

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: Big Island Resource Conservation and Development Council**
Big Island Resource Conservation and Development Council (Fiscal
Sponsor for Hawaii Ulu Cooperative - Alae Postharvest Facility)

Amount of State Funds Requested: \$ 386,277.85

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

The proposed capital GIA project would expand chill storage & transport capacity at the Alae Postharvest Facility in Hilo, Hawai'i Island by a factor of eight, benefiting hundreds of small, diversified farmers in North and East Hawai'i. This food hub is shared by Hawai'i Ulu Co-op, which represents 145 small farms, GoFarm Hawai'i, Island Harvest – a macadamia nut producer, and Kaunamano farm, which specializes in pastured Berkshire hogs. Proposed upgrades will enable users to scale production volumes to 1 million pounds of local food per year, increasing community food security.

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:

\$ 150,000
Unrestricted Assets:
\$ 918,197.63

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: **200 Kanoelehua Ave. PMB 285**

City: **Hilo** State: **HI** Zip: **96720**

Contact Person for Matters Involving this Application

Name: Brandi Milare	Title: Program Manager
Email: bircd1@gmail.com	Phone: 808-217-7234

Federal Tax ID#: XXXXXXXXXX

State Tax ID# XXXXXXXXXX



Authorized Signature

Larry M. Komata, President

Name and Title

01/19/2023

Date Signed

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



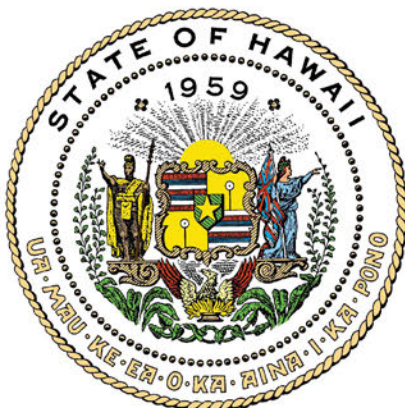
LARRY M. KOMATA, PRESIDENT

01/19/2023

AUTHORIZED SIGNATURE

PRINT NAME AND TITLE

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

BIG ISLAND RESOURCE CONSERVATION AND DEVELOPMENT COUNCIL

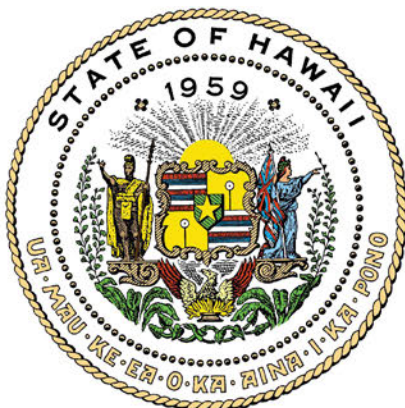
was incorporated under the laws of Hawaii on 10/12/1989 ;
that it is an existing nonprofit corporation; and that,
as far as the records of this Department reveal, has complied
with all of the provisions of the Hawaii Nonprofit Corporations
Act, regulating domestic nonprofit corporations.



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 19, 2023

Director of Commerce and Consumer Affairs



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

HAWAI'I 'ULU PRODUCERS COOPERATIVE

was incorporated under the laws of Hawaii on 08/10/2016 ; that it is an existing agricultural cooperative association; and that as far as the records of this Department reveal, has complied with all of the provisions of Chapter 421 of the Hawaii Revised Statutes, regulating agricultural cooperative associations.

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, 2023

Director of Commerce and Consumer Affairs





STATE OF HAWAII
STATE PROCUREMENT OFFICE

CERTIFICATE OF VENDOR COMPLIANCE

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

Vendor Name: BIG ISLAND RESOURCE CONSERVATION AND DEVELOPMENT COUNCIL

DBA/Trade Name: Big Island Resource Conservation and Development Council

Issue Date: 01/19/2023

Status: **Compliant**

Hawaii Tax#: 40435414-01

New Hawaii Tax#:

FEIN/SSN#: XX-XXX9188

UI#: XXXXXX8741

DCCA FILE#: 77190

Status of Compliance for this Vendor on issue date:

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

Status Legend:

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

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS PURSUANT TO
CHAPTER 42F, HAWAI'I REVISED 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, Hawai'i 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, Hawai'i 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; and
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawai'i 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.
- 4) The use of grant-in-aid funding complies with all provisions of the Constitution of the State of Hawaii (for example, pursuant to Article X, section 1, of the Constitution, the State cannot provide "... public funds ... for the support or benefit of any sectarian or nonsectarian private educational institution...").

Pursuant to Section 42F-103, Hawai'i 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.

Big Island Resource Conservation and Development Council

(Typed Name of Individual or Organization)



(Signature)

01/19/2023

(Date)

Larry M. Komata

(Typed Name)

President

(Title)

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
2 CUPANIA CIRCLE
MONTEREY PARK, CA 91755-7406

DEPARTMENT OF THE TREASURY

Date: MAY 10 1994

BIG ISLAND RESOURCE CONSERVATION
AND DEVELOPMENT COUNCIL
PO BOX 2975
KAMUELA, HI 96743-2975

Employer Identification Number:
99-0279188
Case Number:
954108041
Contact Person:
CAROLYN TSCHOPIK
Contact Telephone Number:
(213) 725-7002
Our Letter Dated:
October 17, 1990
Addendum Applies:
No

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,



Richard R. Orosco
District Director

Letter 1050 (DO/CG)

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

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 - 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.
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 - 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.
- 4) The use of grant-in-aid funding complies with all provisions of the Constitution of the State of Hawaii (for example, pursuant to Article X, section 1, of the Constitution, the State cannot provide "... public funds ... for the support or benefit of any sectarian or nonsectarian private educational institution...").

Pursuant to Section 42F-103, Hawaii'i 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.

Hawaii Ulu Producers Cooperative	
(Typed Name of Individual or Organization)	
	1/12/2023
(Signature)	(Date)
Dana Shapiro	General Manager
(Typed Name)	(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, 2022.

Please find Certificates of Good Standing for Hawai'i 'Ulu Producers Cooperative and Big Island Resource Conservation and Development Council, attached.

2. Declaration Statement

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

Please find Declaration Statements from Hawai'i 'Ulu Producers Cooperative and Big Island Resource Conservation and Development Council, attached.

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](#).

The requested grant will be used to significantly expand the chill storage and delivery capacity of the Alae Postharvest Facility in Hilo, Hawai'i Island, an innovative food hub serving hundreds of new and existing, small diversified farms throughout the Big Island's north and east regions – from North Kohala to lower Puna. The shared-use facility provides commercial aggregation, washing and processing space for Hawai'i 'Ulu Cooperative (HUC) farmers and GoFarm Hawai'i students and graduates, as well as two local, vertically integrated agricultural businesses – Island Harvest, an organic macadamia nut producer, and Kaunamano Farm, which raises pastured Berkshire hogs in Umauma. **Proposed improvements will increase chill storage space for a range of fresh and frozen Hawai'i agricultural products by a factor of 8** – from about 4,200 pounds to 32,000 pounds of fresh crop storage capacity and from 500 pounds to 4,000 pounds of frozen storage capacity. Importantly, these upgrades will free up critical space inside the facility washroom and commercial kitchen by moving all chill storage equipment to a new, outdoor bay, thus increasing operational capacity for aggregation, washing and processing indoors in compliance with FSMA. Further, this proposal includes funds to procure a reefer truck to distribute fresh and frozen agricultural products produced at the facility to markets island wide – enabling small, diversified farmers to reach previously inaccessible markets. The primary crops and products handled at Alae include 'ulu (breadfruit), kalo (taro), organic macadamias, leafy greens,

brassicas, root crops, cucumbers, eggplants, kalo, ginger, sugar cane, turmeric and fresh pork products.

