

House District 44  
Senate District 21

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

Log No:

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

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

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN):

1. APPLICANT INFORMATION:

Waianae Economic Development Council  
87-151 Liliana Street  
Waianae, HI 96792

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Joseph Lapilio, President  
(808) 265-3975  
josephwlapilio3@gmail.com

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII
- FOR PROFIT CORPORATION INCORPORATED IN HAWAII
- LIMITED LIABILITY COMPANY
- OTHER
- SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

PLANNING AND DESIGNING A CERTIFIED MULTI-KITCHEN FACILITY ON THE WAIANAE COAST

4. FEDERAL TAX ID #: [REDACTED]  
5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2016: \$ 337,500

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

[REDACTED SIGNATURE]

JOSEPH W LAPILIO III, PRESIDENT

JANUARY 29, 2015

AUTHORIZED SIGNATURE

NAME & TITLE

DATE SIGNED



RECEIVED  
1-30-15 ✓

## **Application for Grants**

### **I. Background and Summary**

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

The Waianae Economic Development Council (WEDC) was formed to identify and develop economic opportunities on the Waianae Coast. Its mission is to create the conditions for the community to flourish based on its rich resources – its culture, history, natural resources and people. The Waianae Economic Development Council will accomplish this mission by adhering to the following operating principles:

- Create value for our community, our clients, and their customers;
- Build relationships among businesses and within the community; and
- Demonstrate respect for our clients, our community and its culture.

To fulfill its mission, the Waianae Economic Development Council has taken on the following roles and responsibilities:

- Building capacity by providing training and ongoing technical assistance.
- Improving access to financing, capital and other resources.
- Facilitating the promotion and marketing of Waianae Coast products and services.
- Developing new companies, activities and partnerships, particularly those that stimulate further development and help existing businesses.

Our goals over the next three years include:

- Identifying the community's assets and publishing an annual directory of businesses.
- Providing workshops, seminars and consulting services.
- Supporting and strengthening the community's nonprofit sector.
- Building the physical infrastructure needed for local businesses to develop and grow. This includes developing a certified kitchen facility, a retail outlet (site based and online) and a tour company to transport visitors to and around the coast.

The Waianae Economic Development Council will meet these goals with the support of experienced leadership in community economic development, collaboration with experienced partners in the field of business development, and with ongoing participation of the community.

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

The goals of the Waianae Economic Development Council include building the physical infrastructure needed for local businesses to develop and grow. For purposes of this Grant-in-Aid request, the Waianae Economic Development Council is requesting funding to plan and design a certified multi-kitchen facility.

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

The members of the Waianae Economic Development Council have provided business training and technical assistance to Waianae Coast residents and businesses for many years. A central theme from training participants and existing businesses is the lack of facilities that can help these businesses meet the requirements, both regulatory and operationally, to produce products in a safe and cost efficient way. One of these deficiencies is the lack of accessible, adequate and certified facilities to prepare food and food products.

The absence of certified kitchens prevents businesses, particularly those starting or small, from participating in community events, farmers' markets, and other activities that are prime opportunities for these type of businesses.

Providing access to certified kitchens will help the community in the following ways.

- Increase the number of businesses in the community, particularly start-ups and small and micro-businesses.
- Create employment opportunities for business owners and as their sales volume increases, it will provide jobs to other residents.
- Build household income as these businesses grow and as residents are employed.
- Promote visitor awareness and appreciation for products (in this case food products) from the Waianae Coast.

**4. Describe the target population to be served; and**

The certified multi-kitchen facility will provide a location for current businesses and emerging entrepreneurs developing food products for sale. It is expected that the majority of facility users will be from the Waianae Coast but it will be available to businesses from other areas of Oahu as requested.

**5. Describe the geographic coverage.**

The certified multi-kitchen facility will be located on the Waianae Coast. It will be available to anyone who requests and reserves it use.

