

Finding New Ways Forward

2021 ANNUAL REPORT



HAWAII COMMUNITY
FOUNDATION



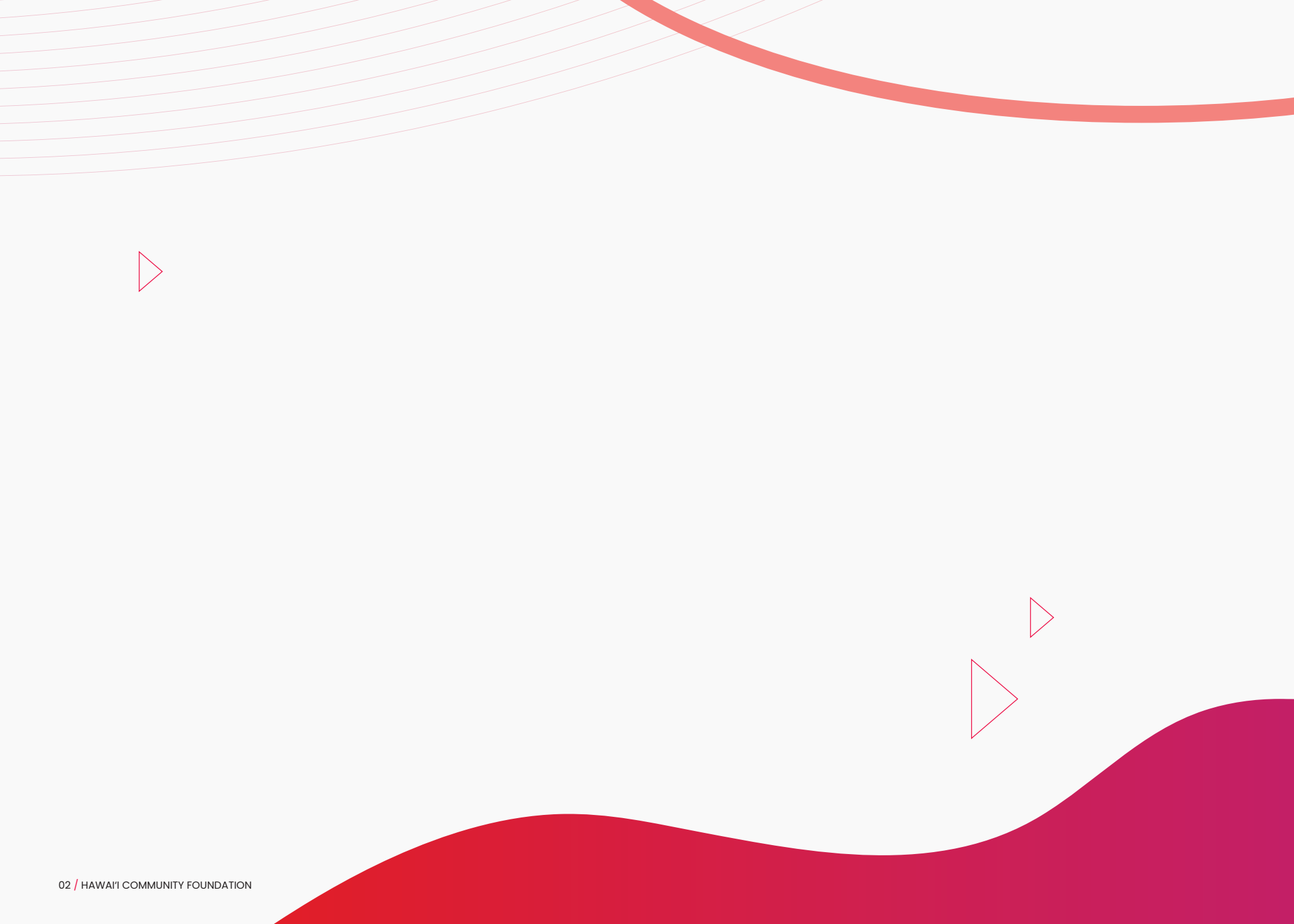


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Annual Letter

► Welcome,

2021 was a year full of surprises and challenges. It was easy to hope, as 2020 came to an end, that the next year would be a chapter of recovery and healing for Hawai'i, a return to some kind of normalcy. Some things did get better over time but, as we now know, the pandemic kept going strong, month after month, and relief efforts that had begun as short term, emergency solutions turned into long-term programs with no end in sight. At this point, COVID-19 has had enduring effects on the economy, on the wellbeing of our Island communities, permanently changing the ways in which we work in these communities.