This project directly fulfills multiple state goals, objectives and strategies, including the State of Hawai'i Aloha+ Challenge commitment to double local food production by 2030 statewide¹, and the Increased Food Security and Increased Food Self-sufficiency Strategy, which stipulates that investments in programs and projects that support greater food self-sufficiency will result in economic, social and environmental benefits.² Additionally, the proposed project helps fulfill the following public needs stipulated in the Hawai'i State Planning Act Section HRS Chapter 226, which underlines State goals and objectives.

Food Security:

1. HRS 226-6 (8) Assure that the basic economic needs of Hawai'i's people are maintained in the event of disruptions in overseas transportation.
2. HRS 226-6 (10) Encourage the formation of cooperatives and other favorable marketing arrangements at the local or regional level to assist Hawai'i's small scale producers, manufacturers, and distributors.
3. HRS 226-7 (7) Strengthen diversified agriculture by developing an effective promotion, marketing, and distribution system between Hawai'i's food producers and consumers in the State, nation, and world.

Sustainability:

1. HRS 226-7 (13) Promote economically competitive activities that increase Hawai'i's agricultural self-sufficiency, including the increased purchase and use of Hawai'i-grown food and food products by residents, businesses, and governmental bodies as defined under section 103D 104.
2. HRS 226-7 (17) Perpetuate, promote, and increase use of traditional Hawaiian farming systems, such as the use of loko i'a, māla, and irrigated lo'i, and growth of traditional Hawaiian crops, such as kalo, 'uala, and 'ulu.

Community Resilience:

1. HRS 226-7 (18) Increase and develop small-scale farms.

Other recent Acts and regulations which the proposed project helps to satisfy include HB767 HD2 SD2 (Act 175) in Section 2 Chapter 302A, Hawaii Revised Statutes: **Farm to school meals**, which stipulates that by 2030, the department shall meet the local

¹ <https://dashboard.hawaii.gov/en/stat/goals/5xhf-begg/vey8-efit/4dt7-wn38>

² Increased Food Security and Food Self-Sufficiency Strategy, State of Hawai'i Office of Planning, October 2012.

farm to school meal goal that thirty percent of food served in public schools shall consist of locally sourced products, as measured by the percentage of the total cost of food. Prior to COVID-19, HUC was a primary local produce vendor for the Hawai'i State Department of Education (HIDOE) – providing over 50,000 pounds of 'ulu, sweet potato, bananas, and papaya annually to all 256 public schools statewide from 2018-2020. Proposed upgrades will position the co-op and other facility users to supply HIDOE and other state institutions.

In 2022, the legislature also passed **SB 338 Related to a Food Hub Pilot Program**³, which stipulates that strengthening the State's food security may be supported by establishing food hubs, which are centrally located facilities with a business management structure that facilitates the aggregation, storage, processing, distribution, and marketing of locally produced food products. By actively coordinating these activities along the value chain, food hubs provide wider access to institutional and retail markets for small to mid-sized producers, and increase consumers' access to fresh healthy food, including those consumers in underserved areas and "food deserts." The Alae Postharvest Facility is a burgeoning food hub that needs financial support through the requested grant funding to reach its full potential and increase community food security and agricultural economic development.

Additional state and county level plans which this project supports include:

- 'Āina Aloha Economic Futures
- Hawai'i 2050 Sustainability Plan
- Hawai'i Agribusiness Plan 2021
- Transforming Hawai'i's Food System Together
- County of Hawai'i General Plan 2040
- County of Hawai'i Climate Action Plan (2020)

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;

Big Island Resource Conservation and Development Council (BIRCDC) is an incorporated and registered nonprofit organization within the State of Hawai'i, operating since 1975. We provide fiscal sponsorship to support others in their goals to conserve, enhance, and promote the economic, cultural, and natural environment of Hawai'i. BIRCDC is made up of an executive committee, representatives from various soil and water conservation districts throughout the Island of Hawai'i, a mayor's representative, a program manager, and at-large community representatives. This variety of backgrounds and knowledge base allows for a wide-range of environmental and natural resource concerns to be effectively addressed through the development of projects for public purpose, and the fulfillment of grant opportunities.

³ https://www.capitol.hawaii.gov/sessions/session2022/bills/SB338_.HTM

Hawai'i 'Ulu Cooperative (HUC) is the state's leading breadfruit farmer organization, pioneering commercial industry development since summer 2016. Founded with 9 pilot members located around Hawai'i Island, HUC has – in just over 6 years – grown to **145+** producers across four islands and aggregated over 1.2 million pounds of Hawai'i-grown staple crops. This includes nearly 500,000 pounds of 'ulu that has been minimally processed into steamed-frozen cuts for local food service operations, primarily public schools, hospitals, restaurants and value added processors, as well as for local grocery stores. Breadfruit, or 'ulu, is a traditional Polynesian staple with great potential to help reverse Hawai'i's 85-90% reliance on imported foods, which includes virtually 100% of our staple food groups. An indigenous starch, 'ulu is a culturally appropriate food source for Hawai'i, with a nutritional profile that compares favorably to that of potatoes, wheat and rice. It grows well across many of Hawai'i's diverse microclimates, from sea level to approximately 1,500 ft. elevation and in most rainfall gradients, and is among the most sustainable starches in the world because it grows on a perennial tree – eliminating the need for annual tilling and replanting. Breadfruit trees sequester carbon, enhance soil microbial health, create shady habitat for animals and other plants and recreational space for humans, and thrive in diversified cropping systems that can optimize small farm returns by maximizing total productivity per acre. However, for Hawai'i to realize these potential benefits, commercial scale aggregation, storage and processing infrastructure must be developed and supported. Mid-tier value chain operations connecting farms to markets is a serious bottleneck thwarting further growth of our local food economy and which this proposed project seeks to mitigate.

