

House District: All
Senate District: All

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

Log No: 216-0

For Legislature's Use Only

Type of Grant or Subsidy Request:

- GRANT REQUEST - OPERATING GRANT REQUEST - CAPITAL SUBSIDY REQUEST

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

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

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

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

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

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:

Dbas: Re-use Hawaii

Street Address: 3442 Waiālae Avenue, Ste. 8
Honolulu, HI 96816

Mailing Address: PO Box 161291
Honolulu, HI 96816

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name QUINN VITTUM

Title Co-director

Phone # 808-285-0269

Fax # nohe

e-mail quinn@reusehawaii.org

3. TYPE OF BUSINESS ENTITY:

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

4. FEDERAL TAX ID #

5. STATE TAX ID #

6. SSN (IF AN INDIVIDUAL): NA

7. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:
USED BUILDING MATERIAL RETAIL WAREHOUSE

(Maximum 300 Characters)

8. FISCAL YEARS AND AMOUNT OF STATE FUNDS REQUESTED:

FY 2008-2009 \$ 108,569

9. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

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

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

STATE \$ _____

FEDERAL \$ _____

COUNTY \$ _____

PRIVATE/OTHER \$ 90,000

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

AUTHORIZED SIGNATURE

QUINN VITTUM
NAME & TITLE

DATE SIGNED

1/28/08

Application for Grants and Subsidies

I. Background and Summary

1. Organization Description and Background

Mission

Re-use Hawai'i is a nonprofit organization whose mission is to preserve our natural resources, provide an affordable building material source through alternatives to demolition, and to sustain Hawaii's fragile island ecosystem.

Re-use Hawai'i has identified serious solid waste management challenges in the Hawaiian Islands. Construction and demolition debris is the largest contributor to the region's landfills. A substantial portion of this waste can be recovered as reusable resources by restructuring waste management and demolition practices. By diverting these materials from the waste stream we are able to: conserve our natural resources, minimize the need for landfill space, turn cost incurring waste into saleable product, recover embodied energy, avoid green house gas emissions, create jobs, provide unique and valuable materials to the community, offer tax incentives, and educate the public about waste management solutions.

History

Re-use Hawai'i was incorporated in October 2006 after Selina Tarantino and Quinn Vittum conducted a feasibility study for building material reuse on Oahu in the spring and summer of 2006. To date, Re-use Hawai'i has published a building material re-use feasibility study, developed an extensive business plan through a grant from the Hawaii Community Foundation, developed a logo, website, business cards and marketing materials, forged community collaborations, established an organizational legal and accounting infrastructure, raised sufficient funds for the Deconstruction Services program start-up, conducted a residential deconstruction pilot project, and solidified partnerships with Military housing developers. The organization is currently working on residential deconstruction projects and large scale military deconstruction plan development and pilot projects.

2. Programs, Goals and Objectives

Re-use Hawai'i has three integrated programs to achieve its mission: a Retail Warehouse, Waste Reduction Consulting and Deconstruction Services. These programs work together to collect landfill bound materials, process them and distribute them back into use.

Retail Warehouse

The Retail Warehouse will be a retail warehouse stocked with reusable building materials. The Center, to be located in Honolulu, Hawai'i, will be open to the general public and staffed by knowledgeable employees, volunteers and interns. The Retail Warehouse will be acquired in September of 2008 and developed over a six month

education. There will be one to two deconstruction projects per month before the Deconstruction Services program expands in March of 2008.

Objective 2- Catalyzing a new model for building removal

Through its Waste Reduction Consulting Program, Re-use Hawai'i will guide large construction companies in the process of developing and implementing a deconstruction program. In February of 2007, Re-use Hawai'i began consulting with operations at Hickam Air force Base and Schofield Barracks. This program has an extremely concise three phase approach: Plan Development, Pilot Project Testing and Program Implementation. Program Implementation is due to begin at Schofield Barracks in April making possible the recovery of 130 tons of reusable material valuing \$144,000.