In 2021, there were uncomfortable spaces we needed to step into for the benefit of our community. It meant evolving, and finding new ways to serve and support. We've learned and grown in ways that are going to carry forward into 2022 and beyond.

It was a big year, just from a sheer numbers perspective. In 2021, HCF distributed nearly \$100 million in grants to the community from funds at HCF and on behalf of private foundation and other clients.

These are exciting, record figures that reflect the growth we've seen in recent years. But they're not how we judge our success at Hawai'i Community Foundation. Ultimately our mission is not about money, it's about impact. Our value lies in doing everything we can to make a meaningful difference in the lives of as many people as possible, and finding new ways to reform the systems driving inequities across the state.

To that end, in 2021 we continued to roll out the CHANGE Framework, using sustainable data sets to identify and address six essential sectors, or areas, that affect the overall well-being of these islands and people.

More and more of our partners are adopting this framework as a way to focus and organize their own efforts, and HCF used the framework as the basis for the CHANGE Grants program, distributing \$7 million in unrestricted grants using the practices of trust-based philanthropy.

Our House Maui Initiative, in partnership with Hawaiian Community Assets and Maui County, set an ambitious goal of helping more than 1,000 people in the first year of the initiative—and more than met it, with 1,153 people enrolling in the Financial Opportunity Center in 2021.

In 2021, HCF worked with local nonprofits Council for Native Hawaiian Advancement and Catholic Charities Hawai'i to build capacity to distribute federal CARES Act funding to O'ahu families in need of emergency housing relief. The effort was so successful, the U.S. Treasury reported that Honolulu City and County was first in the nation in the amount of rental and utility assistance funds disbursed to a city's residents.

We also made important strides in 2021 to improve early childhood behavioral health in Hawai'i through the Promising Minds Initiative, broadened our impact in specific communities throughout the state with our Strong Funds, and helped support the work being done to protect and grow Hawai'i's fresh water resources with the Fresh Water Initiative.

HCF even took steps in 2021 toward new responsibilities in land management, thanks to 2,400 acres of Kohala land and assets in the process of being generously gifted to HCF from the New Moon Foundation and the Kohala Institute.

2021 was a challenging, transformative year, and in this annual report, we have much to share about the ways in which the Hawai'i Community Foundation collaborated with partners to find new ways to make a difference throughout Hawai'i. Please join us in celebrating the successes and acknowledging the work that remains to be done. The only way we can accomplish our goal of a better, more equitable Hawai'i is to do this work together.



A photograph of two men standing side-by-side. The man on the left is bald and wearing a red short-sleeved button-down shirt with white floral and leaf patterns. The man on the right has dark hair and is wearing a blue short-sleeved button-down shirt with a dark blue floral pattern. Both are smiling and have their hands in their pockets. The background is white with a large magenta semi-circle on the left and some faint red curved lines in the top right corner.

Micah Kāne
CEO & President
Hawai'i Community Foundation

Peter Ho
Chair of Board of Governors
Hawai'i Community Foundation

Meet Our Board of Governors



CHAIR
Peter Ho
Chairman, President & CEO
Bank of Hawai'i



VICE CHAIR
Michael Broderick
Principal, Broderick
Dispute Resolution

Everyone Counts

► Every member of the HCF 'ohana brings diverse expertise and a shared commitment to our vision of creating a better Hawai'i.



VICE CHAIR
Tamar Chotzen Goodfellow
Philanthropist &
Community Volunteer



TREASURER
Alan H. Arizumi
Vice Chairman
First Hawaiian Bank



SECRETARY
Jennifer Sabas
Director, The Daniel K.
Inouye Institute Fund



Mark Agne
Managing Partner
Head of Equity Capital Markets
Softbank Investment Advisors



Jeff Arce
Senior Advisor
The MacNaughton Group



Deborah K. Berger
Co-Founder
The Learning Coalition



Mary G. F. Bitterman
President
The Bernard Osher Foundation



Kaleialoha K. Cadinha-Pua'a
President & CEO
Cadinha & Co., LLC



Roberta F. Chu

Philanthropist &
Community Volunteer



John C. Dean

Chairman Emeritus
Central Pacific Bank



Robert S. Harrison

Chairman & CEO
First Hawaiian Bank



Michael P. Irish

CEO
Halm's Enterprise, Inc.



