

**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:

The Friends of Iolani Palace

Amount of State Funds Requested: \$ 1,000,000

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

Ongoing repair, restoration, and refinishing within the Palace Complex, including Iolani Palace, Iolani Barracks, Coronation Pavilion, and the Kanaina Building. This includes planning and design, hazard mitigation, security upgrades, weather proofing, and electrical upgrades.

Amount of Other Funds Available:

State:            \$ 0  
Federal:        \$ 0  
County:        \$ 0  
Private/Other: \$ 0

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

\$ 1,500,000

Unrestricted Assets:

\$ 242,170

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 2259

City:

Honolulu

State:

HI

Zip:

96804

Contact Person for Matters Involving this Application

Name:

Pomai Toledo

Title:

Director of Development & Communications

Email:

members@iolanipalace.org

Phone:

808-522-0827

Federal Tax ID#:

State Tax ID#

  
Authorized Signature

Kippen de Alba Chu, Executive Director

Name and Title

01-11-2019

Date Signed

**received**  
1/16/19 4:28pm JR

## 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) Certificate of Good Standing (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



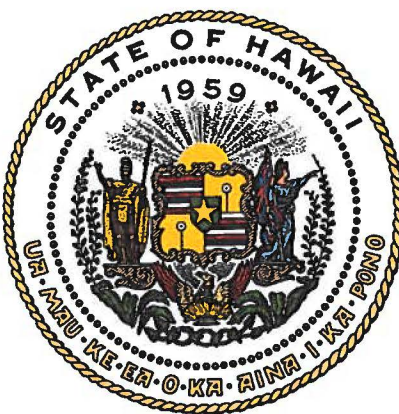
AUTHORIZED SIGNATURE

KIPPEN DE ALBA CHU, EXECUTIVE DIRECTOR

PRINT NAME AND TITLE

JANUARY 11, 2019

DATE



## 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

**THE FRIENDS OF IOLANI PALACE**

was incorporated under the laws of Hawaii on 06/08/1966 ; 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 11, 2019

Director of Commerce and Consumer Affairs

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

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant is awarded;
  - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
  - c) Agrees not to use state funds for entertainment or lobbying activities; and
  - d) Allows the state agency to which funds for the grant were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant.
  
- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is incorporated under the laws of the State; and
  - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant is awarded shall be conducted or provided.
  
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
  - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawaii Revised Statutes, for grants used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

**THE FRIENDS OF IOLANI PALACE**

(Typed Name of Individual or Organization)



(Signature)

**January 11, 2019**

(Date)

**Kippen de Alba Chu**

(Typed Name)

**Executive Director**

(Title)



## Application for Grants

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

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

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

If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2018.

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

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

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

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

### **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 applicant was founded in 1966 for the express purpose of supporting and guiding the State of Hawaii in the restoration of Iolani Palace as the new State Capitol was under construction. Subsequently, the State decided to turn over to the applicant the entire restoration project and eventual management of the historic site as a museum.**

**For two decades beginning in 1978, the State provided funding for all operating expenses for the museum under contract with the applicant. This funding ceased on July 1, 1998. Since then, the applicant has funded its operations entirely from earned revenues, donations, and grants (both private and government). The applicant currently has a long-term lease with the Department of Land and Natural Resources for Iolani Palace, Iolani Barracks, Coronation Pavilion, and Kanaina Building that runs through June 30, 2035.**

2. The goals and objectives related to the request;

**This grant request is to allow the applicant to perform maintenance and restoration work on Iolani Palace and the three other historic structures within the Palace Complex. The objectives are to prevent further deterioration of the buildings due to the elements and visitors to the site as well as protect the interiors and Palace collections.**

3. The public purpose and need to be served;

**The applicant fulfills a major component of Hawaii's educational curriculum on Hawaiian history through organized field trips by many schools, both public and private. The applicant also provides educational experiences for the general public to promote the understanding of the Hawaiian monarchy and its history and culture.**

4. Describe the target population to be served; and

**This population includes students from both lower and higher education institutions. Hawaii residents are also served by Kamaaina Sundays once a month where the admission fee is waived.**