Objective 3- Providing an affordable community resource

Re-use Hawai'i will provide quality material at a fraction of the cost of new materials through its Retail Warehouse program. The facility will enable the organization to efficiently redistribute material to new users, including: homeowners, non-profits, commercial developers, residential builders, green building projects, and custom wood working shops. Some materials will be donated to low-income families, individuals and affordable housing organizations.

3. Public Purpose and Need

Island Landfills- disposing of reusable resources

According to the State Department of Health, Hawai'i generates 600,000 tons of construction and demolition (C and D) waste each year. Re-use Hawai'i calculates at least one half, or 300,000 tons, is reusable or recyclable material. On Oahu, most building material waste is taken to a privately owned C and D waste landfill on the Waianae coast. C and D waste is not burned by the H-power waste to energy plant due to processing issues.

The privately owned and state monitored C and D waste landfill in Nanakuli struggles to maintain capacity in the face of the islands development. The military's privatization of housing will generate volumes of waste equivalent to that of a category four hurricane, volumes that the islands solid waste systems can only accommodate under emergency circumstances.

Recovering resources, stopping the waste

Modeled after dozens of building material reuse organizations on the mainland, Re-use Hawai'i aims to minimize the solid waste stream through deconstruction and building material reuse. From vintage hardware and hardwood flooring to structural lumber and bricks, Re-use Hawai'i recovers this material as an industry participant and redistributes it to contractors, building owners, non-profits, businesses and low-income families who need them.

By recovering reusable material, Re-use Hawai'i generates opportunities for a better community and a cleaner environment in four ways: economic, energy conservation, resources preservation, and greenhouse gas prevention. The following information about the benefits of deconstruction has been developed through research done by Re-use Hawai'i, The City and County of Honolulu, the State Department of Health and statistics provided by the University of Florida's Powel Center for Construction, The

housing organizations, Re-use Hawai'i will donate materials to low income housing projects at no cost.

5. Geographic Focus

After fully developing its programs on the island of Oahu by 2009, Re-use Hawaii will conduct feasibility studies for outer islands. Outer island expansions will occur every year in the following order:

Maui: 2009

Big Island: 2010, Kaua'i: 2011, Moloka'i: 2012, Lana'i: 2013

II. Service Summary and Outcomes

1. Scope of work, tasks and responsibilities;

Re-use Hawaii's funding request is specific to its Retail Warehouse launch and development. The goal is to launch and fully develop the material distribution infrastructure for the organization and to support the material generation from the Deconstruction Services program.

Tasks include installing racking, sales systems set up, merchandising design, staff training, and marketing. The responsibilities of the staff will be to operate and maintain the building material retail operation six days per week, maximize customer satisfaction and sales revenue.

2. Retail Warehouse Launch Timeline

(see attached)

3. Quality assurance and evaluation

Program tracking is a crucial element for every project. The effectiveness of the organization will be measured by tracking each project's diversion achievements by weight and the duration in which they are redistributed back into use. The application for the reused and recycled materials that yield from deconstruction projects will determine the value of the program to provide affordable resources. Organizational evaluations will be conducted by the Co-directors bi-annually to assess the strategic approach and integration of all programs.

In addition, customer questionnaires will be conducted quarterly.

4. Measures of effectiveness

a. Waste tonnage-diversion report will be produced monthly.

The report will outline the deconstruction projects for the month and the sustainability factors that resulted from the waste diversion.

b. Material redistribution in units and weight report will be produced monthly.

The report will provide data on the material redistribution. Detail will be given about how those materials provides an affordable green building material for new and remodel related construction projects.

Leadership

The two directors are working closely with an organizational "Development Team" that is comprised of a non-profit professional and a financial and marketing expert. In addition, the directors meet with members of the Re-use Hawai'i Advisory Group.