Paul Kosasa

CEO & President
ABC Stores



Jon B. Kutler

Chairman & CEO
Admiralty Partners, Inc.



Elliot K. Mills

Vice President Hotel Operations
DLR (Disneyland Resort)
& Aulani, a Disney Resort & Spa



Catherine Ngo

Executive Vice Chair
Central Pacific Bank



Judy B. Pietsch

Owner
Judy B. Pietsch Consulting



Katherine G. Richardson

Community Volunteer



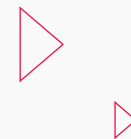
Juliette K. Sheehan

Board Member, Atherton Family
Foundation, James & Abigail
Campbell Family Foundation



Toby Taniguchi

President & COO
KTA Super Stores



Meet Our Staff and Neighbor Island Leadership Teams



Micah Kāne
Chief Executive Officer
& President



Todd Apo
Vice President of Community
Partnerships & Public Affairs



Kawena Beaupre
Senior Vice President
& General Counsel



Wally Chin
Senior Vice President &
Chief Administrative Officer



Michelle Ka'uhane
Senior Vice President &
Chief Impact Officer



Larissa Kick
Vice President of Community
Grants & Initiatives



Jamee Kunichika
Vice President



Sheila Sarhangi
Vice President of Strategic
Communications



Lynn Shimono
Vice President
of Finance



Darcie Yukimura
Vice President
of Philanthropy

Our Staff


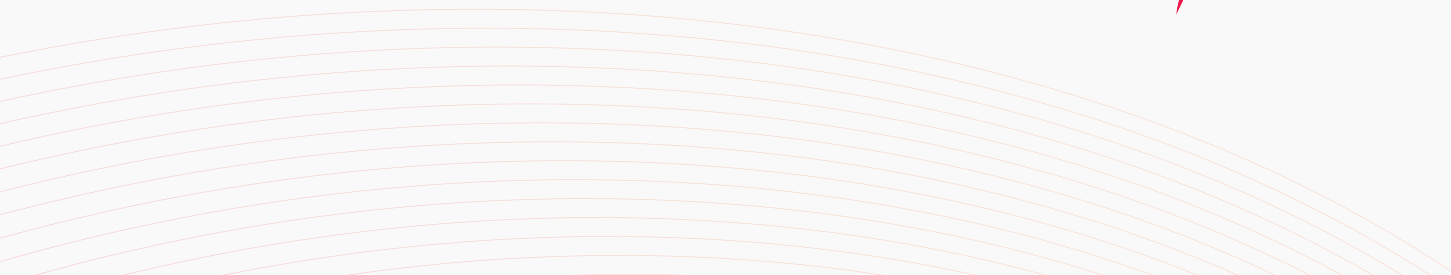
HCF staff members bring their valued, diverse experience and expertise and a shared commitment to creating a better Hawai'i to collaborate with one another and the many community partners in helping Hawai'i's people and place thrive. See our entire staff and their photos, by department, at hawaiicommunityfoundation.org/about_us/our-team

Neighbor Island Leadership Councils

Leadership Council members provide HCF with vital, in-depth knowledge of their own community's strengths. The dedication and insight of these volunteers help guide HCF to make a difference. See our list of council members, by island, at hawaiicommunityfoundation.org/about-us/hcf-neighbor-island-leadership-council



Stories of 2021

- This year, Hawai'i Community Foundation and our partners found new ways to make a difference in communities all through the Islands. In the following pages, you'll find stories highlighting the power of working together, collaboratively, to build equity.
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Achieving Equity by Extending Trust

- ▶ A new approach to philanthropy is helping build more equitable relationships between community foundations and nonprofits.

It's long been a nonprofit truism that you can't make the world a better place without paperwork, paperwork and more paperwork. Applying for grants is a necessary part of any organization's existence and success, and yet stringent reporting requirements often make the traditional application process intimidating and time-consuming. But what if getting funded could be ... easier? More accessible?

In recent years, this has become a goal that more community foundations are trying to achieve, using an innovative approach to grantmaking called trust-based philanthropy. This philosophy of giving aims to advance equity and rebalance the relationships between community foundations and nonprofits, by following six grantmaking practices.