**The applicant also serves a significant number of visitors to Hawaii. These include tourists, foreign exchange students, government dignitaries from other states and countries, and media representatives from around the world.**

5. Describe the geographic coverage.

**Iolani Palace Complex in Downtown Honolulu, Hawaii**

### **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 work encompasses the four buildings leased by the applicant within the Palace Complex (Iolani Palace, Iolani Barracks, Coronation Pavilion, Kanaina Building) that includes hazard mitigation, electrical upgrades, repair damage, improve energy efficiency, upgrade security and protection systems, weather proofing, and upgrade of visitor services facilities.**

**As this work involves significant historic structures, the applicant must also include planning/design and project management fees by a historic preservation architect. This will ensure that the scope of work is approved by both the State Historic Preservation Division and the City and County of Honolulu Department of Planning and Permitting.**

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

**The projected timeline is July 1, 2019 through June 30, 2020.**

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 applicant is seeking direct financial assistance for capital improvements to the Iolani Palace Complex. For these projects, work performed by outside contractors is supervised by a historic preservation architect after plans are reviewed/approved by State Historic Preservation Division and other government agencies as required.**

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.

- **Full accounting of all state funds expended, including copies of invoices paid.**
- **Final narrative on all expenses paid, stating purpose for each expenditure and the results achieved.**
- **Photographs (before and after) taken to document the work performed and guide future preservation work on the structures.**

#### **IV. Financial**

##### **Budget**

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
  - a. Budget request by source of funds ([Link](#))
  - b. Personnel salaries and wages ([Link](#))

- c. Equipment and motor vehicles ([Link](#))
- d. Capital project details ([Link](#))
- e. Government contracts, grants, and grants in aid ([Link](#))

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2020.

| Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | Total Grant |
|-----------|-----------|-----------|-----------|-------------|
| - 0 -     | \$250,000 | \$250,000 | \$500,000 | \$1,000,000 |

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2020.

**Additional sources are represented by Palace admission fees and gift shop sales (i.e. earned revenue).**

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

**Not applicable.**

5. The applicant shall provide a listing of all federal, state, and county government contracts, grants, and grants in aid it has been granted within the prior three years and will be receiving for fiscal year 2020 for program funding.

**None.**

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2018.

**\$1,207,698**

## **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 applicant was founded in 1966 for the express purpose of supporting and guiding the restoration of Iolani Palace as a historic site and museum. Once the Palace reopened to the public in 1978, the applicant has dedicated itself to celebrating and perpetuating the history of the Hawaiian monarchy through tours and public programs.

The Session Laws of Hawaii for 2007, as contained in Act 291, statutorily designated The Friends of Iolani Palace as the State of Hawaii Museum of Monarchy History. In passing the legislation, the Legislature found that The Friends provides an important public service in maintaining this significant building.

In February 2014, the applicant received accreditation by the American Alliance of Museums. This mark of distinction is a peer-based evaluation on how well the Palace achieved its stated mission and goals as well as rating its performance on meeting standards and best practices for the museum field.

## **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.

Iolani Palace is arguably the most significant historical building both in Hawaii as well as in all of Polynesia. It represents the Hawaiian Kingdom, an internationally recognized nation-state, as both modern and progressive. It also stands as a powerfully emotional reminder of the illegal overthrow of Queen Liliuokalani as the rightful head of state.

## **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.

Given the specialized nature of doing work at a historic site, the applicant contracts with Mason Architects, a historic preservation architectural firm based in Honolulu. The firm reviews all contractors, conducts requests for proposals, and provides project management services for The Friends. Glenn Mason, who heads the firm, was one of the architects involved in the restoration of Iolani Palace in the 1970s and the Iolani Barracks in the 1960s.