2. The goals and objectives related to the request;

This capital grant request seeks to fill a major gap thwarting agricultural development in East Hawai'i – the availability of shared-use, chill storage and transport capacity for small, diversified farmers. The Alae Postharvest Facility is an innovative food hub located in Hilo, Hawai'i that serves hundreds of new and existing farmers from the district of North Kohala all the way down the Hāmākua Coast to lower Puna. Primary crops and agricultural products handled at the facility include 'ulu (breadfruit), kalo (taro), kabocha pumpkin, organic macadamias, leafy greens, brassicas, root crops, cucumbers, eggplants, kalo, ginger, sugar cane, turmeric and fresh pork products. Requested capital improvement funds will be used to increase chill and frozen storage capacity by a factor of 8 – from about 4,200 to 32,000 pounds of fresh crop storage and from 500 to 4,000 pounds of frozen product storage. Importantly, these upgrades will free up critical space inside the facility washroom and commercial kitchen by moving all chill storage equipment to a new, outdoor bay, thus increasing operational capacity for aggregation, washing and processing. Further, this proposal includes funds to procure a reefer truck which will be shared by facility users to distribute fresh and frozen agricultural products to markets islandwide – enabling small, diversified farmers to reach previously inaccessible markets. The overarching objective of this request is to enable small farmers on Hawai'i Island to scale their production operations and ensure sufficient infrastructure to get their crops and products to market, whether fresh or value added. Without adequate chill storage and transport, the development of our family farms will continue to be stymied and new farmers will not have enough institutional

support to feel confident about entering agricultural career pathways. Through the collaborative effort of multiple farming organizations, the proposed project will build targeted support structures for small farms to thrive and thus contribute to local food security, economic development, and community health and wellbeing.

3. The public purpose and need to be served;

Over 95% of farms in Hawai'i are small-scale according to the 2012 USDA Census, with annual sales of under \$250,000; moreover, only 6% of farmers across the state were reported to have a net income greater than \$50,000 prior to the pandemic. While they are small and often have limited capacity, these farms play a critical role in the state's socioeconomic fabric and food production, and provide essential ecosystem services – contributing to Hawai'i's unique sense of place, tourist appeal, beauty and sustainability. However, most small farms lack the ability and/or capital to scale or vertically integrate on their own, and rely on structures for collective action to sustain themselves and thrive. At the same time, Hawai'i consumers currently rely about 85% on imported food, including nearly 100% of starches and staple food groups. This puts the state at high risk of food insecurity should global shipping routes become disrupted due to political, economic or environmental upheaval.

The proposed project addresses both production and consumption sector needs, by providing the physical infrastructure and organizational support to help Hawai'i's small-scale farmers reach the economy of scale necessary for developing high quality, commercially viable, FSMA-compliant food products for both local and export markets.

Expanding the chill storage capacity of the Alae Postharvest Facility by a factor of 8 addresses a clear public need for greater shared infrastructure to support our small, family farmers and advance development of the local agriculture industry. We anticipate that, as a result of implementing the proposed project, over the next 10 years 150 new farmers will be successfully trained and graduate from GoFarm Hawai'i, 50 graduates will start new farms through the GoFarm incubator program, 150 co-op farmer members will receive a guaranteed market and stable price for their crop, two value-added farm businesses will be sustained (Island Harvest and Kaunamano), and a total of about \$50 million in local agricultural product sales will be generated collectively by facility users. Investing in adequately-equipped aggregation, storage and manufacturing facilities for local food production, processing and storage is critical to Hawai'i's long-term food security, economic strength and resilience.

This project directly fulfills multiple state goals, objectives and strategies, including the State of Hawai'i Aloha+ Challenge commitment to double local food production by 2030 statewide⁴, and the Increased Food Security and Increased Food Self-sufficiency Strategy, which stipulates that investments in programs and projects that support greater food self-sufficiency will result in economic, social and environmental benefits.⁵

⁴ <https://dashboard.hawaii.gov/en/stat/goals/5xhf-begg/vey8-efit/4dt7-wn38>

⁵ Increased Food Security and Food Self-Sufficiency Strategy, State of Hawai'i Office of Planning, October 2012.

Additionally, the proposed project helps fulfill the following public needs stipulated in the Hawai'i State Planning Act Section HRS Chapter 226, which underlines State goals and objectives.

Food Security:

4. HRS 226-6 (8) Assure that the basic economic needs of Hawai'i's people are maintained in the event of disruptions in overseas transportation.
5. HRS 226-6 (10) Encourage the formation of cooperatives and other favorable marketing arrangements at the local or regional level to assist Hawai'i's small scale producers, manufacturers, and distributors.
6. HRS 226-7 (7) Strengthen diversified agriculture by developing an effective promotion, marketing, and distribution system between Hawai'i's food producers and consumers in the State, nation, and world.

Sustainability:

3. HRS 226-7 (13) Promote economically competitive activities that increase Hawai'i's agricultural self-sufficiency, including the increased purchase and use of Hawai'i-grown food and food products by residents, businesses, and governmental bodies as defined under section 103D 104.
4. HRS 226-7 (17) Perpetuate, promote, and increase use of traditional Hawaiian farming systems, such as the use of loko i'a, māla, and irrigated lo'i, and growth of traditional Hawaiian crops, such as kalo, 'uala, and 'ulu.

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2. HRS 226-7 (18) Increase and develop small-scale farms.

Other recent Acts and regulations which the proposed project helps to satisfy include HB767 HD2 SD2 (Act 175) in Section 2 Chapter 302A, Hawaii Revised Statutes: **Farm to school meals**, which stipulates that by 2030, the department shall meet the local farm to school meal goal that thirty percent of food served in public schools shall consist of locally sourced products, as measured by the percentage of the total cost of food. Prior to COVID-19, HUC was a primary local produce vendor for the Hawai'i State Department of Education (HIDOE) – providing over 50,000 pounds of 'ulu, sweet potato, bananas, and papaya annually to all 256 public schools statewide from 2018-2020. Proposed upgrades will position the co-op and other facility users to supply HIDOE and other state institutions.

In 2022, the legislature also passed **SB 338 Related to a Food Hub Pilot Program**⁶, which stipulates that strengthening the State's food security may be supported by

⁶ https://www.capitol.hawaii.gov/sessions/session2022/bills/SB338_.HTM

establishing food hubs, which are centrally located facilities with a business management structure that facilitates the aggregation, storage, processing, distribution, and marketing of locally produced food products. By actively coordinating these activities along the value chain, food hubs provide wider access to institutional and retail markets for small to mid-sized producers, and increase consumers' access to fresh healthy food, including those consumers in underserved areas and "food deserts." The Alae Postharvest Facility is a burgeoning food hub that needs financial support through the requested grant funding to reach its full potential and increase community food security and agricultural economic development.

Additional state and county level plans which this project supports include:

- 'Āina Aloha Economic Futures
- Hawai'i 2050 Sustainability Plan
- Hawai'i Agribusiness Plan 2021
- Transforming Hawai'i's Food System Together
- County of Hawai'i General Plan 2040
- County of Hawai'i Climate Action Plan (2020)

4. Describe the target population to be served; and

The target population served through the proposed project is primarily socially disadvantaged and/or beginning farmers located in North and East Hawai'i Island. A recent membership analysis conducted by HUC showed that 70% of its member farms meet the federal designation as socially disadvantaged (according to race, ethnicity and gender), and over 50% are beginning farmers who have been in operation for less than 10 years. The average farm size is less than 5 acres and 25% are of Native Hawaiian descent – nearly three times the state average. The average age for HUC farmers is 50 years old, about 13 years younger than the state figure according to the latest USDA Census. Moreover, all GoFarm participants are new or beginning farmers⁷, while Kaunamano is a Native-owned small business and Island Harvest is a multi-generational family farm located in Kohala with 20 employees.



The proposed improvements to the Alae facility would enable GoFarm to admit a greater number of aspiring farmers to their program, while HUC would be able to

⁷ Photo credit on this page: Richard Andrew Hara

support an expanded membership base in the region. The demographic makeup of core beneficiaries is not expected to change with this expansion.