1. Give multi-year, unrestricted funding, to give nonprofits the flexibility and freedom to carry out their mission in the best way.
2. Research potential grantees, rather than requiring the nonprofits to do the heavy lifting.
3. Simplify and streamline paperwork to reduce the time and labor burden on nonprofits.
4. Be transparent and responsive, in order to build relationships based in trust and mutual accountability.
5. Solicit and act on feedback to improve your overall strategy and approach.
6. Offer support beyond the funding check, to help build leadership skills, capacity and organizational growth.

The benefits of trust-based philanthropy are numerous: It builds equity, opening up funding opportunities to nonprofits that may never have qualified through a more traditional application process; it builds relationships that are more two-way and cooperative, compared with the old traditional grantmaker/grantee model.

"We know that there are organizations out there that are making a deep and wonderful impact in our community, but they may not have a grant writer on staff," says Larissa Kick, HCF vice president of community grants and initiatives (CGI).

"What is another way to really understand and get to these kinds of nonprofits and fund them and support them, instead of doing our usual grant process?" –LARISSA KICK

In 2021, HCF created the CHANGE Grants program, with \$5 million in funding from philanthropist MacKenzie Scott, plus another \$2 million from 665 donors statewide, with the goal of rewiring the systems driving inequity across the Islands.

It became the perfect opportunity to enact some of the best practices of trust-based philanthropy, recognizing and engaging with the innate power of nonprofit organizations to make a change.

To begin with, HCF's CGI team created a simple online application that contained only four questions, and didn't require any additional paperwork. "Normally, we require applicants to submit a budget, financial statements, all of this paperwork for us to evaluate," Kick says. "The goal with this new application was to have it take 15 minutes, maybe half an hour, to apply."

Sure enough, the applications poured in, hundreds of them. The HCF team then set up 45-minute Zoom calls with each eligible applicant to learn more about each nonprofit—that's 456 meetings in total. "There's only so much you can pick up from a formal application form," Kick says. "If you just talk story with someone, you can get more nuance and color of what they're trying to accomplish, and you can feel the passion these nonprofits have for their community and their cause."

The interviews also included space for the applicants to ask the HCF team questions, which led to constructive feedback and useful new information for team members.

Pursuing a trust-based philanthropic approach has already been paying off. In total, 194 grants were awarded, across all sectors of the CHANGE Framework, supporting a broad cohort of nonprofits both large and small. HCF has also gathered feedback from the CHANGE Grants program to evolve and improve the work around the CHANGE Framework and hopes to continue to incorporate principles of trust based philanthropy in our grant programs, moving forward.

"We are a funder, of course, but there's so much more we can be doing, providing connections, building coalitions," Kick says. "There are so many people and organizations that want to do good in Hawai'i, and the easier we can make it for them to do their job and be successful, it just connects directly to our mission here at HCF."

Finding New Ways to Make a Difference with Social Impact Investing

- ▶ In communities that often don't have access to traditional financing, community development financial institutions can be the catalyst for real change.

When families come to Hawai'i Community Lending (HCL), it's often because they've already looked into traditional ways of financing a home and have been declined. For example, they may not qualify for a mortgage because their credit rating is too low; or they may not have the cash saved up for a down payment or closing costs.

That's where HCL comes in.

"We can take their high-interest credit cards and derogatory debt and consolidate it," says Jeff Gilbreath, HCL's executive director.

"The average drop in debt-to-income ratio for clients who receive our debt consolidation loans is 7 percent. That's 7 percent of their income that can now go toward mortgage qualification."

HCL is what's known as a community development financial institution, or CDFI. CDFIs are mission-driven financial institutions that provide financial services to underserved communities and people who may not be able to qualify at traditional banks or credit unions. HCL provides financial education and affordable loans to Hawai'i residents shut out of mainstream financial institutions.

This kind of lending creates much-needed opportunities for building wealth and financial stability, leading to long-term success and growth. CDFI lending is important, transformative work, which is why the Hawai'i Community Foundation created the Social Impact Investment Fund in 2020 as a three-year pilot project to drive positive social impact and a financial return through strategically invested capital.



With an initial investment of \$5 million, the Fund is focused on providing revolving, affordable debt capital to CDFIs that are either based or operating in Hawai'i.

"Some of these CDFIs have been working in Hawai'i for years, but they've been undercapitalized, so they have a lot of room to grow," says Chris van Bergeijk, formerly HCF's senior vice president and chief impact officer, who helped to start the program.

The program marks HCF's first foray into social impact investing after more than a century as a grantmaking institution.

Why venture into lending now? The Fund's investments support, sustain, and scale philanthropic causes that provide a sustainable, long-term benefit to the community, making it a good complement to the traditional grantmaking approach.



