients would also have access to household goods, blankets and bedding and goods and services to freshen up and to help them build their self-esteem and self-worth.

**Family Renewal Center:** In addition to providing food and household goods, Hawaii's working poor and homeless families need opportunities to learn new skills to break out of the cycle of just living day to day for basic needs. The complex would also feature a Family Renewal Center, which will offer not only a place for families to gather, but provide office space for pro-bono social workers and health/counseling services. Anti-drug materials, informational videos and children's health awareness will also be available to families.

#### **Ulu Pono At-Risk Youth Program**

Many of the children living in the Wahiawa community are, at minimum, 1-2 grades behind in reading, and do not have parents with the educational backgrounds to help with homework. The Community Outreach and Training Center will house STN's Ulu Pono program, which is translated to mean "To Thrive on a Righteous Path." This free, after-school program provides a safe

place for at-risk children to meet for supervised homework help, arts and drama activities, and character development.

**Micro-Enterprise Training Center:** Many of the working poor and homeless families desire to break the cycle of poverty or transition from homelessness to a home, but lack the employment skills necessary to do so. The Community Outreach and Training Center will feature an innovative new job placement and family welfare program called **“LITE”**: **Learning Individuals To Employment**. Space at the new Center will be designated for attendees to learn to prepare for employment through skills training in how to apply for a job, how to fill out an application form, dressing for success and handling the interview situation.

4. Describe the target population to be served; and

The STN Feeding the Homeless program serves approximately 3500 people each week in the communities of Kalihi, Wahiawa, Waianae and Haleiwa. Many of the recipients come from nearby public housing, senior care homes, the mentally challenged, veterans, or new immigrants that do not speak English. Coming from public housing, many families have at least one family member working usually at a minimum wage and making barely enough to pay rent and utilities. Many have family members with extended family in one household and crime, teen pregnancy, and the rate of high school dropouts are high. In 2007, STN also began to serve food boxes twice a week to the homeless and working poor who would have to forgo a meal in order to pay for another pressing need. The programs and services that will be housed at the newly renovated Community Outreach and Training Center will benefit the residents of Wahiawa, of which approximately 51% meet the threshold for low/moderate income residents. More than 89% of residents are minorities, primarily Filipino, Chinese and Micronesian, as well as Native Hawaiian and Pacific Islanders. While the Ulu Pono program currently serves approximately 30 children in grades K-6 each week, STN anticipates an increase in participants when the program is expanded and housed in the Community Outreach and Training Center.

5. Describe the geographic coverage.

The Community Outreach and Training Center will enable STN to more efficiently serve families through its Feeding the Hungry Program in Kalihi, Wahiawa, Waianae and Haleiwa. In addition, the renovated facility will become the main site for STN’s many other programs and services which benefit Wahiawa, a community in desperate need of transformation.



## II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request.

1. Describe the scope of work, tasks and responsibilities;

Grant-in-aid funds would be used for the planning, design, and renovation of the property located at the rear of 35 South Kamehameha Highway, which has become dilapidated from many years of neglect. In addition, funds may be used to purchase and install furniture, fixtures, and equipment, as well as for other related costs. The STN Project Manager will have overall responsibility for the project to ensure that it is completed on time and within budgetary constraints.

2. The applicant shall provide a projected annual timeline for accomplishing the results or outcomes of the service;

Once Grant-in-Aid funding is secured and released, STN will apply for permits and consult with an engineer to determine the site planning and layout of the renovations. STN estimates that the renovations will take approximately 6 months to complete upon release of the Grant-in-Aid funding.

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

Overall management responsibility would fall under the direction of STN Executive Director Cindy Bauer, who will work with the project manager to determine that the renovations are completed according to budgetary and time constraints. An internal process system would be set up under Cindy's leadership, which will include time and expertise of several key STN staff members. Together the staff has more than 25 years of financial, management, IT and organizational experience. STN staff and management will monitor and evaluate progress of the renovations through weekly updates and reports of those served.

In addition, the STN Board of Directors will evaluate all STN programs on the principle of 'outcome accountability' which focuses on whether STN is achieving its promised results and doing so cost-effectively without excessive overhead or administrative costs. This analysis provides the basis for whether changes to a program are necessary to achieve a greater level of cost effectiveness.

It is anticipated that once renovations are complete, the STN Feeding the Hungry Program will experience greater administration, as well as a more efficient coordination of distribution with the food pantry and on-site storage located at the

facility. It is also anticipated that by providing food to the homeless and working poor, STN will help eliminate the stress that comes with financial distress, thereby enabling families to save some money and transition to a permanent home.

The renovated Community Outreach and Training Center will also enable STN to expand its programs and services to include the job training skills necessary for families to break the cycle of poverty, as well as provide space for pro bono social workers and health/counseling services. Skills workshops will be conducted on site on a scheduled basis for Oahu residents who want to get a job, utilizing STN staff members who are certified in English as a Second Language as well as water safety and foodservice certifications to provide access to training and certification for ocean safety classes, foodservice training, self-sustaining gardening and community improvement.