The Team:

- Quinn Vittum- Co-Director, Re-use Hawai'i
- Selina Tarantino- Co-Director, Re-use Hawai'i
- Kevin Vaccarello- Director, Sustain Hawai'i
- Daniel Murren- Financial Coordinator, Re-use Hawai'i, Sustain Hawai'i

Advisory Group:

- Randy Lau- State Contractors Board, Designer Built Systems owner & president
- Mark Ritchie- Business Consultant, Enterprise Honolulu
- Dean Masai, Strategic Industries Analyst, DBEDT

To date, the management of Re-use Hawaii has successfully launched its deconstruction services program and secured and developed an interim lumber and material processing yard.

Successful deconstruction projects include:

- Nu'uānu Pilot, 800 square foot cottage deconstruction
- Palolo Crew training project: 1000 square foot house deconstruction
- Fort Shafter Building 1522: 27,000 square foot warehouse deconstruction
- Makakilo Church: 3,000 square foot partial deconstruction

In November 2007, Re-use Hawaii was the first place winner in the Chaminade University non-profit business plan competition in which forty organizations entered.

B. Facilities

Currently, Re-use Hawai'i operates out of a 16,000 square foot lot in Kaka'ako. The interim facility is used to process, store and sell materials. Salvage materials are being reused by contractors and homeowners engaged in green building. Local architects are specifying Re-use Hawai'i products in various projects.

Re-use Hawai'i is requesting funding for a 10-15,000 square foot retail warehouse with an outdoor lot. The facility will be acquired in one of Honolulu's warehousing districts. Though there is a shortage of warehouse space, in Re-use Hawai'i research, it was concluded that there will be sufficient options with proper planning and foresight.

Safety

Facility safety will be a priority for the Retail Warehouse Safety Coordinator (see Appendix 18: Job Descriptions). The Safety Coordinator will assure compliance with all OSHA requirements.

Materials will be stored, staged and merchandised at the Retail Warehouse in the following manner:

- Lumber: on cantilever and stacker racks outdoors
- Cabinetry: on four wheeled carts or shelved on pallet racking
- Plumbing fixtures: on shelves and pallet racking
- Electrical fixtures: on shelves or hung
- Tile and masonry: on shelves and palletized depending on quantity
- Glass and mirrors: sorted in padded sectional racking
- Doors and windows: stood upright in pallet racking
- Trim and flooring: upright in A-frame racks in categorized-types and sizes
- Special featured items will have showcased floor space or a special sign.

Sub-leasing

Re-use Hawai'i will offer small portions of the facility to other environmentally based businesses and organizations. The presence of other entities will diversify the customer base, frequenting the facility, broaden Re-use Hawaii's objective of promoting environmental sustainability and provide reliable monthly income

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

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

A. Proposed Staffing, Staff Qualifications, Supervision and Training

Re-use Hawaii's current staff will play an important role in the development of the Retail Warehouse. Jordan Hart is the organization's Retail Manager and is experienced and trained in customer service and building material management.

The Distribution Center will be open to the public six day per week and staffed by two retail staff and one shift leader, which will require six staff members to fulfill service capacity requirements.