Habitat for Humanity Maui



Hawai'i 'Ulu Cooperative

“There’s a recycling of philanthropic dollars, because eventually the funds are returned so they can be used again.” –CHRIS VAN BERGEIJK

Loans made so far to the CDFIs have been in the \$500,000 to \$1 million range, amounts significantly larger than typically awarded through grants.

Van Bergeijk says it made sense to partner with CDFIs because these organizations already have processes in place to evaluate borrowers, manage risk, and ensure loans are going where they will do the most good.

Importantly, HCF looked for CDFIs that already have a pipeline of borrowers waiting for funds, van Bergeijk says. “We wanted to be confident we were not going to lend to an organization and then have the dollars sit there,” she said.

The Fund was launched with \$1 million in seed capital from HCF, and bolstered with large donations from Bank of Hawai'i and philanthropist MacKenzie Scott, as well as contributions from individual HCF donors.

In addition to Hawai'i Community Lending, current HCF investees include Hawai'i Habitat for Humanity Association, a CDFI that facilitates mortgages to help struggling families access homeownership; HHOC Mortgage, a CDFI focused on homeownership for low- and moderate-income borrowers and first-time homebuyers in Hawai'i; Feed the Hunger Fund, a CDFI that provides financing for community-oriented enterprises that contribute to building sustainable food systems; Rural Community Assistance Corporation, a CDFI that offers financing for affordable housing development, environmental infrastructure, community facilities and small businesses in rural locations; and the Council for Native Hawaiian Advancement, a Native CDFI that provides access to capital, counseling, and financial education to Hawai'i-based small businesses, nonprofit organizations, and low- and moderate-income families. HCF is even investing in Hawai'i 'Ulu Cooperative, a farmer-owned agricultural co-op.

HCF is now considering a permanent, expanded Fund. “So far, repayment has been solid and on track,” van Bergeijk says. “And the money’s not sitting around—the organizations are deploying the funds out in the community. That feels really good.”

To learn more about the Social Impact Investment Fund, visit hawaiicommunityfoundation.org/social-impact-investing-fund

Growing Strong Together on Hawai'i Island

► Aligning HCF's CHANGE Framework with Oak Foundation's mission has created a partnership that can leverage lasting, positive change.

Bro-Dee K. is the first in his 'ohana to attend college. Part of the 2020-2021 cohort in the Ēlama Project Scholarship Program, supported by Oak Foundation and designed to help students in West Hawai'i Island succeed, he plans to get an associate degree in electrical installation and maintenance, land a good job and help support his 'ohana.

But the pandemic meant a shift to online learning, and it's hard to join a Zoom class if you don't own a computer or have access to reliable Internet service. The Hawai'i Community Foundation (HCF) in partnership with Hawai'i Community College noticed this digital divide happening for Bro-Dee and other students like him, brought it to the attention of Oak Foundation, and created a plan for action.

In 2021, Oak Foundation generously gifted \$100,000 to help its scholarship students who'd been affected by pandemic-related learning challenges, by purchasing 80 tablets and laptops, leasing 40 Wi-Fi hotspots, and providing peer IT support.

This agile and timely response highlights the true benefits of partnerships between HCF and donors like Oak Foundation. Oak Foundation is a family-led, global philanthropic organization—in 2021, it made 440 program and special initiative grants to 412 organizations in 41 countries.

And HCF, as a community foundation with more than a century's experience in the Islands, has been able to work with Oak Foundation to assure its donations have the maximum impact in Hawai'i's communities, fulfilling Oak's philanthropic goals.

In May of 2018, Oak Foundation awarded HCF a four-year, \$5-million grant for direct programs and grants.



Ēlama Project Scholarship Program director Dana 'Āina (left) and student Bro-Dee K. at University of Hawai'i, Hawai'i Community College – Pāāamanui



Oak Foundation funds are supporting a range of Hawai'i Island nonprofit programs, including 'Ahā Pūnana Leo (left and right) and HOPE Services Hawai'i modular homes (center)

Photos courtesy of 'Ahā Pūnana Leo and HOPE Services Hawai'i

Goals included narrowing achievement and opportunity gaps between education and careers among students from disadvantaged backgrounds in Hawai'i; addressing the threat of climate change; moving low-income families and individuals into stable housing; and strengthening networks among those community leaders who are working to find solutions for critical issues.

