

**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

Vendor Name: SYNERGISTIC HAWAII AGRICULTURE COUNCIL

Issue Date: 01/13/2022

Status: **Compliant**

Hawaii Tax#: 03004299-01
New Hawaii Tax#: GE-1807716352-01
FEIN/SSN#: XX-XXX5351
UI#: No record
DCCA FILE#: 233390

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	Compliant
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

**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.

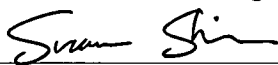
- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
 - a) Is incorporated under the laws of the State; and
 - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant 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.

Synergistic Hawaii Agriculture Council
(Typed Name of Individual or Organization)


(Signature)

1/19/2022
(Date)

Suzanne Shriner Administrator
(Typed Name) (Title)

Application for Grants

3. Public Purpose

The names of the requesting organization	Synergistic Hawai'i Agriculture Council (SHAC)
The public purpose of the grant	Supporting diversified agriculture, with a focus on Papaya, Floriculture, Macadamia Nuts and Coffee
The services to be supported	A post-COVID Economic Assessment of agriculture within the state.
The target group	Agricultural producers Statewide
The cost of the grant and the budget	\$229,500

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;

Synergistic Hawai'i Agriculture Council (SHAC), is a Hawai'i 501(c)6 focused on agricultural and resource sustainability for our core crops. Our mission is to remove economic and agronomic barriers for agricultural producers.

SHAC's consortium of four statewide agricultural associations: the Hawai'i Papaya Industry Association (HPIA), the Hawai'i Floriculture and Nursery Association (HFNA), the Hawai'i Coffee Association (HCA) and the Hawai'i Macadamia Nut Association (HMNA) - represent over 1,000 agribusinesses, and 90 percent of their respective industry's production and sales. All Hawai'i agricultural non-profits are eligible for membership.

Agriculture is an important economic engine in our communities, creating jobs and income for thousands of families statewide. The effects of COVID19 were rapid and harsh on our businesses. The papaya industry collapsed, with reduced outbound flights and nowhere to market the crop. The floriculture industry was declared non-essential, and fields went to seed. Cafes that sell Hawai'i coffee were closed, reducing demand. And the vaunted tourism industry shuttered, leaving macadamia growers with fewer people buying gifts locally, and reduced nut demand globally. The immediate economic damage was severe.

Some businesses were able to pivot. But many growers and processors are still struggling, as labor shortages, supply chain issues, and rising inflation pinch agriculture from all sides. Our industries urgently need an economic assessment to determine how to proceed forward in the face of these challenges.

The commodity groups within SHAC earned a conservative \$168 million in 2018 USDA NASS Hawai'i on-farm production value. With the added value of processing, local sales, job development and ag-tourism, the actual contribution to GDP is much greater. The full economic benefits to a strong agricultural economy are not entirely known.

SHAC and its member commodities have a lengthy experience in managing programs for our industries and cooperating closely with the University of Hawai'i College of Tropical Ag and Human Resources (UH CTAHR). SHAC is uniquely situated to coordinate this project.

2. The goals and objectives related to the request;

SHAC is proposing to partner with agricultural economists from UH CTAHR to perform a statewide Agricultural Economic Assessment. Such an assessment has not been done in recent history and would provide much-needed baseline data on the state of the industries. Since the post-recession shuttering of the state's Hawai'i Ag Statistics Service, primary data collection on our state crops have not occurred. The USDA data leaves large gaps on tropical crops and lacks a COVID impact assessment, therefore is insufficient to properly inform decision-making processes. Decisions on the long-term sustainability of our agricultural crops are being made in the absence of good information.

Hawai'i growers, legislators and scientists need to better understand:

- Impacts of COVID on production
- Financial health of crops
- Current market projections and general trends for the agricultural industries
- Potential shifts to improve markets
- Job creation and impacts within agriculture
- Supply and demand constraints
- Returns on investments for programmatic funding
- Economic multipliers for ag dollars within the economy

The goal of such an Assessment would be to guide and enhance the ability of all segments of the agriculture chain to make more deliberate and credible measurements of economic activity. SHAC would assist UH CTAHR in identifying and surveying growers and processors, coordinating small group discussions, reaching agricultural workers and ensuring representation across the diverse demographics of the community.

All data and reports would be made available to the Legislature's Agriculture Committees, the Hawai'i Department of Agriculture, and the Counties so that informed decisions on future programs can be made.