Since the main STN programs will be housed in one location, STN plans to develop data to track families served through STN services, as well as coordinate other services that would help families in need. By moving the Ulu Pono program to the renovated facility, STN will also be able to expand its activities to at-risk youth by adding a learning center for tutoring and language arts remediation, as well as an art and dance studio for creative arts expression. STN staff will partner with Wahiawa elementary school teachers to determine areas in which its participants need the most academic enrichment, and will follow-up with the teachers at the end of the school year to determine ways to make the program more effective if necessary.

4. The applicant shall 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 Project Manager will review the specific and measurable quality goals of the renovations, and will weekly meet with Executive Director Cindy Bauer to evaluate progress and the financial costs associated with completion of the Community Outreach and Training Center.

### **III. Financial**

#### **Budget**

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



The Budget Forms are attached.

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2012-2013.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$500,000				\$500,000

3. The applicant shall provide a listing of all other sources of funding that they are trying to obtain for fiscal year 2012-2013.

Additional funding for the renovations will be obtained from the Board of Directors and Individuals/Friends of STN, as well as through grants from foundations and corporations. STN plans to submit grant requests to the First Hawaiian Bank Foundation, Alexander and Baldwin, Inc., and the Atherton Family Foundation during fiscal year 2012-2013.

4. The applicant shall provide a listing of all state and federal tax credits that have 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

#### **IV. Experience and Capability**

##### **A. Necessary Skills and Experience**

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

STN operates under the leadership of directors Tom & Cindy Bauer, who have a heart for the poor. With more than 40 years of experience in outreach leadership, Tom is a dedicated leader who inspires and is a catalyst for change. Cindy has been in business and operations management for the past 33 years since 1979. In addition, STN has staff members who have degrees in teaching English as a second language, business and finance, and communications with an emphasis in marketing, as well as volunteers who have experience in working with at-risk youth and information technology. None of the STN staff members or volunteers, including directors Tom and Cindy Bauer, receives a salary or compensation for work, but each is responsible for raising support. STN receives excellent program

and sponsor support from leading businesses, as well as from community and foundations in Hawaii and around the world. This, in combination with STN's dynamic worldwide communications network, has enabled STN to have a full-time work force of college age and older volunteers who live, work and serve at STN throughout its 14 year history.

STN also has an active and effective Board of Directors who meets between 6-8 times each year to plan and evaluate the organization's programs and goals, and is instrumental in raising STN's annual support. The Board often meets monthly if it is warranted.

## **B. Facilities**

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable.

STN owns four adjoining properties that include 8 buildings with 13 addresses totaling approximately 40,000 sq. ft., or just under 1 acre. STN purchased two properties (TMK 7-3-02:36) on December 28, 2008 on 63 South Kamehameha Highway and 64 Ohai Street, which together cost \$1.5 million and were paid in full in 23 months through \$1.3 million in cash and by a \$200,000 mortgage held by the previous owner. The property located at 64 Ohai Street houses the STN staff and interns in 15 unit apartments, each with a full bath and kitchen. The facility located at 63 Kamehameha Highway is a 1,950 sq. ft. facility that has been partially renovated and transformed into the Surfer's Coffee Bar, a large and open space for the community to gather and express themselves through music or art, as well as participate in a variety of community events and activities. Planned renovations for both debt-free properties include the development of a full commercial kitchen, ADA bathroom facilities, air conditioning and other major repairs estimated to cost approximately \$500,000, as well as \$200,000 in minor renovations to the apartment-complex.

The property at 43b S. Kamehameha Highway (TMK 7-3-02:74), was purchased for \$400,000 and includes 43a and 45 South Kamehameha Highway. STN also purchased property located at 55 S. Kamehameha Highway (TMK 7-3-02:73), including buildings on 56 Ohai Street and 57 S. Kamehameha Highway. Facilities at the above locations will be renovated to invite micro-enterprise opportunities, including a shave ice business and casual fine dining sushi and tea house, as well as other community minded businesses at an estimated cost of approximately \$1.3 million. In addition, STN plans to include a community purpose room and make all facilities ADA compliant.



The property at 35 S. Kamehameha Highway (TMK 7-3-02:88) which also includes facilities at 37 S. Kamehameha Highway, and 44 and 44a Ohai Street was purchased for \$1.4 million. STN plans to demolish the building on 44 Ohai Street to accommodate a larger area for community parking, and renovate the facilities at 35 and 37 S. Kamehameha Highway for two additional micro-enterprise opportunities at an estimated cost of \$500,000, both of which will be ADA compliant.

Grant-in-aid funds would be used for the planning, design, and renovation of the property located at the rear of 35 South Kamehameha Highway. In addition, funds may be used to purchase and install furniture, fixtures, and equipment, as well as for other related costs. This once sturdy, well-built building has been used as a multiple family home, brothel and crack house over the years. Run-down and termite-ridden, its walls and flooring have crumbled and given way from years of neglect. Once completed, this facility will become the hub of STN's community outreach and training programs and a physical representation of the community change in Wahiawa from neglected to restored.