For example, a total of \$600,000 went to Hope Services Hawai'i, a nonprofit working on unique solutions for modular, movable housing in rural Pāhoa, especially for low-income seniors. Another grantee, 'Ahā Pūnana Leo, explored issues of dyslexia within the context of Hawaiian language learning, in partnership with the University of Hawai'i at Hilo's School of Hawaiian Language and the 'Ahā Pūnana Leo preschool on Hawai'i Island.

Oak Foundation has since given an additional \$1 million to the Hawai'i Island Strong Fund to help grassroots group Vibrant Hawai'i, creating community-based resilience hubs that not only respond to crises, but also help prepare for future disasters and build infrastructure.

Another \$1,250,000 in funding over three years is going toward the statewide Marine 30x30 Initiative, aiming for effective management of 30 percent of Hawai'i's nearshore marine ecosystem by 2030. By working with HCF, Oak Foundation's contributions for direct programs and grants were matched by \$8.8 million from HCF and other donor partners, through programs such as HCF's Stronger Together Hawai'i Scholarship.

HCF brings together community and government leaders, 50-plus community partners across the state, and other funders to build upon each other's strengths and resources, and help donors like Oak Foundation make a bigger impact. After all, says Robbie Ann Kane, HCF program director, "It's key to know who to call, and HCF knows who's doing great work in the community."

To learn more about HCF's Strong Funds, visit hawaiicommunityfoundation.org/hawaii-strong

Working Together Makes All the Difference

- ▶ **For two O‘ahu nonprofits, ramping up their operation to distribute millions of dollars of emergency housing relief took teamwork.**

On the surface, it sounds like the best problem in the world: The City and County of Honolulu is offering to contract with your nonprofit to distribute hundreds of millions of federal emergency relief funds to Hawai‘i families who need help staying in their homes. But for local organizations that have never taken on a project anywhere close to this kind of scale, it’s not quite so simple.

“Everybody wants to join a party. Nobody wants to start one,” says Robert Van Tassell, CEO and president of Catholic Charities Hawai‘i (CCH). In order to handle the huge ramp-up in capacity that would be required, almost overnight, his organization would have to hire additional staff, set up new software systems, find a larger office location and pre-pay rents and salaries. All while fulfilling its normal range of services to the public. And in the middle of a pandemic. It was a formidable challenge.

When COVID-19 hit Hawai‘i’s shores in early 2020, Island nonprofits like CCH and the Council for Native Hawaiian Advancement (CNHA) very quickly had their hands full, working to meet the huge array of needs sparked by the pandemic. In particular demand was emergency rental assistance for families whose income had disappeared as the local economy nosedived.

The Hawai‘i Community Foundation helped facilitate some of these early relief efforts, awarding Hawai‘i Resilience Fund grant money to CCH and CNHA to get the wheels turning.

Then, as Federal CARES Act funding started becoming available, the City and County of Honolulu put out a call for nonprofit organizations to distribute this funding.

Because their emergency relief efforts were so similar, CCH and CNHA decided in early 2021 to join forces to bid for the CARES Act contract. “We came together for this one,” says Kūhiō Lewis, CEO of CNHA. “We hadn’t worked together much prior to this, but this program was extremely complex, and approaching it together allowed us to be innovative, to learn from each other, to feed off each other’s strengths.”

Michelle Ka‘uhane, HCF’s Senior VP and chief impact officer, helped broker the contract talks. “Not only did HCF advocate for us with the City and County, they also put up resources to help build our capacity,” Lewis says.

After extensive negotiations and planning sessions, CCH and CNHA landed the CARES Act contract, and quickly scaled up operations to be able to extend emergency housing relief to as many Hawai‘i residents as possible. To date, the two nonprofits have distributed more than \$153 million in relief funds. Not only that, but the U.S. Treasury reported that the City and County of Honolulu was first in the nation in the amount of rental and utility assistance funds disbursed to a city’s residents, a real testament to the City and County’s timely work and willingness to work collaboratively with nonprofit partners.

Ka‘uhane says, “The thing that sticks out to me is how effective partnerships between nonprofits can be. In a time of need, in the face of adversity, they held it together, and they delivered for the communities they exist to serve. For HCF to be a part of something like that, it really speaks to the core of what we do.”

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For HCF to be a part of something like that, it really speaks to the core of what we do.” –MICHELLE KA’UHANE



Improving Healthcare Access for COFA Residents

- ▶ Health insurance can be complicated. The Fund for Health Equity aims to bridge the coverage gap in Hawai'i communities.