5. Describe the geographic coverage.

The Alae Postharvest Facility provides aggregation, storage and processing services for small, diversified farmers throughout North and East Hawai'i Island, from Kapa'au in North Kohala to Kalapana in lower Puna. Agricultural crops and products produced at the facility are currently sold to a diverse range of customer segments statewide. HUC's value-added processing operations at Alae (pictured to the right) include blending and packaging locally grown and milled 'ulu flour products distributed to food service operations including restaurants and schools as well as food hubs, grocery stores and direct home buyers. GoFarm student and incubators' fresh crops are sold through CSAs and to restaurants and grocers on Hawai'i Island. Island Harvest's macadamia nut products are carried in more than 50 grocery stores across all islands, and Kaunamano's pork products are used by local restaurants and distributed via an online CSA.



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;

Design and permitting for the facility upgrades are being completed in Q1 2023 by Okahara & Associates, a multi-disciplined engineering consulting firm located in Hilo, Hawai'i; this work will be completed before the start of the requested grant project and is not included in the scope of work outlined below. Specific tasks to be accomplished during the proposed project include: 1) construction of the new, chill storage bay, 2) procurement of chill storage equipment and reefer truck, and 3) installation, testing and launch of the new equipment. This work will commence as early as January 2024 based on the current lead time to obtain building permits on Hawai'i Island. The installation of the new equipment and reefer truck will take place as soon as construction is complete, expected in Spring 2024. HUC has already obtained three competitive quotes for all equipment and will reissue bids once funding is secured to ensure proposals are current. All activities will be supervised by HUC General Manager Dana Shapiro with support and cooperation of GoFarm, Island Harvest, Kaunamano and Kamehameha Schools; HUC Operations Manager Holokai Brown will solicit and analyze proposals and facilitate construction and equipment installation processes.

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

Timeline	Results or outcomes accomplished
July 2023	<ul style="list-style-type: none"> • Hire licensed contractor to construct chill storage bay and install equipment per specifications detailed in project plans and permits; • Reissue equipment bids and collect updated proposals.
January-March 2024	<ul style="list-style-type: none"> • Construction of chill storage bay; • Finalize equipment procurement details and place deposits.
April-June 2024	<ul style="list-style-type: none"> • Begin holding fresh and frozen product in new chill storage. • Update FSMA-compliant Food Safety Plan and SOPs for use of new chill storage equipment. Refine post-harvest and storage procedures to maximize shelf life for distribution. • Gradually increase facility usage volumes and market reach to match expanded storage available and streamline distribution using reefer truck. • Recruit additional Hawai'i farmers to utilize facility as expanded receiving and storage capacity allows for greater intake volumes of up to 83,000 pounds of fresh produce per month, or 1 million pounds per year. • Write up summary reports and guidelines to share with other local agricultural organizations. Post project results on website and social media to reach a broad audience.

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

HUC General Manager Dana Shapiro, M.Sc. has over 10 years of experience managing and implementing projects funded by government awards, and is qualified to oversee this project. Ms. Shapiro will be primarily responsible for overseeing and evaluating project activities, administering contracts for consultants and contractors, managing project expenditures, and preparing required reports for the state and Big Island RC&D. She is the point of contact for communications with the state and Big Island RC&D. Ms. Shapiro will communicate with the grantors and project partners primarily by phone and e-mail during throughout the project to submit reports, request payments, and provide periodic updates on project successes and challenges.

Alae Facility Manager Fiona Rowles is directly supervised by Ms. Shapiro. In addition to completing assigned tasks, Fiona Rowles will support with documentation of project activities through onsite coordination and communication with contractors.

HUC utilizes cloud-based Google office programs for project management and coordination. Ms. Shapiro will establish and maintain a new folder on the co-op's shared Google Drive as a central location to store project documents, such as contracts, photos, reports, invoices, meeting notes, site visit briefs, and evaluation materials. In Months 1-2 of the project, contractors to be hired will be contacted by HUC Operations Manager Holokai Brown to discuss the approved scope of work, timeline, and compensation for their services. Formal contract agreements will be executed to ensure consultants deliver expected outcomes. Regular communication will occur with contractors by phone, e-mail, and in-person meetings for the duration of their contracts. Ms. Shapiro, Ms. Rowles and Mr. Brown will benchmark project progress on a bi-monthly basis to ensure deliverables are completed in accordance with the approved work plan. Benchmarking will include reviewing the approved work plan and comparing the timeline to actual work completed in the previous 4-8 weeks. In the event of a project delay, Ms. Shapiro will communicate promptly with the state and Big Island RC&D by phone to determine a proper course of action to ensure completion of the deliverables.

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.

Appropriate measures of effectiveness for the proposed project include:

- Equipment sourced and procured from reputable manufacturers and installed in accordance with project timeline; all equipment is commercial grade and meets design specifications.
- Local produce volumes handled at facility increase after implementation of infrastructure upgrades in accordance with projections, estimated at a 8x increase of fresh fruit and frozen agricultural product storage capacity; this will support intake volumes up to 83,000 pounds per month (1 million pounds per year).
- FSMA-compliant Food Safety Plan incorporating new equipment and associated SOPs developed and implemented in accordance with the timeline provided above.
- Project results shared in accessible and comprehensive format with other local agricultural organizations in order to leverage experiences and lessons learned for broadest public benefit.

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: see page, 6 attached.
- b) Personnel salaries and wages: see page 7, attached.
- c) Equipment and motor vehicles: see page 8, attached.
- d) Capital project details: see page 9, attached.
- e) Government contracts, grants, and grants in aid: see page 10, attached.

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2024.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$75,000.00	\$177,208.39	\$75,000.00	\$59,069.46	\$386,277.85

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2024.

HUC is also applying for a capital GIA for the expansion of aggregation and chill storage capacity at the Honalo marshaling yard in Kailua Kona, Hawai'i Island.

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.

HUC has not applied for any tax credits within the prior three years. The co-op also does not anticipate applying for any tax credits pertaining to any capital project in 2023-4.

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 2024 for program funding.

Within the prior three years and through fiscal year 2024, HUC has received the following federal, state and county grants:

- Hawai'i County Department of Research & Development, "Conducting Product R&D to Support Hawai'i County's Growing Breadfruit Industry and Sustainable Economic Development": \$25,000 award (complete)

- USDA Specialty Crop Block Grant, “Educational Marketing Campaign for Five Hawaii Specialty Crops Grown in Diversified Production Systems”: \$42,810 award (complete)
- Hawai'i State GIA, “Increasing Freezer Storage for Honalo Marshaling Yard”: \$150,000 award (\$35,000 remaining to complete project through December 31, 2023)
- USDA Rural Energy for America Program EE: \$60,382 original award (available through June 2024)
- USDA Rural Energy for America Program RE: \$37,732 original award (complete)
- USDA Local Food Promotion Program, “Scale-up and expansion of Hawaii Ulu Cooperative to increase local access and consumption of breadfruit and specialty crops to replace imported food in the State of Hawaii”: \$500,000 original award; \$359,730.65 remaining through September 29, 2023
- USDA Socially Disadvantaged Groups Grant, “Providing Technical Assistance to Hawaii Ulu Cooperative and Socially Disadvantaged Breadfruit Growers to Advance Hawaii’s Food Security and Rural Economic Development”: \$175,000 award (complete)
- USDA Value Added Producers Grant, “Working capital for Hawai'i 'Ulu Cooperative to increase processing and sales of breadfruit flour”: \$250,000 original award; \$212,125.13 remaining through September 29, 2024
- Hawai'i County Department of Research & Development, “Transforming the Economic Viability of Small-scale Breadfruit Production in Hawaii through R&D of High Value Dense Products”: \$25,000 award available through December 31, 2023
- USDA Climate Smart Commodity Program - subaward under The Nature Conservancy: \$613,938 available through April 2027
- USDA Climate Smart COmmodity Program - subaward under Lynker Corporation: \$123,059.75 available through April 2027

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2022.