## **II. Service Summary and Outcomes**

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

This project, if funded, will help the Waianae Economic Development Council to plan and design a certified multi-kitchen facility. In addition to the certified kitchens, the facility will serve as an incubator for start-up and small food producers. This incubator will provide educational workshops, business development training and access to common supports needed for business to operate. Specifically, the facility will include:

- Multi-kitchen facility including preparation, baking and full kitchens
- Classroom space for training and business development workshops
- Business center including printing and other operational support services
- Office space for managing and operating the facility
- Parking
- Security and lighting

Four major requirements for this project will be completed prior to the release of any funding appropriated from this State of Hawaii Grant-In-Aid:

- A directory of current businesses (and potential customers) will be completed.
- Business development classes
- Community meetings and input from potential clients.
- The site will be secured.

Funding from this GIA, if awarded, would be used solely for the planning and design of the certified multi-kitchen facility.

The Vice-President of the Waianae Economic Development Council Board of Directors will assume the roles and responsibilities of the Project Manager in Month One. The Project Manager will be responsible for the following tasks:

- Hire an Architect (contracted) who will participate in community meetings and design the facility incorporating input from the community and board of directors.
- Convene community meetings to discuss the project and gather input.
- Ensure the project consistent with board and community input.
- Submit reports to the board of directors and to the State of Hawaii as requested.

The Architect will gather input from the community meetings, board of directors and the executive director to translate recommendations into design.

- A draft will be completed in Month Six for review by the board of directors.
- A final design will be completed in Month Nine.
- A final report will be completed by the Executive Director in Month 12.

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

The following is the anticipated timeline for this project:

Months	Task	Responsibility
1 - 2	Project Manager Function Starts	Board of Directors
2 - 3	Hire an Architect	Project Manager
3 - 5	Conduct meetings to discuss plans for the facility	Project Manager/Architect
6 - 7	Develop preliminary drawings and concept	Project Manager/Architect
7 - 8	Board review, revisions, approval	Board of Directors
9 - 10	Final Design and Materials	Project Manager/Architect
11-12	Final Report	Board President

**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 Waianae Economic Development Council is fortunate to have a member of the board who has experience with this type of project. Dan Gomes, the Board Vice-President, was the primary individual responsible for planning, designing and constructing the certified kitchen and culinary arts facility at Waianae High School. Dan will be the primary person responsible for the project and ensure that all benchmarks are met, the project is done professionally, on budget and as scheduled.

**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 following measures will be used to report on the progress of this project:

- Site control will be secured. Documentation verifying site control will be available.
- Contracts for the Project Manager and Architect will be completed and on file.
- A report of the planning process will be completed and submitted.
- A preliminary design will be completed by the architect and submitted.
- Community comments on the preliminary design will be recorded and filed.
- A final design for the project will be completed and submitted.

### III. Financial

#### Budget

1. **The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.**
2. **The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2016.**

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
50,000	118,750	118,750	50,000	337,500

3. **The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2016.**

We will be applying for program funding from the Administration for Native Americans in March 2015. Funding from the SEEDS Program, if received, will support microenterprise development training.

4. **The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.**

The Waianae Economic Development Council has not received any state or federal tax credits. To date, we have not applied for any state or federal tax credits. At the completion of the design phase, the Waianae Economic Development Council anticipates exploring the option of applying for state and federal tax credits to help finance construction of the facility.

5. **The applicant shall provide a listing of all government contracts and grants it has been and will be receiving for program funding.**

The Waianae Economic Development Council is not receiving any program funding for the facility and anticipates that such funding will not be solicited until construction of the facility takes place.

6. **The applicant shall provide the balance of its unrestricted current assets as of December 31, 2014.**

The Waianae Economic Development Council had no unrestricted assets at the end of 2014.

## **IV. Experience and Capability**

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

The Waianae Economic Development Council is governed by a Board of Directors who volunteer and bring a wealth of experience and expertise in community economic development. The members of the board are also active members of the Waianae Coast community and bring a broad perspective to the planning and implementation of this project and the organization's larger goals. The members of the board of directors include:

Joseph Lapilio, President and Founder of the Waianae Economic Development Council, has worked on the Waianae Coast for more than forty years. Joseph is a community and organizational development consultant. He is currently a partner in several firms including a certified community entity (CDE) specializing in financing construction projects for low income communities. He was the executive director of the Waianae Coast Coalition for eleven years and coordinated community projects focused on economic development including leading the Waianae Business Center for five years. Joseph is active in the community including the Waianae Coast Rotary Club, the Lualualei Hawaiian Civic Club and the Native Hawaiian Chamber of Commerce, among others. Joseph is a lifelong resident of the Waianae Coast. Joseph will take responsibility for general needs of the Waianae Economic Development Council and planning for the future of the facility, including fund raising for its construction. He will serve in this capacity as an unpaid volunteer.