In Hilo, local nonprofit Kumukahi Health + Wellness puts on regular Celebrate Micronesia Health Fair events as a way to reach out and support the Micronesian community there. One booth at the events helps to guide people through the Med-QUEST enrollment process in order to get health insurance coverage at no cost, but members of the COFA community often seemed reluctant to participate.

That is, until Rachelle Hanohano, Kumukahi's director of kokua services, used an HCF Fund for Health Equity grant to hire a Chuukese speaker to translate at these events. Hanohano says she noticed an immediate difference. Attendance was up at an event in January, where Kumukahi also distributed bags of food. "They stayed around and asked questions; they didn't just take the groceries and leave," Hanohano says.

Navigating the U.S. health care system can often be confusing, time consuming, and frustrating—and that's at the best of times. Having to find treatment with all the added hurdles that come with being a recent arrival to the states, such as language barriers, economic challenges, and discrimination, can make it virtually impossible.

Citizens of Micronesia, the Marshall Islands, and Palau are legally entitled to medical care in the United States, thanks to the Compact of Free Association (COFA).



Yet many COFA-eligible people living in Hawai'i have not signed up for coverage, leaving them without access to the health care they need and deserve. Now 11 organizations supported by Hawai'i Community Foundation are working with these communities to build lasting connections and equity.

HCF established the Fund for Health Equity in 2021 to distribute \$1.2 million in grants over two years, with contributions from the NME Fund, the Taketa 'Ohana Fund, the Stupski Foundation, the Kosasa Family Fund, and the Omidyar Network.

Part of that funding has gone to grassroots organizations within Hawai'i's COFA community to support outreach and education. Other grants have gone to larger nonprofits to hire COFA staff and native language speakers to better reach this community.

"There are language and translation challenges, there's cultural nuance," says Chris van Bergeijk, HCF's former senior vice president and chief impact officer.

"People are more likely to trust someone who comes from their community and speaks the same language they do." –CHRIS VAN BERGEIJK

In addition to funding, HCF is also helping COFA-related organizations to build capacity and better coordinate with one another. "It's so important that they share information and resources, and support each other," she says.

COFA gives citizens of the three member countries the right to live and work in the U.S., and to receive healthcare benefits and social services. It was established in response to U.S. nuclear testing in the South Pacific, which left many islanders with devastating long-term health problems.

Due to frequent rule changes and bureaucratic inconsistencies, adult members of the COFA community have not always been able to access those benefits. These issues were resolved in 2020, when federal legislation clarified the rights of COFA citizens, but the number of COFA residents who actually signed up remained troublingly small.

The enrollment process for Med-QUEST, Hawai'i's comprehensive Medicaid coverage plan, can be extremely complicated. Many COFA residents don't know how to navigate the system or what paperwork to bring. Language barriers and lack of transportation to appointments add to the challenge.

Outreach efforts like that of Kumukahi Health + Wellness on Hawai'i Island can make all the difference.

"We love supporting programs that are informed and guided by local leaders," said HCF board of governor member Deborah K. Berger. "These navigators will help communities access services with culturally-specific and sensitive outreach efforts, which help to build stronger, healthier communities."

To support the Fund for Health Equity, visit hawaiicommunityfoundation.org/fund-for-health-equity

How One Local Company is Adopting CHANGE

- ▶ Hawai'i Life's philanthropic efforts are built into the fabric of its company culture, and working within the CHANGE Framework has helped focus their efforts even further.

For Matt Beall, chief executive officer and principal broker of Hawai'i Life, philanthropy isn't a feel-good decision to be made once in a while—it's part of who he is as a person. "You don't see trash on the beach and decide to pick it up just because you made a sale or had a good day at work. You pick up trash because it's the right thing to do. It's the same with giving—we should do it by nature," says Beall.

Hawai'i Life, a real estate and brokerage company with offices across the state, has been working with Hawai'i Community Foundation (HCF) to incorporate philanthropy into its corporate culture for the past eight years. Through the Hawai'i Life Charitable Fund (HLCF), the company's agents and brokers can donate a portion of their commissions from escrow to charity. Beall says the fund even gets surprise donations from clients in a generous mood when closing on a house.

Last year, Beall aligned his company's grantmaking efforts with HCF's CHANGE Framework—a comprehensive and carefully curated set of statewide data that identifies gaps in the community where help is most needed.