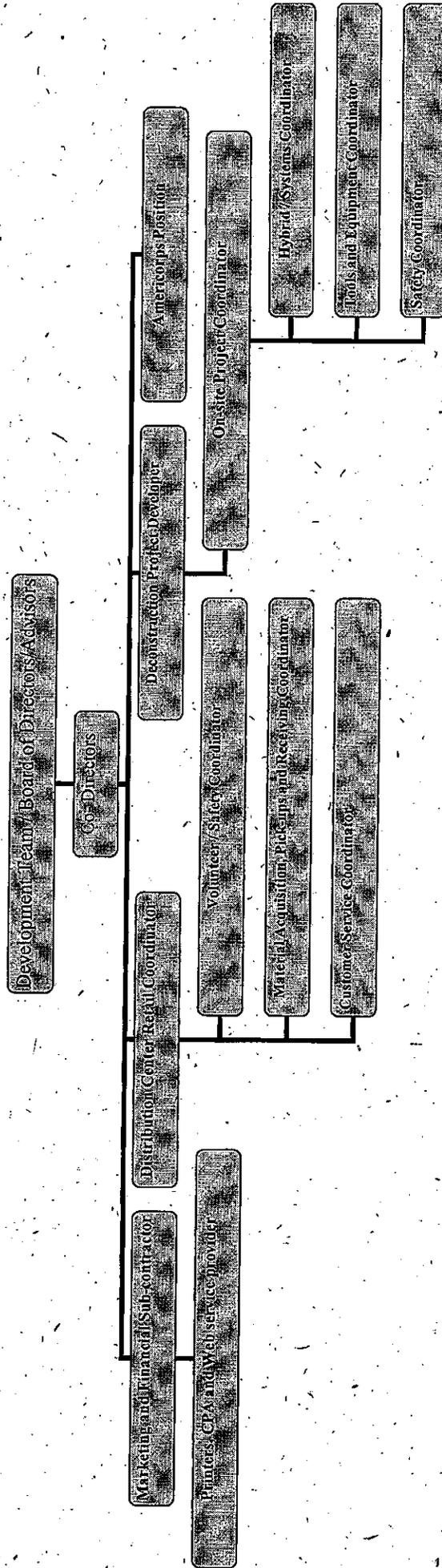
Re-use Hawai'i will have a volunteer program for the Retail Warehouse. The volunteer program will partner with individuals, local non-profits, local colleges, government, senior services and other organizations by providing meaningful and educational volunteer positions.

Re-use Hawai'i Timeline Progression

Home | Gantt | Tasks | Resources

Name	Start	End	Milestone	Progress	Assign To	Edit Notes...
Marketing						
Marketing Materials Printed/Posted	6/2/08	8/15/09		0		
Bi-weekly email Outreach to Decon and retail markets	8/1/08	8/15/09		0		
Phone Book / Yellow Pages Listings	7/1/08	6/30/09		0		
T-shirt production and sales	6/2/08	6/3/08		0		
A-board signage, banner acquired and front sign	10/1/08	12/12/08		0		
Brochure Boxes in place	9/1/08	9/6/08		0		
Architect/agent/firm education and outreach	9/2/08	10/21/08		0		
Quarterly Newsletter	8/1/08	2/28/09		0		
Project Specific Press releases submitted and followed up	10/1/08	10/2/08		0		
BIA membership obtained	9/1/08	11/27/08		0		
BMRA membership obtained	6/2/08	6/17/08		0		
Re-use Hawai'i hosted Event- mission celebration	6/2/08	6/3/08		0		
10/15/08	10/23/08		0			
Fundraising and Finances	1/1/08	4/1/09		0		
Private Donor Outreach begins and continues	1/1/08	4/1/09		0		
Business/bank donor outreach begins and continues	3/3/08	2/10/09		0		
Corporate Sponsorship outreach	4/1/08	7/25/08		0		
Vehicle donation outreach	4/17/08	8/2/08		0		
Retail Warehouse Fundraising Goals Achieved	10/1/08	10/2/08		0		
Warehouse office systems in place	9/22/08	9/23/08		0		
Grant Research, outreach and application	1/1/08	1/1/09		0		
Facility	9/3/07	10/30/08		0		
Warehouse search	2/1/08	8/1/08		0		
Warehouse acquisition	9/1/08	9/23/08		0		
Racking installation and improvements	9/1/08	10/30/08		0		
Forklift purchase	9/3/07	9/15/07		0		
Box Truck acquired	9/3/08	9/15/08		0		
Personnel	1/29/08	1/1/09		0		
Distribution Center staff hiring phase 1	8/1/08	9/3/08		0		
Distribution Center Staff hiring phase 2	11/3/08	1/1/09		0		
Staff training	8/1/08	8/15/08		0		
Volunteer recruitment	10/1/08	12/1/08		0		
Staff evaluation	1/29/08	1/30/08		0		
Legal	8/29/08	10/2/08		0		
Facility insurance coverage obtained	8/29/08	8/30/08		0		
Sub-lease legal agreements developed	10/1/08	10/2/08		0		
Organizational development / Evaluation	6/2/08	7/28/09		0		
Feasibility Study / Need assessment Island #2	7/1/09	7/28/09		0		
Organizational Evaluation 1 (step back)	2/2/09	2/27/09		0		
Business Plan Quarterly Review and Edit	6/2/08	6/28/08		0		