Dan Gomes is the Vice-President of the Board of Directors. He is also a member of Ulu Mau Development LLC, a firm specializing in business developments benefiting the Waianae Coast. Prior to this, Dan was the business manager at Waianae High School and responsible for the planning and construction of the culinary arts facility (including a certified kitchen) at the school. Dan is retired from Pitney Bowes where he was the District General Manager. Dan is active in the community as a member of the board of directors for the Waianae Coast Comprehensive Health Center and a member of the board of directors for the Waianae Boys and Girls Club. He is also a member of the Waianae High School Community Council. Dan will be the project manager and oversee the planning and designing of the facility and provide regular reports on its progress. Dan will also be responsible to oversee quality controls. He will serve in this capacity as an unpaid volunteer.

Gail Gomes is the Secretary-Treasurer and a member of the Board of Directors for the Waianae Economic Development Council. Gail is the editor of Westside Stories, the community's monthly newspaper and she is noted for her awareness of the community. Gail has served on the Waianae Coast Neighborhood Board, the Neighborhood Commission with the City and County of Honolulu and the Waianae Coast Rotary Club. Gail will be responsible for coordinating the publication of community business directory

and convening community meetings to solicit input from residents and businesses in the planning phase of the project. She will provide this support to the project as a volunteer.

Frances Ah Nee is a member of the Board of Directors. She is the branch manager for Bank of Hawaii in Waianae. Frances is active in the community as a member of the Waianae Coast Rotary Club. Frances assists with business development classes and other support activities to current and local businesses. She provides this support as an unpaid volunteer.

The Waianae Economic Development Council is also home to a cadre of associates who bring broad range of experience and education. These associates are residents of the community and work on the coast in a variety of fields including education, employment training, business and nonprofit management and law, among others.

## **B. Facilities**

While the community hosts several stand alone certified kitchens, those that are not operating solely as food establishments are difficult to find and use on a regular basis. Most Waianae Coast businesses who are required to use a certified kitchen build their own kitchens or must travel to Honolulu to the certified kitchen facilities of Pacific Gateway in Kalihi.

Many small and emerging businesses do not have the capital needed to build their own facilities and are unable to travel to town. A large number of vendors operate under the radar and skirt the rules. This is particularly true for those businesses that sell products along the highway or are hidden from view and inspection.

Many start-up businesses, including micro-businesses, need a certified kitchen but also require some time to establish their businesses and gain the experience and knowledge needed to succeed. A certified multi-kitchen facility linked to the Waianae Economic Development Council would serve as an incubator for those needing it and improve access to experienced and knowledgeable individuals who can train and provide needed technical assistance.

This type of facility does not exist on the Waianae Coast and is the reason for this request. Funding from this GIA, if awarded, would be used to plan and design a multi-kitchen facility certified for food preparation by the Department of Health. The facility would also be used to hold classes and workshops for residents interested in starting or are already in business and need additional support. The Waianae Economic Development Council will be in the new facility to provide ongoing support to those that are starting their businesses and/or using the kitchen.

Negotiations for a site on the coast are underway and will be completed before funding for this project is released.



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

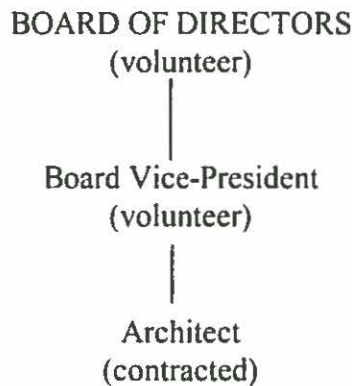
**A. Proposed Staffing, Staff Qualifications, Supervision and Training**

The Board President, Joseph Lapilio, also serves as the organization’s Executive Director as an unpaid volunteer. He is an experienced nonprofit executive and served in a number of organizations and has demonstrated experience in large projects.