## 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.

**See attached organizational chart.**

## 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.

**Year 2018**

**Executive Director: at least \$100,000 but not more than \$150,000**

**Director of Curation and Education: at least \$50,000 but not more than \$100,000**

**Director of Facilities and Security: at least \$50,000 but not more than \$100,000**

## VII. Other

### 1. Litigation

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

**No pending litigation.**

### 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.

**The Friends of Iolani Palace received accreditation by the American Alliance of Museums in February 2014. Accreditation is valid for 10 years; the applicant goes through the reaccreditation process in 2023.**

### 3. Private Educational Institutions

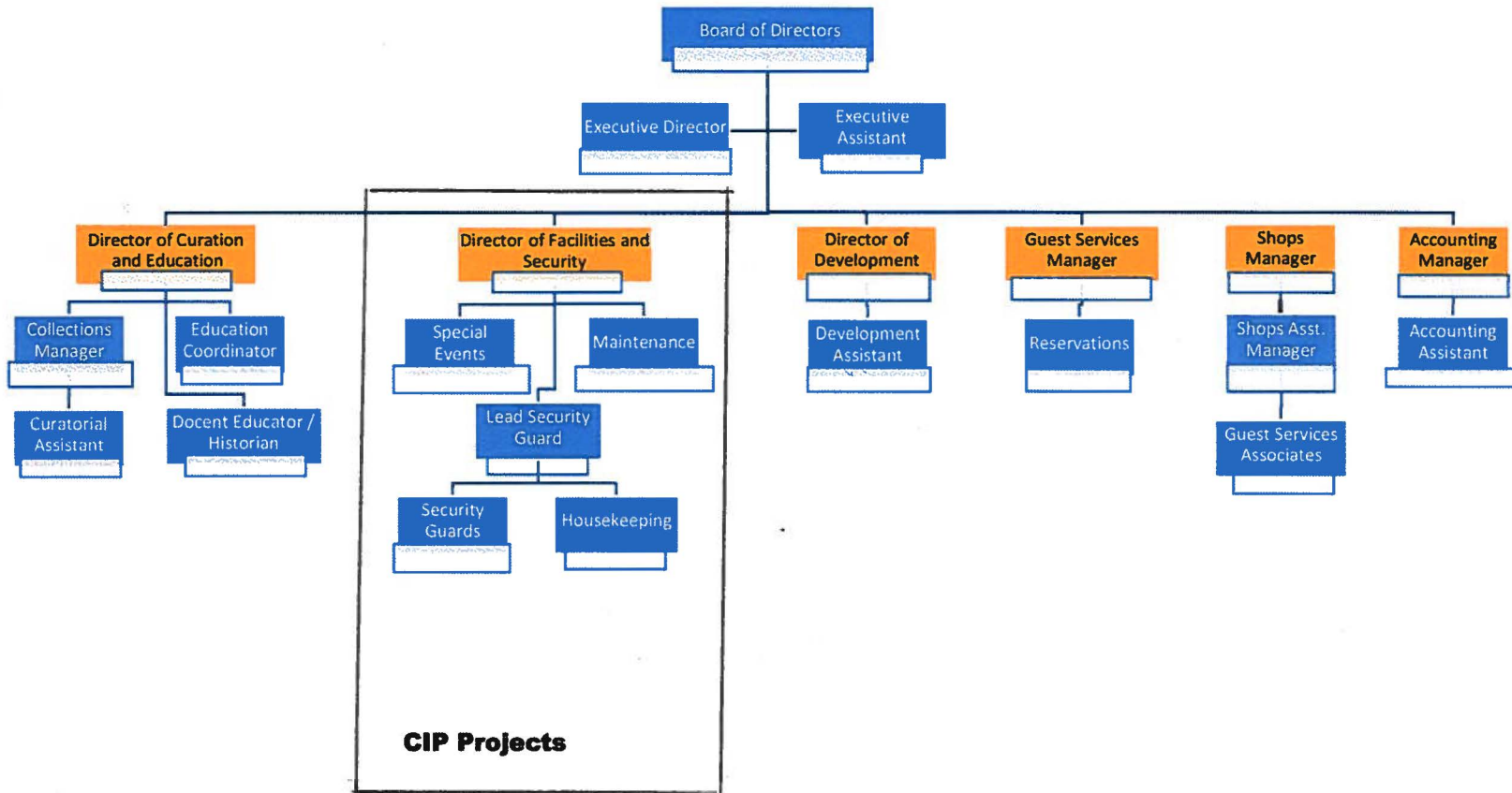
The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see [Article X, Section 1, of the State Constitution](#) for the relevance of this question.