Re-use Hawai'i Personnel Chart



BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2008 to June 30, 2009)

Applicant: **Re-use Hawai'i**

BUDGET CATEGORIES- Retail Warehouse	Total Annual Expense	Total State Funds Requested (a)	Foundations (b)	Sponsors (c)	Sales (d)
A. PERSONNEL COST					
1. Salaries	154,176				
2. Payroll Taxes, Assessments work comp	46,253				
3. Fringe Benefits	15,418				
TOTAL PERSONNEL COST	215,846	43,169	64,754		107,923
B. OTHER EXPENSES					
ADVERTISING/MARKETING	3,600				3,600
INSURANCE	3,600				3,600
PHONE	4,080				4,080
POSTAGE & DELIVERY	1,134				1,134
PRINTING & REPRODUCTION	1,100				1,100
PROFESSIONAL FEES	3,600			3,600	
RENT and improvements	261,600	65,400	65,400		130,800
SUPPLIES	3,500		3,500		
TAXES	9,370				9,370
UTILITIES	4,368				4,368
VEHICLE EXPENSES	768				768
14					
15					
16					
17					
18					
19					
550,417					
TOTAL OTHER CURRENT EXPENSES	296,720	65,400	68,900	3,600	158,820
C. EQUIPMENT PURCHASES	14,350			14,350	
D. MOTOR VEHICLE PURCHASES	15,000		15,000		
E., CAPITAL / CONTINGENCY	8,500				8,500
TOTAL (A+B+C+D+E)	550,417	108,569	148,654	17,950	275,243
SOURCES OF FUNDING			Budget Prepared By:		
(a) Total State Funds Requested			Name (Please type or print)		
(b) Private Foundations			Phone		
(c) Corporate sponsors / Individuals			Quinn Vittum 285-0269		
(d) Operational Revenues			Signature of Authorized Official Date		
			[Redacted Signature] Jan. 1 2008		
TOTAL REVENUE			Name and Title (Please type or print)		
\$ 550,416.67			Quinn Vittum, Co-director		

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Re-use Hawaii

Period: July 1, 2008 to June 30, 2009

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Toyota 6 series Forklift	1.00	\$12,000.00	\$ 12,000.00	12000
Sales computer- Mac mini	2	\$500.00	\$ 1,000.00	1000
Warehouse tools (average cost \$68)	20	\$68.00	\$ 1,360.00	1360
		\$		
		\$		
TOTAL:	23		\$ 14,360.00	14,360

JUSTIFICATION/COMMENTS:
Based on retail cost

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
16 foot Isuzu Flatbed truck	1.00	\$15,000.00	\$ 15,000.00	
		\$		
		\$		
		\$		
		\$		
TOTAL:	1		\$ 15,000.00	

JUSTIFICATION/COMMENTS:
Derived from used market research.

**DECLARATION STATEMENT
APPLICANTS FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

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

- (1) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
- (2) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and assuring the proper expenditure of the grant or subsidy.

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

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

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

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

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

Re-use Hawaii

(Typed Name of Individual or Organization)

[Redacted Signature]

(Signature)

1/28/08

(Date)

Quinn Vittum

(Typed Name)

Co-Director

(Title)