The Board Vice-President, Dan Gomes, will serve as a pro bono project manager and oversee the project. When funding is secured, he will take overall responsibility for completion of tasks defined in this proposal. In this role he will oversee the hiring of the Architect, monitor the progress and deliverables of the Architect, make recommendations to the Board of Directors, and provide reports as needed. Dan is a highly experienced and talented manager and has experience with planning, designing and constructing a certified kitchen.

The Architect for this project has not been selected at this time. If funding is approved, the Waianae Economic Development Council Board of Directors with the support of its Vice-President will establish the process for selection of the Architect.

**B. Organization Chart**



**C. Compensation**

All current positions within the Waianae Economic Development Council are filled by volunteers. No one is compensated for their work or contributions to the organization.

## **VI. Other**

### **A. Litigation**

The Waianae Economic Development Council does not have any pending litigation to which it is a party nor does it have any outstanding judgments.

### **B. Licensure or Accreditation**

Licenses and/or accreditation are not needed at this point. However, planning and designing the facility will require that the architect be licensed. The design of the kitchen will also need to ensure that the facility is certifiable by the Department of Health.

### **C. Federal and County Grants**

No federal or county grants were awarded in the past year.

### **D. Private Educational Institutions**

This grant, if awarded, will not be used to support or benefit a sectarian or non-sectarian private educational institution.

### **E. Future Sustainability Plan**

A business plan outlining the revenue projections of the certified multi-kitchen facility is being completed. Preliminary projections indicate that the certified multi-kitchen facility will generate sufficient income to meet operating costs.

### **F. Certificate of Good Standing (If the Applicant is an Organization)**

A copy of the current certificate of good standing from the Director of Commerce and Consumer Affairs is attached.

## BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2015 to June 30, 2016

Applicant: Waianae Economic Development Council

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				
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>337,500</b>			
<b>TOTAL (A+B+C+D+E)</b>	<b>337,500</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	337,500	Joseph Lapilio		(808) 265-3975
(b) Total Federal Funds Requested		Name (Please type or print)		Phone
(c) Total County Funds Requested		[REDACTED]		1/29/2015
(d) Total Private/Other Funds Requested		Signature of Authorized Official		Date
<b>TOTAL BUDGET</b>	<b>337,500</b>	Joseph Lapilio, President		
		Name and Title (Please type or print)		



## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2015 to June 30, 2016

Applicant: Waianae Economic Development Coun

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
			\$ -	
Not applicable			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>				
<b>JUSTIFICATION/COMMENTS:</b> No equipment will be purchased or leased for this project.				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
Not applicable			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>				
<b>JUSTIFICATION/COMMENTS:</b> No motor vehicles will be purchased or leased for this project.				

## BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2015 to June 30, 2016

Applicant: Waianae Economic Development C

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2013-2014	FY: 2014-2015	FY:2015-2016	FY:2015-2016	FY:2016-2017	FY:2017-2018
PLANS	0	0	87500	0	0	0
LAND ACQUISITION	0	0	0	0	0	0
DESIGN	0	0	250000	0	0	0
CONSTRUCTION	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
<b>TOTAL:</b>	0	0	337,500	0	0	0
<b>JUSTIFICATION/COMMENTS:</b> Any funding for this project, if received, will be used solely for planning and design of the certified multi-kitchen facility.						

# GOVERNMENT CONTRACTS AND/OR GRANTS

Applicant: Waianae Economic Development Council

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau )	CONTRACT VALUE
1.					
2.	Not Applicable				
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
				TOTAL	

**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.

Waianae Economic Development Council

(Typed Name of Individual or Organization)

(Signature)

Joseph Lapilio

(Typed Name)

January 29, 2015

(Date)

President

(Title)





## 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

WAIANAE ECONOMIC DEVELOPMENT COUNCIL

was incorporated under the laws of Hawaii on 08/21/2014 ; 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 14, 2015



Interim Director of Commerce and Consumer Affairs