HUC’s unrestricted current assets as of December 31, 2022 are \$918,197.63.
Big Island Resource Conservation and Development Council: \$60,513.00

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.

HUC was awarded a capital GIA award in 2019 to increase freezer storage capacity of the Honalo Marshaling Yard, its headquarters and one of four agricultural processing

and marshaling facilities owned by the Department of Agriculture on Hawai'i Island. This project is in steady progress, with County permits already obtained, freezer equipment procured, and installation scheduled for Q1 2023. Delays were related to the need for an environmental assessment which has since been completed and cleared the way for upgrades to proceed. All activities were directed by HUC General Manager Dana Shapiro, M.Sc., who will coordinate the proposed project as well, with support from GoFarm Hawai'i associate director Laura Ediger, Andrew Trump of Island Harvest and and qualified contractors as referenced herein.

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.

The Alae facility is a 2,000 square foot building constructed on a concrete slab. Please see the aerial photograph of the Alae post harvest facility below.⁸ The facility was constructed in 2018 by Kamehameha Schools to help farmers meet federal food safety regulations and process more of their raw crops into value-added products in order to access greater market opportunities. The facility consists of an 800 sq ft washing station, 800 sq ft commercial kitchen, storage and bathrooms. HUC is the master lessee with a long-term lease and the co-op licenses portions of the facility out to the other users (GoFarm, Island Harvest, and Kaunamano). Expanding the



⁸ Photo credits on this page: Andrew Richard Hara.

Alae facility is necessary to improve the quality and quantity of locally produced value added staples on Hawai'i island.

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.

Dana Shapiro – HUC General Manager

Qualifications/experience: Ms. Shapiro has managed HUC since its formation in 2016. Previous to this, she worked as a cooperative rural business development consultant for agriculture projects in Hawai'i. Her educational background is in social science research applied to sustainable rural and cooperative development, using qualitative and quantitative evaluation methods to assess the success, sustainability and functionality of community-based projects. Ms. Shapiro is PCQI certified, has a B.Sc. in Natural Resource Management from Cornell University and a M.Sc. in Cooperative Business Development from Ben Gurion University in Israel. Ms. Shapiro has over ten years of experience managing and implementing projects funded by government awards and is qualified to oversee this project.

Roles and responsibilities: Ms. Shapiro will direct the proposed improvements and be primarily responsible for overseeing and evaluating all project activities. Ms. Shapiro's responsibilities will include contract administration for hired contractors, managing project expenditures, communicating with and preparing required reports for the state and Big Island RC&D, and coordinating with other facility users as well as Kamehameha Schools throughout the project.

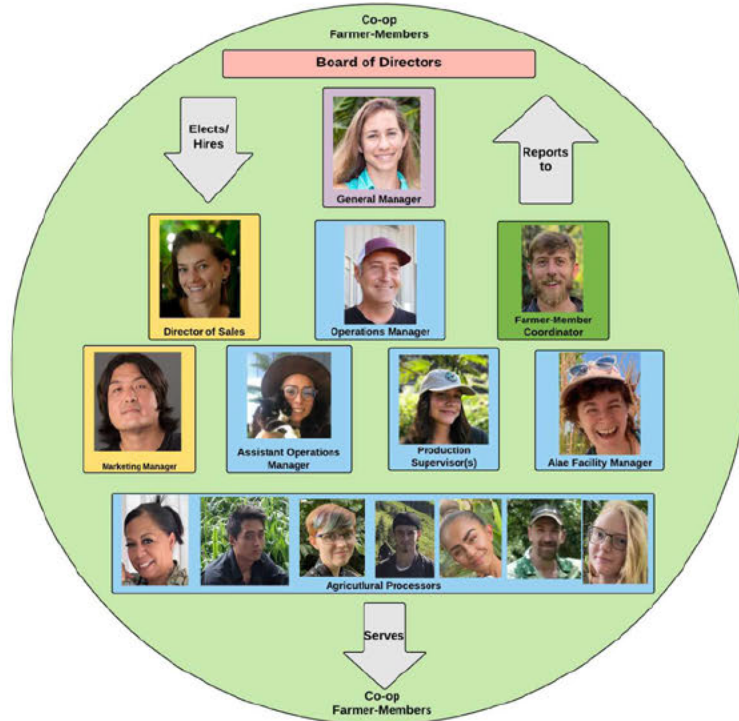
Holokai Brown – HUC Operations Manager

Qualifications/experience: Mr. Brown has significant experience in commercial farming, marketing of farm products, agricultural manufacturing, and farm and facility food safety. Born in the South Kona region of Miloli'i, Mr. Brown's family later moved to O'ahu where he attended Kamehameha Schools. After graduating and working in agriculture and retail throughout the continental U.S. for a number of years, he now operates his own farm in the ahupua'a of Alika by Miloli'i. He is PCQI certified and has worked with HUC since 2019, and currently manages operations of HUC's flagship aggregation and processing facility in Honalo.

Roles and responsibilities: Mr. Brown will be supervised by Ms. Shapiro during the project. In addition to completing assigned tasks, Mr. Brown will support Ms. Shapiro with soliciting updated proposals, selecting contractors, and overseeing onsite construction and equipment installation. Mr. Brown will also supervise HUC's production staff in updating the Alae facility FSMA-compliant Food Safety Plan and SOPs incorporating the infrastructure upgrades, testing new equipment, and monitoring infrastructure performance throughout the project period.

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.

HUC General manager - \$60,000-70,000/year.

Operations manager - \$60,000-\$70,000/year.

Sales Director - \$60,000-\$70,000/year.

VII. Other

1.Litigation

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

HUC is not party to any 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.

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.

HUC is an agricultural producer cooperative whose bylaws describe the manner in which the activities or services for which the requested grant shall be conducted in accordance with the Standards for the award of grants set forth in HRS §42F-103(b)(2). See Attached Declaration of Hawai'i 'Ulu Cooperative. GoFarm is an educational institution affiliated with the University of Hawai'i and is therefore an exception to the exclusion made by article X, Section 1 of the Hawai'i State Constitution under Section 1 (2). The Alae Postharvest Facility is owned by Kamehameha Schools, which likewise falls under the exception in Section (1)(2).

4. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2023-24 the activity funded by the grant if the grant of this application is:

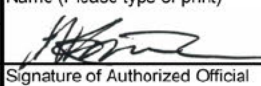
- (a) Received by the applicant for fiscal year 2023-24, but
- (b) Not received by the applicant thereafter.

If this application is funded for FY23-24 but not thereafter, all project services will be sustained and enhanced through Alae Postharvest Facility users' revenues generated through product sales and other ongoing organizational activities. Earning potential for the small, diversified farmers and farm organizations utilizing the facility will be significantly bolstered by the increased chill storage and delivery capacity provided through the proposed project, which will support increased production and sales volumes. Moreover, as an agricultural producer cooperative, HUC is obligated to its members to provide modern scalable processing facilities, marketing and distribution channels, and to reinvest earned revenue into the infrastructure of the cooperative and/or distribute it equitably to the farmer members. GoFarm, Island Harvest and Kaunamano will likewise reinvest any increased revenues generated through scaled operations back into their respective agricultural enterprises and communities.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2023 to June 30, 2024

Applicant: Big Island Resource Conservation & Development as fiscal sponsor for Hawaii Ulu Producers Cooperative - Alae Postharvest Facility

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
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16				
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19				
20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES	128,583.20			
D. MOTOR VEHICLE PURCHASES	107,694.65			
E. CAPITAL	150,000.00			
TOTAL (A+B+C+D+E)	386,277.85	0	0	0
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	386,277.85	Dana Shapiro (808)238-8869		
(b) Total Federal Funds Requested		Name (Please type or print) Phone		
(c) Total County Funds Requested				
(d) Total Private/Other Funds Requested		Signature of Authorized Official Date 1/19/2023		
TOTAL BUDGET	386,277.85	Larry M. Komata, President Name and Title (Please type or print)		

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES Period: July 1, 2023 to June 30, 2024

Applicant: Big Island Resource Conservation & Development as fiscal sponsor for Hawaii Ulu Producers Cooperative - Alae Postharvest Facility

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)	
N/A	N/A	N/A	N/A	N/A	
				\$ -	
				\$ -	
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				\$ -	
TOTAL:					N/A
JUSTIFICATION/COMMENTS: N/A					

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2023 to June 30, 2024

Applicant: Big Island Resource Conservation & Development as fiscal sponsor for Hawaii Ulu Producers Cooperative - Alae Postharvest Facility

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
20' x 20' x 10'10" Walk In Combination Cooler Freezer, includes refrigeration	1.00	\$108,583.20	\$ 108,583.20	108583.2
20' insulated container with coolbot / AC unit for chill storage	1	\$20,000.00	\$ 20,000.00	20000
			\$ -	
			\$ -	
			\$ -	
TOTAL:	2		\$ 128,583.20	128,583
JUSTIFICATION/COMMENTS This chill storage equipment will increase current capacity eight-fold.				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
16' Morgan Manufacture Refrigerated Body van	1.00	\$49,274.65	\$ 49,274.65	49,274.65
2022 F-550 Chassis 4x4 SD Regular Cab 205" WB DRW XL (F5H)	1.00	\$58,420.00	\$ 58,420.00	58,420.00
			\$ -	
			\$ -	
			\$ -	
TOTAL:	2		\$ 107,694.65	107,695
JUSTIFICATION/COMMENTS Both components detailed above must be purchased for the reefer truck configuration.				

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS Period: July 1, 2023 to June 30, 2024

Applicant: Big Island Resource Conservation & Development as fiscal sponsor for Hawaii Ulu Producers Cooperative
Alae Postharvest Facility

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: 2021-2022	FY: 2022-2023	FY:2023-2024	FY:2023-2024	FY:2024-2025	FY:2025-2026
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION			\$150,000.00			
EQUIPMENT			\$236,277.85			
TOTAL:			\$386,277.85			
JUSTIFICATION/COMMENTS:						
* No additional funding is required to accomplish the scope of the proposed work entailed by this proposal.						

GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID

Applicant: Big Island Resource Conservation & Development as fiscal sponsor for Hawaii Ulu Producers Cooperative - Alae Postharvest Facility

Contracts Total:

1,722,380

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S./State/Hawaii / Honolulu/ Kauai/ Maui County)	CONTRACT VALUE
1	Capital GIA to upgrade freezer storage capacity at Honalo Facility	7/1/2020-6/30/2023	Hawaii State	State	150,000
2	Rural Energy for America Program - Energy Efficiency upgrades at Honalo	7/1/2020-6/30/2024	USDA Rural Development	U.S	60,382
3	Local food promotion program - promoting four Hawaii specialty crops	9/30/2020-9/30/2023	USDA Agricultural Marketing Service	U.S	500,000
4	Value added producer grant - scaling breadfruit flour	9/30/2021-9/30/2024	USDA Rural Development	U.S	250,000
5	Transforming the Economic Viability of Small-scale Breadfruit Production in Hawaii through R&D of High Value Dense Products	1/1/2023-12/31/2023	Department of Research and Development	Hawaii County	25,000
6	Expanding agroforestry in Hawaii	4/1/2023-3/31/2027	USDA NRCS	U.S	613,938
7	Expanding climate-smart agriculture and soil health in Hawaii	4/1/2023-3/31/2027	USDA NRCS	U.S	123,060
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Mitchell D. Roth
Mayor



Douglass S. Adams
Director

Robert Agres, Jr.
Deputy Director

County of Hawai'i

DEPARTMENT OF RESEARCH AND DEVELOPMENT

25 Aupuni Street, Room 1301 • Hilo, Hawai'i 96720-4252
(808) 961-8366 • Fax (808) 935-1205
E-mail: chresdev@co.hawaii.hi.us

January 19, 2023

House of Representatives Committee on Finance
Hawaii State Capitol
415 S. Beretania Street, Room 306
Honolulu, HI 96813
ATTN: GIA

RE: The Hawai'i 'Ulu Producers Cooperative Capital Grant-In-Aid (GIA) proposal
(Alae Postharvest Facility) for FY 2023-24

Dear House Committee on Finance,

Thank you for the opportunity to submit testimony in strong support of the Hawai'i 'Ulu Cooperative's (HUC) proposed project for funding from the FY2023-24 Grant-in-Aid to increase infrastructure capacity for chill storage and transport at the Alae Postharvest Facility in Hilo on Hawai'i Island.

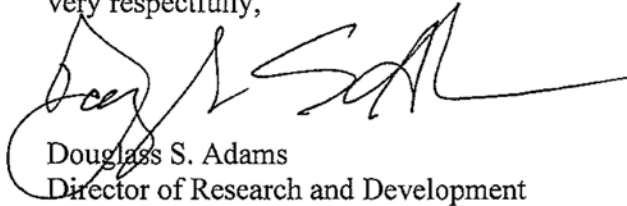
My team and I have worked with the Hawai'i 'Ulu Producers Cooperative (HUC) over many years to collaborate around innovation and sustainable development of Hawai'i's agriculture and food sector. In addition to serving as a key member of Hawaii County's Build Back Better Regional Challenge agricultural coalition, the co-op is a wonderful example of farmers collaborating to add value to their crops and reach larger markets, like the Department of Education, that would be otherwise unattainable for individual producers.