3. The public purpose and need to be served;

Hawai'i has a long history in agriculture, with the past thirty years seeing a transition from plantation agriculture (such as sugar and pineapple) to the current boom of small, family farms. Agriculture is a key economic driver for rural Hawai'i Island in particular, which hosts 48% of the state's agricultural sales. Specialty crops such as coffee, papaya, macadamia and floriculture can reach global markets through the unique power of the brand name "Hawai'i". Consumers positively associate these products with quality and actively seek them out in the marketplace, both locally and outside of Hawai'i.

The 2017 USDA Census of Agriculture noted that 66% of the farms were under 10 acres in size. Socially disadvantaged or minority farmers operated 48% of agribusinesses. There are significant challenges for minority growers. For example, the majority of papaya growers speak the Filipino dialect of Ilocano, and are reluctant to seek state or USDA services because of the language barrier. Many growers are also unfamiliar with State or Federal programs or feel that they will not qualify and thus did not apply for COVID relief funding when available.

4. Describe the target population to be served; and

Hawai'i agricultural producers: in particular, but not limited to, coffee, macadamia nuts, papaya, and floriculture.

5. Describe the geographic coverage.

The project will be statewide.

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;

- SHAC and its stakeholder groups will provide input to UH CTAHR Economists on the high-level scope of work to prioritize issues for primary data collection.

- UH CTAHR Economists will establish data collection and storage protocols.
- SHAC will arrange meetings with stakeholders, either virtually or in small groups.
- UH CTAHR field techs on each island will collect data from growers, processors and relevant supply chain participants. This will be done through online surveys, phone calls, in-person meetings and other methods necessary to reach growers.
- UH Economists will evaluate data and provide a public report

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

A nominal start date of July 1 is estimated and can be adjusted. Because of the depth and significance of the data collection, it is expected that this project will take two years to provide a comprehensive and accurate report.

Task	July 1, 2022 - Jun 30, 2024						
	Q1	Q2	Q3	Q4	Q5	Q6	Q7
Work Plan							
Review of Secondary Data							
Survey development and scope							
Collection of Primary Data							
Small group meetings with producers							
Drafting of reports							
Grant management & reporting							

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

SHAC's staff and commodity group members have a long and successful history of complex projects to assist our growers in facing the unique challenges of Hawai'i ag.

SHAC will hold monthly meetings with economists to ensure data collection occurs in a timely manner.

SHAC will undergo a financial Single Audit in its FY2022 and FY2023 (calendar year).

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.

SHAC and CTAHR will provided the completed Economic Analysis report to the State. This report will contain, at a minimum:

- Agriculture's contribution to the economy, in dollars and jobs, including breakdowns of value-added and support industry impacts.
- General trends in production and financial margins
- Analysis of specific sectors and their economic impacts
- Strengths and weaknesses within the sectors

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)

See attached forms.

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2023.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
57,375	57,375	57,375	57,375	229,500

- The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2023.

No other funding for operating costs or an Economic Assessment is being sought at this time.

- 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. No tax credits sought or granted.

- 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 2023 for program funding.

Federal Grants: SHAC receives USDA Foreign Ag Service funding to market Hawai'i crops for export. FY2020: \$331,328 FY 2021: \$160,658 FY2022: \$220,000. In 2021, SHAC led an 8-member consortium group that was awarded a \$6.1 million USDA Specialty Crop Research Initiative grant for the control of coffee leaf rust. The 4-year award will fund research activities at UH as well as USDA's PBARC research facility in Hilo.

State grants: none
County grants: none

Please see the "Government Contracts" spreadsheet for complete information.

- The applicant shall provide the balance of its unrestricted current assets as of December 31, 2021.

Current unrestricted assets as of 12/31 was \$125,685.

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.

SHAC and its member commodities have lengthy experience in managing programs for our industries. A USDA Cooperator under the Foreign Agriculture Service's Market Access Program, SHAC receives federal funds annually to promote our commodities' exports. In addition, SHAC has received Technical Assistance for Specialty Crops (TASC) grants from USDA to assist our members with emergency responses to invasive pests as well as to overcome barriers to trade. With TASC funding, we trained over 750 coffee growers in new Integrated Pest Management procedures to combat a destructive invasive beetle. In 2020, we finalized a project with USDA and UH to certify Hawai'i'an Papaya as food-safe for entry into China.

SHAC and its member associations have received State and County grants to pursue activities that benefit our members, such as County Research and Development grants to fund inbound trade missions, bringing Japanese buyers to Hilo and Honolulu to promote export sales. The Hawai'i Department of Agriculture has awarded us grants to assist our coffee growers with pest relief and staff have collaborated previously with other non-profits on Socially Disadvantaged Producer grants through USDA.