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

### **A. Proposed Staffing, Staff Qualifications, Supervision and Training**

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

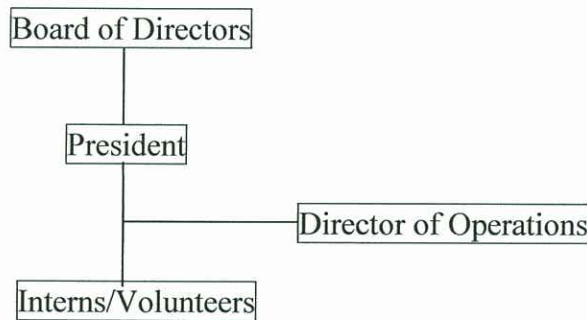
With director Tom Bauer's 40 years of experience in outreach leadership, combined with Cindy's 33 years of business and operations management, STN has been able to create an enviable model of manpower and staffing. STN is one of the few nonprofits of its kind in the world that can count on such an impressive stable, always available work force of college age and older volunteers to execute its projects and program needs.

STN's volunteer program includes a three-month internship under the direct supervision of Tom and Cindy Bauer, who train and prepare individuals for leadership. The program includes practical training taught through example as well as through a structured curriculum including principles such as Personal Relationships, Humble Hearts, Foundations, Leadership Effectiveness, Thankfulness, Generosity, Leading by Example and Moving Forward. These volunteer interns are responsible for facilitating all STN programs, from mediating, distributing, and listening to families through the Feeding the Hungry program, to mentoring or providing academic assistance to at-risk youth at STN's Ulu Pono program. These volunteers take turns as weekly speakers for student

events, addressing a variety of topics including the dangers of drug and alcohol abuse, sexual relationships, and respect for authority, delivering the message in ways that are relevant to young people. These interns also act as on-call servants for the community, and have partnered with many other community organizations in the past to support Children & Youth Day, Wave Hawaii's Summer Bash, River of Life Mission programs, Hawaii Foodbank's Walk for Hunger, beach clean ups, various surf contests and water sports education programs.

**B. Organization Chart**

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.



**VI. Other**

**A. Litigation**

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

Not Applicable

**B. Licensure or Accreditation**

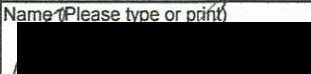

Specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

Not Applicable



**BUDGET REQUEST BY SOURCE OF FUNDS**  
(Period: July 1, 2012 to June 30, 2013)

Applicant: Surfing the Nations

<b>BUDGET CATEGORIES</b>	<b>Total State Funds Requested (a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
<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				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
<b>TOTAL OTHER CURRENT EXPENSES</b>				
<b>C. EQUIPMENT PURCHASES</b>				
<b>D. MOTOR VEHICLE PURCHASES</b>				
<b>E. CAPITAL</b>	<b>1,450,000</b>			
<b>TOTAL (A+B+C+D+E)</b>	<b>1,450,000</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	500,000	Cindy Bauer	808-622-6234	
(b) Foundations	700,000	Name (Please type or print)	Phone	
(c) Individuals and Friends of STN	250,000			
(d)		Signature of Authorized Official	Date	
<b>TOTAL BUDGET</b>	<b>1,450,000</b>	Cindy Bauer, Executive Director		
		Name and Title (Please type or print)		





# BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Surfing the Nations

Period: July 1, 2012 to June 30, 2013

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**

Applicant: Surfing the Nations

Period: July 1, 2012 to June 30, 2013

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED FY: 2012-2013	OF FUNDS REQUESTED FY: 2012-2013	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2010-2011	FY: 2011-2012			FY: 2013-2014	FY: 2014-2015
PLANS				50000		
LAND ACQUISITION						
DESIGN				100000		
CONSTRUCTION-RENOVATIONS			500000	800000		
EQUIPMENT						
<b>TOTAL:</b>			<b>500,000</b>	<b>950,000</b>		

**Justification/Comments:** Grant-in-aid funds would be used for the planning, design, and renovation of the property located at the rear of 35 South Kamehameha Highway. In addition, funds may be used to purchase and install furniture, fixtures, and equipment, as well as for other related costs. Once completed, this facility will become the hub of STN's community outreach and training programs and a physical representation of the community change in Wahiawa from neglected to restored.



**DECLARATION STATEMENT  
APPLICANTS FOR GRANTS AND SUBSIDIES  
CHAPTER 42F, HAWAI'I REVISED STATUTES**

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawai'i Revised Statutes:

- (1) 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 or subsidy is awarded;
- (2) Comply 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;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy 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 or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

For a grant or subsidy used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant or subsidy 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 or subsidy 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.

Surfing the Nations

(Typed Name of Individual or Organization)

[Redacted Signature]

(Signature)

Cindy Bauer  
(Typed Name)

Jan 27, 2012  
(Date)

Executive Director  
(Title)