The Alae Postharvest Facility is one of a handful of food hubs on Hawai'i Island. It provides vital shared-use produce aggregation, washing, packing, and value-adding capacities for hundreds of small, diversified farmers in North and East Hawai'i, including small-scale meat producers. HUC holds the facility lease and currently licenses space to GoFarm Hawai'i, Island Harvest, and Kaunamano farm. The proposed project would provide funds to expand chill storage capacity at the facility by a factor of 8, which will enable all facility users to expand their production, comply with food safety regulations, and increase production of value-added products. Moreover, the reefer truck requested under this proposal will provide much-needed cold transport capacity to safely deliver products produced at the facility to markets throughout the island. Overall, this project will advance sustainable economic development on our island and enhance food security. Over the next decade these GIA funds are estimated to help generate over \$30 million in agricultural revenues that would multiply through our island's economy.

Hawai'i County is an Equal Opportunity Provider and Employer

I encourage the Members of the Finance Committee to recommend this proposal be approved by the House. Thank you for the opportunity to support this important project and please contact me or my Food Access Coordinator, Sarah Freeman (x8582), with any questions or concerns.

very respectfully,

A handwritten signature in black ink, appearing to read "Douglass S. Adams". The signature is fluid and cursive, with a large initial "D" and "S".

Douglass S. Adams
Director of Research and Development

Mitchell D. Roth
Mayor



Douglass S. Adams
Director

Robert Agres, Jr.
Deputy Director

County of Hawai'i

DEPARTMENT OF RESEARCH AND DEVELOPMENT

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(808) 961-8366 • Fax (808) 935-1205
E-mail: chresdev@co.hawaii.hi.us

January 19, 2023

Senate Committee on Ways and Means
Hawaii State Capitol
415 S. Beretania Street, Room 208
Honolulu, HI 96813
ATTN: GIA

RE: The Hawai'i 'Ulu Producers Cooperative Capital Grant-In-Aid (GIA) proposal
(Alae Postharvest Facility) for FY 2023-24

Dear Senate Committee on Ways and Means,

Thank you for the opportunity to submit testimony in strong support of the Hawai'i 'Ulu Cooperative's (HUC) proposed project for funding from the FY2023-24 Grant-in-Aid to increase infrastructure capacity for chill storage and transport at the Alae Postharvest Facility in Hilo on Hawai'i Island.

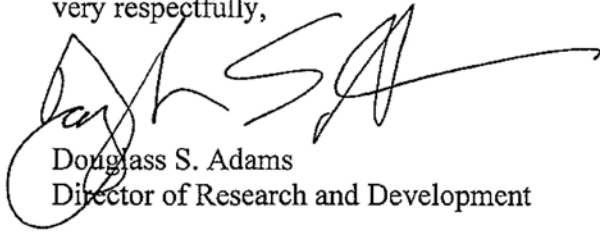
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The Alae Postharvest Facility is one of a handful of food hubs on Hawai'i Island. It provides vital shared-use produce aggregation, washing, packing, and value-adding capacities for hundreds of small, diversified farmers in North and East Hawai'i, including small-scale meat producers. HUC holds the facility lease and currently licenses space to GoFarm Hawai'i, Island Harvest, and Kaunamano farm. The proposed project would provide funds to expand chill storage capacity at the facility by a factor of 8, which will enable all facility users to expand their production, comply with food safety regulations, and increase production of value-added products. Moreover, the reefer truck requested under this proposal will provide much-needed cold transport capacity to safely deliver products produced at the facility to markets throughout the island. Overall, this project will advance sustainable economic development on our island and enhance food security. Over the next decade these GIA funds are estimated to help generate over \$30 million in agricultural revenues that would multiply through our island's economy.

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very respectfully,

A handwritten signature in black ink, appearing to read 'Douglass S. Adams', with a long horizontal flourish extending to the right.

Douglass S. Adams
Director of Research and Development

January 16, 2023

House Committee on Finance
Hawaii State Capitol, Room 306
Honolulu, HI 96813

RE: The Hawai'i 'Ulu Producers Cooperative Capital GIA proposal for the FY 2023-24

Dear House Committee on Finance,

Thank you for the opportunity to submit testimony. My name is Janel Yamamoto and I am the current Director of GoFarm Hawai'i. I am submitting testimony as a private citizen in support of the Hawai'i 'Ulu Cooperative's proposed project for funding from the FY2023-24 Grant-in-Aid to increase infrastructural capacity for chill storage and transport at the Alae Postharvest Facility in Hilo, Hawai'i Island.

As Director of University of Hawai'i's GoFarm Hawai'i program, I have worked with the Hawai'i 'Ulu Producers Cooperative (HUC) since its formation. GoFarm Hawai'i's mission is to enhance Hawai'i's food security and economy by increasing the number of sustainable, local agricultural producers. We do this by offering those with an interest in agriculture a combination of knowledge, experience and support to reach their full potential.

GoFarm Hawai'i has five beginning farmer training sites across four islands (O'ahu, Hawai'i, Maui and Kaua'i) and over the past 3 years, over 80% of GoFarm Hawai'i graduates have gone on to start a farm business or work in the agricultural industry or food system. HUC's work to improve the infrastructure for farmers to market their produce is greatly needed to support the livelihoods of current and future farmers of Hawai'i.

Our Hawai'i Island site is located adjacent to the Alae Postharvest Facility and HUC licenses a portion of the postharvest facility to our program for commercial washing and storage of student and graduates' produce. Chill storage capacity is a serious bottleneck, limiting functionality and future growth of the program. We anticipate that if the requested upgrades are completed, we will be able to help generate over \$10 million in revenues for the local economy through our tuition fees and student and graduate earned revenues over the next 10 years.

The proposed project will make a measurable and positive economic impact on farmers statewide. Thank you for the opportunity to express my support and please contact me with any questions or concerns regarding this commitment.

Mahalo,



Janel Yamamoto
Director, GoFarm Hawai'i
janelyamamoto@gmail.com
Personal Testimony

January 16, 2023

Senate Committee on Ways and Means
Hawaii State Capitol, Rm. 208
Honolulu, HI 96813

RE: The Hawai'i 'Ulu Producers Cooperative Capital GIA proposal for the FY 2023-24

Dear Senate Committee on Ways and Means,

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Janel Yamamoto
Director, GoFarm Hawai'i
janelyamamoto@gmail.com
Personal Testimony



January 16, 2023

House Committee on Finance
Hawaii State Capitol, Room 306
Honolulu, HI 96813

RE: The Hawai'i 'Ulu Producers Cooperative Capital GIA proposal for the FY 2023-24

Dear House Committee on Finance,

May this letter serve to express our commitment and support as Independent Producers to Hawai'i 'Ulu Cooperative's application for Grant-in-Aid funding for FY23-24 to increase infrastructural capacity for chill storage and transport at the Alae Postharvest Facility in Hilo, Hawai'i Island.

We are a family-run farm and have been farmer-members of Hawai'i 'Ulu Cooperative since 2017. Our diversified farm is located in North Kohala on Hawai'i Island and we have over 200 breadfruit trees.