In the 2018 Kilauea lava disaster, SHAC organized and hosted multiple relief agency meetings, bringing up to 18 governmental agencies together to present to ag producers and businesses. The organization received a grant from the Department of Commerce for disaster relief services. Producers were offered technical assistance, business and marketing planning, skills refresher courses. We also developed two pilot projects: one floriculture "model farm" for skills training and one papaya project where growers developed best management practices for increasing yield.

In 2021, SHAC spearheaded a significant grant for coffee leaf rust research, bringing \$6.1 million to Hawai'i to fund research at UH and USDA to benefit our growers' response to the deadly fungus.

Many of our activities reach and benefit the 4,500 producers statewide who are not direct members of a trade association. Membership is not required to participate in our programs, which are crafted to benefit all agricultural growers. SHAC's primary office space is in Hilo, Hawai'i.

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.

SHAC maintains an office at 190 Keawe St, Suite 25, Hilo, HI 96720. As needed, SHAC utilizes facilities at UH CTAHR, Komohana, for larger meetings (where possible during COVID) as well as USDA conference space at the PBARC facility in Hilo.

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.

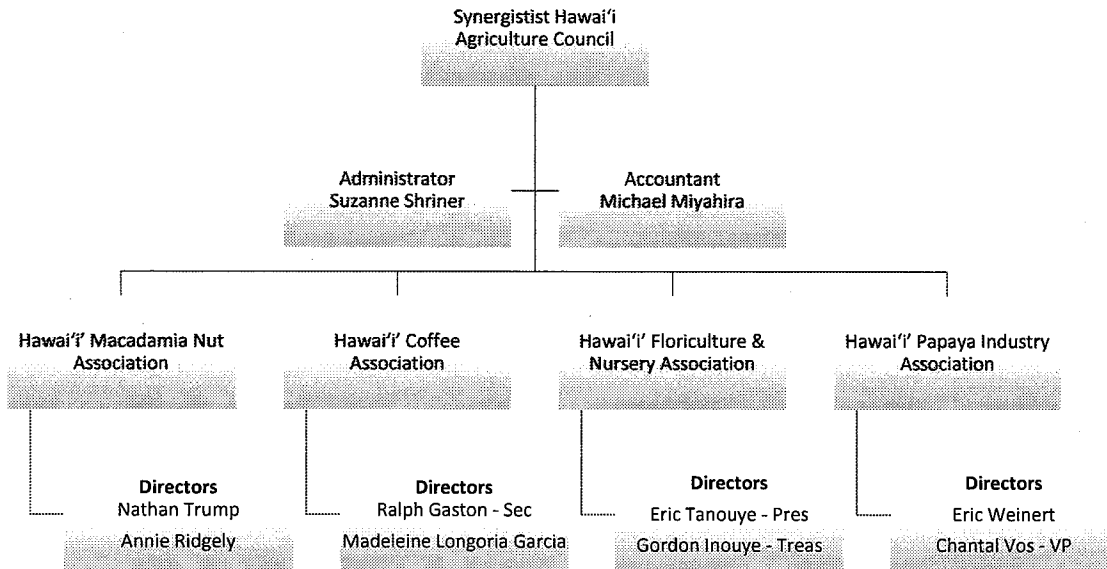
Suzanne Shriner, Administrator for SHAC, has 14 years of experience in the implementation, and management of environmental engineering contracts, including State and Federal projects. She has an additional 15 years of experience in Hawai'i small business, farmer-to-farmer education, and non-profit management. With SHAC, she has she conducted industry-wide strategic and infrastructure planning, drafted marketing plans, wrote white papers and organized workshops and trainings. She will be the primary contact for this grant and will coordinate interactions with growers, processors and supply chains.

Michael Miyahira, Accounting and Financial Officer for SHAC, provides consulting services to family owned and closely held businesses located across the state. He focuses on succession planning, family business governance issues and strategic planning. Miyahira is also a member of the Advisory Committee for the Hilo Innovation & Manufacturing Center, a development project of the Hawai'i Technology Development Corporation of the State of Hawai'i. He is a past adjunct professor at the University of Hawai'i at Hilo, College of Business and Economics, past president of the Hawai'i Island Chamber of Commerce, the Japanese Chamber of Commerce, the Big Island Business Council and the Hawai'i Island United Way. His role with the grant will be focused on technical support for financial data collection.

Economists from UH CTAHR will coordinate data collection activities. Dr. Catherine Chan and Shannon Sands will oversee a post-doctorate candidate in charge of the collection.

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.



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.

Administrator (80% FTE):	\$85,000
Accountant (15% FTE):	\$15,000

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.

Not Applicable

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.