### 4. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2019-20 the activity funded by the grant if the grant of this application is:

- (a) Received by the applicant for fiscal year 2019-20, but
- (b) Not received by the applicant thereafter.

The Friends of Iolani Palace  
Organizational Chart (as of 01-01-2019)

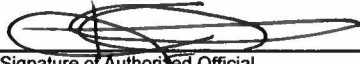




## BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2019 to June 30, 2020

Applicant: THE FRIENDS OF IOLALNI PALACE

| 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>                       | 1,000,000                       |  |                                  |   |
| <b>TOTAL (A+B+C+D+E)</b>                | <b>1,000,000</b>                |  |                                  |   |
| <b>SOURCES OF FUNDING</b>               |                                 | Budget Prepared By:  |                                  |   |
| (a) Total State Funds Requested         | 1,000,000                       | Kippen de Alba Chu <span style="float: right;">522-0822</span>                       |                                  |   |
| (b) Total Federal Funds Requested       | 0                               | Name (Please type or print) <span style="float: right;">Phone</span>                 |                                  |   |
| (c) Total County Funds Requested        | 0                               |  |                                  |   |
| (d) Total Private/Other Funds Requested |                                 | Signature of Authorized Official <span style="float: right;">Date</span>             |                                  |   |
| <b>TOTAL BUDGET</b>                     | <b>1,000,000</b>                | Kippen de Alba Chu, Executive Director   |                                  |   |
|   |                                 | Name and Title (Please type or print)  |                                  |   |



## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2019 to June 30, 2020

Applicant: THE FRIENDS OF IOLANI PALACE

| DESCRIPTION<br>EQUIPMENT | NO. OF<br>ITEMS | COST PER<br>ITEM | TOTAL<br>COST | TOTAL<br>BUDGETED |
|--------------------------|-----------------|------------------|---------------|-------------------|
| NOT APPLICABLE           |                 |                  | \$ -          |                   |
|                          |                 |                  | \$ -          |                   |
|                          |                 |                  | \$ -          |                   |
|                          |                 |                  | \$ -          |                   |
|                          |                 |                  | \$ -          |                   |
| TOTAL:                   |                 |                  |               |                   |

**JUSTIFICATION/COMMENTS:**

| DESCRIPTION<br>OF MOTOR VEHICLE | NO. OF<br>VEHICLES | COST PER<br>VEHICLE | TOTAL<br>COST | TOTAL<br>BUDGETED |
|---------------------------------|--------------------|---------------------|---------------|-------------------|
| NOT APPLICABLE                  |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
|                                 |                    |                     | \$ -          |                   |
| TOTAL:                          |                    |                     |               |                   |

**JUSTIFICATION/COMMENTS:**

## BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2019 to June 30, 2020

Applicant: THE FRIENDS OF IOLANI PALACE

| 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: 2017-2018                                | FY: 2018-2019 | FY:2019-2020          | FY:2019-2020                     | FY:2020-2021                         | FY:2021-2022 |
| PLANS                          | 0  | 0             | 50,000                | 0                                | 0                                    | 0            |
| LAND ACQUISITION               | 0  | 0             | -                     | 0                                | 0                                    | 0            |
| DESIGN                         | 0  | 0             | 200,000               | 0                                | 0                                    | 0            |
| CONSTRUCTION                   | 0  | 0             | 750,000               | 0                                | 0                                    | 0            |
| EQUIPMENT                      | 0  | 0             | -                     | 0                                | 0                                    | 0            |
| <b>TOTAL:</b>                  | <b>0</b>                                     | <b>0</b>      | <b>1,000,000</b>      | <b>0</b>                         | <b>0</b>                             | <b>0</b>     |
| <b>JUSTIFICATION/COMMENTS:</b> |  |               |                       |                                  |                                      |              |