In addition to growing 'ulu, Island Harvest is the state's largest certified organic macadamia nut producer, with about 500 acres in production in North Kohala. Our multi-generational business currently employs 25 people and generates about \$2 million in revenue per year. We are also a value-added user of the Alae Postharvest Facility, where we pack our retail macadamia nut products for local markets. These macadamias are carried in over 50 stores across Hawai'i and generate about \$500,000 in annual revenue contributed to the local economy. Prior to using the Alae facility, Island Harvest shipped all our macadamias to California to be packaged. Now, the majority of the nuts are grown and processed all on the Big Island, decreasing shipping costs and increasing the number of dollars that stay within the state.

Funding the requested capital upgrades will enable our small business to handle 20,000lbs of macadamia kernel per year at the Alae Facility. Without these upgrades our business will be challenged to grow. Additionally, the purchase of a reefer truck will increase Island Harvest's efficiency to transport finished goods to market and decrease the risk of product quality loss because of the temperature control.

Island Harvest is a proud member of HUC, committed to creating a viable agricultural industry for Hawai'i that supports the financial success of small and family farms. The co-op plays an important role in facilitating market access for agricultural producers in Hawai'i who otherwise would struggle to bring commercial volumes of breadfruit to market given the crop's short shelf-life and seasonality.

We fully support the proposed project and urge you to consider funding it. Please contact us should you have any questions about our support of HUC's proposal.

Mahalo,

Andrew Trump
Vice President of Island Harvest Inc.
trump.andrewb@gmail.com
(808) 315-1122



January 16, 2023

Senate Committee on Ways and Means
Hawaii State Capitol, Rm. 208
Honolulu, HI 96813

RE: The Hawai'i 'Ulu Producers Cooperative Capital GIA proposal for the FY 2023-24

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Mahalo,

Andrew Trump
Vice President of Island Harvest Inc.
trump.andrewb@gmail.com
(808) 315-1122

**Kaunamano Farm
Umauma, Hawai'i Island**

January 18, 2023

House Committee on Finance
Hawaii State Capitol, Room 306
Honolulu, HI 96813

RE: The Hawai'i 'Ulu Producers Cooperative Capital GIA proposal for the FY 2023-24

Dear House Committee on Finance,

This letter is to express our firm commitment and enthusiast support of Big Island Resource Conservation & Development Council and Hawai'i 'Ulu Cooperative's (HUC) application for Grant-in-Aid funding for FY23-24 to increase infrastructural capacity for chill storage and transport at the Alae Postharvest Facility in Hilo, Hawai'i Island.

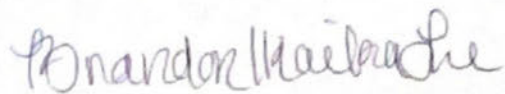
We are a family-run farm and restaurant specializing in pasture-raised Berkshire hogs. Our high quality, handcrafted, local meat products attract residents and visitors from all over the world to visit and learn about our farm to fork operations.

Since the pandemic when our restaurant was forced to close, we have utilized the Alae Postharvest Facility commercial kitchen for storage and value-added processing of our local meat products. This facility provides us with a certified commercial space to craft high value meat products for the local community and hospitality sector.

Proposed upgrades to Alae will significantly increase the chill storage capacity of the facility by a factor of 8, enabling us to grow our business alongside that of the other facility users. Moreover, construction of the new chill storage bay will relieve the indoor processing areas of overcrowding and provide more indoor space for our operation to maneuver safely. Lastly, the reefer truck proposed under this application will enable us to distribute our products islandwide in compliance with food safety regulations.

We fully support the proposed project and urge you to consider funding it. Please contact us should you have any questions about our support of HUC's proposal.

Mahalo,



Brandon Lee, Owner
(808) 333-6006

**Kaunamano Farm
Umauma, Hawai'i Island**

January 18, 2023

Senate Committee on Ways and Means
Hawaii State Capitol, Rm. 208
Honolulu, HI 96813

RE: The Hawai'i 'Ulu Producers Cooperative Capital GIA proposal for the FY 2023-24

Dear Senate Committee on Ways and Means,

This letter is to express our firm commitment and enthusiast support of Big Island Resource Conservation & Development Council and Hawai'i 'Ulu Cooperative's (HUC) application for Grant-in-Aid funding for FY23-24 to increase infrastructural capacity for chill storage and transport at the Alae Postharvest Facility in Hilo, Hawai'i Island.

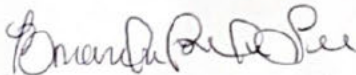
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Mahalo,



Brandon Lee, Owner
(808) 333-6006

January 16, 2023

House Committee on Finance
Hawaii State Capitol, Room 306
Honolulu, HI 96813

RE: The Hawai'i 'Ulu Producers Cooperative Capital GIA proposal for the FY 2023-24

Dear House Committee on Finance,


Thank you for the opportunity to submit testimony. My name is Leanne Kami. I am a farmer in East Hawai'i and the former manager of the Alae Postharvest Facility. I am submitting testimony in support of the Hawai'i 'Ulu Cooperative's proposed project for funding from the FY2023-24 Grant-in-Aid to increase infrastructural capacity for chill storage and transport at the Alae Postharvest Facility in Hilo, Hawai'i Island.

The Alae facility was originally constructed in 2018, in order to help farmers meet federal food safety regulations and get more local production of value-added products while also working with farmers to overcome hardships in processing agricultural commodities into retail consumable products that are within regulations of the U.S. Department of Agriculture and Food & Drug Administration. The Hawaii Ulu Cooperative has been our anchor tenant since August 2019. The co-op licenses portions of the facility to other facility users and has done an excellent job managing and coordinating between parties.

The proposed improvements will increase chill storage capacity by a factor of 8, enabling HUC and the other users to scale their production. This upgrade is necessary to support production growth of small, diversified farmers in North and East Hawaii. I fully support the project and urge you to seriously consider their proposal for funding.

Thank you for the opportunity to express my support and please contact me with any questions or concerns regarding this commitment.

Mahalo,



Leanne Kami
Kohana Family Farms

January 16, 2023

Senate Committee on Ways and Means
Hawaii State Capitol, Rm. 208
Honolulu, HI 96813

RE: The Hawai'i 'Ulu Producers Cooperative Capital GIA proposal for the FY 2023-24

Dear Senate Committee on Ways and Means,

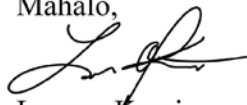
Thank you for the opportunity to submit testimony. My name is Leanne Kami. I am a farmer in East Hawai'i and am the former manager of the Alae Postharvest Facility. I am submitting testimony in support of the Hawai'i 'Ulu Cooperative's proposed project for funding from the FY2023-24 Grant-in-Aid to increase infrastructural capacity for chill storage and transport at the Alae Postharvest Facility in Hilo, Hawai'i Island.

The Alae facility was originally constructed in 2018, in order to help farmers meet federal food safety regulations and get more local production of value-added products while also working with farmers to overcome hardships in processing agricultural commodities into retail consumable products that are within regulations of the U.S. Department of Agriculture and Food & Drug Administration. The Hawaii Ulu Cooperative has been our anchor tenant since August 2019. The co-op licenses portions of the facility to other facility users and has done an excellent job managing and coordinating between parties.

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