Not Applicable

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.

No.

4. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2022-23 the activity funded by the grant if the grant of this application is:

- (a) Received by the applicant for fiscal year 2022-23, but
- (b) Not received by the applicant thereafter.

SHAC relies on its commodity groups for baseline funding of a portion of our office and staffing costs. Due to COVID income reductions in our agricultural community, SHAC has experienced a decline in revenue over the last 2 fiscal years. Other funds are generated through indirect costs from grants. Should this GIA not be received, SHAC will continue to offer services to its growers, albeit on a reduced basis, until other funds can be identified.

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2022 to June 30, 2023

Applicant: Synergistic Hawaii Agriculture Council

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
UH CTAHR Lead Economist	2080	\$107.00	5.00%	\$ -
UH CTAHR Extension Agent for Economics	2080	\$55,000.00	10.00%	\$ -
UH Postdoctoral Candidate, Step 8	2080	\$44,400.00	100.00%	\$ 44,400.00
UH Field Technician for Data Collection Oahu	2080	\$38,640.00	50.00%	\$ 19,320.00
UH Field Technician for Data Collection Maui County	2080	\$38,640.00	50.00%	\$ 19,320.00
UH Field Technician for Data Collection Kauai	2080	\$38,640.00	50.00%	\$ 19,320.00
UH Field Technician for Data Collection Hawaii Island	2080	\$38,640.00	50.00%	\$ 19,320.00
UH Field Technician for Data Collection Hawaii Island	2080	\$38,640.00	50.00%	\$ 19,320.00
SHAC Field Researcher and Grower Liaison	2080	\$55,000.00	50.00%	\$ 27,500.00
SHAC Financial Researcher and Liaison	2080	\$93,600.00	15.00%	\$ 14,040.00
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				182,540.00
JUSTIFICATION/COMMENTS: Post-Doctoral Salary is for two years at 50% FTE				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2022 to June 30, 2023

Applicant: Synergistic Hawaii Agriculture Council

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Computer	1.00	\$2,000.00	\$ 2,000.00	2000
Tablets for field data collection by UH CTAHR	5	\$360.00	\$ 1,800.00	1800
		\$0.00	\$ -	0
		\$0.00	\$ -	0
		\$0.00	\$ -	0
TOTAL:	6		\$ 3,800.00	3,800

JUSTIFICATION/COMMENTS:

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
None requested			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2022 to June 30, 2023

Applicant: Synergistic Hawaii Agriculture Council

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: 2020-2021	FY: 2021-2022	FY: 2022-2023	FY: 2022-2023	FY: 2023-2024	FY: 2024-2025
PLANS	0	0	0	0	0	0
LAND ACQUISITION	0	0	0	0	0	0
DESIGN	0	0	0	0	0	0
CONSTRUCTION	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
TOTAL:						
JUSTIFICATION/COMMENTS:						

GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID

Applicant: Synergistic Hawaii Agriculture Council

Contracts Total: 10,875,606

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S./State/Hawaii/ Honolulu/ Kauai/ Maui County)	CONTRACT VALUE
1	Market Access Program	CY 2022	USDA, Foreign Agricultural Service	US	526,152
2	Coordinated Approach to Coffee Leaf Rust	9/1/2021 - 8/31/2025	USDA, National Institute for Food and Agriculture	US	6,007,090
3	Market Access Program	CY 2021	USDA, Foreign Agricultural Service	US	466,348
4	On-farm Validation of Harvesting as a Control Practice for Coffee Berry Borer Infestations	9/1/2018 - 8/31/2021	USDA, Agricultural Research Service	US	158,916
5	Rapid Response to Coffee Leaf Rust	1/15/2021 - 1/14/2022	Foundation for Food & Agriculture Research	US	150,000
6	Market Access Program	CY 2020	USDA, Foreign Agricultural Service	US	331,328
7	Market Access Program	CY 2019	USDA, Foreign Agricultural Service	US	321,789
8	Hawaii Lava; Minority Business Regrowth for Agriculture	9/1/2018 - 8/31/2019	US Dept of Commerce, MBDA	US	483,000
9	Market Access Program	CY 2018	USDA, Foreign Agricultural Service	US	315,983
10	Market Access Program	CY 2017	USDA, Foreign Agricultural Service	US	335,000
11	Technical Assistance for Coffee Berry Borer	1/22/2014 - 7/16/2017	USDA, Foreign Agricultural Service	US	1,530,000
12	Technical Assistance for Papaya Food Safety Certification in China	1/22/2014 - 12/04/2020	USDA, Foreign Agricultural Service	US	250,000