"I was impressed by the data-driven approach and the way in which HCF tackles multi-dimensional problems," Beall says.

"As our working relationship with HCF has grown, we've really seen what they're capable of and where they add so much value to their donors whose funds they administer," he says.



Matt Beall, CEO and principal broker of Hawai'i Life



Adopting CHANGE allowed Beall and his team to better focus their giving efforts in 2021. Hawai'i Life's brokers and agents have always been passionate about the natural environment and land conservation, making it a recurring theme each year.

In 2021, using the CHANGE Framework, they made \$10,000 grants to Hui o Kuapā, Trees for Honolulu's Future, Yes Education, Mālama Nā 'Apapa, Kilauea Point Natural History Association, Hui Aloha Kīholo, Recycle Hawai'i, Haleakalā Conservancy, Maui Nui Makai Network and Sustainable Moloka'i.

Beall says he appreciates having a clear means of execution and a timeframe to reach his charitable goals.

"HCF thinks long term, looking at what needs to happen over a scope of time. They're not just ... showing up to put a fire out, but thinking about when you plant the seeds to get the forest back."

Darcie Yukimura, vice president of philanthropy at HCF, says the

way that Hawai'i Life's charitable team has made philanthropy a part of their business model offers a great example for other local business interested in giving back to their community. "We believe that we will see a more equitable future when we come together around our shared values, common data and take collective action," she says. "Hawai'i Life exemplifies the power of a kākou effort."

"I was impressed by the data-driven approach and the way in which HCF tackles multi-dimensional problems." —MATT BEALL



The Road to Recovery in Puna

- For the Puna community affected by the recent Kīlauea eruptions, some of the most meaningful recovery efforts have come from grassroots organizing.

Amid all the losses and challenges that stemmed from the 2018 Kīlauea eruption, including the destruction of more than 700 homes, food scarcity, road closures, and evacuations, Puna residents may have been surprised to see new life emerging from the chaos—in the form of fruit trees and vegetables.

This thriving flora was part of a range of food security initiatives launched by local nonprofit Mālama o Puna, including the development of urban gardens, a seed exchange, and community fruit orchard, made possible by Puna Strong, a grants program utilizing innovative grassroots techniques to provide solutions for Hawai'i Island communities hit hard by the destructive lava flow.

The program was created through a partnership between the County of Hawai'i and the Hawai'i Community Foundation (HCF), with the goal of assisting local organizations with disaster readiness and community resilience, two key strategies identified in the County's Kīlauea Recovery and Resilience Plan.

Through \$250,000 from the County's recovery funds, as well as \$130,000 from HCF's Hawai'i Island Volcano Recovery Fund, Hawai'i Island Strong Fund, and Anderson-Beck Fund, HCF was able to award funds to 26 grantees working towards a broad spectrum of goals in Puna that include providing mental health services, distributing food to local residents, and providing tutoring for houseless children.

The key to Puna Strong's success: Using trust-based philanthropy, a grantmaking approach that builds relationships with nonprofits based on mutual learning, creates open dialogue with grantees, and streamlines the application process, to ensure that funding is distributed in a way that addresses the real needs of the community.

“Instead of experts coming in from outside, it's more about asking community members what they need, and figuring out how we can help them make that happen.” -DIANE CHADWICK

Puna Strong funds also went toward capacity building, which helps make nonprofits and other grassroots organizations better able to assist and protect their community in the long-term. For example, Puna Strong grantees were invited to self-identify what resilience looks like for them. Their responses and priorities were often unique compared to nonprofits in other areas; methodologies even varied from different organizations within Puna Strong.

For Eileen O'Hara of Mālama o Puna, which is committed to ecosystem preservation and community education on Hawai'i Island, Puna Strong represented an opportunity to launch its food security initiatives.

O'Hara hosted permaculture demonstrations for local families and equipped households with raised metal gardening beds to farm their own fruits and vegetables. Mālama o Puna provided not only seeds and tools, but knowledge on how to protect gardens against invasive species, such as little fire ants and rat lungworm.





*Puna Strong grantees gather in Pāhoa
Photos courtesy of grantees*

At the Hawaiian Shores subdivision of Pāhoa, Mālama O Puna and 25 volunteers dug up a small portion of an unused 3.5 acre park and planted 51 fruit trees, complete with an irrigation system, over the course of two weeks. “We also planted around 50 pineapples. That wasn’t part of the process, but we did it anyway,” says O’Hara.



Grassroots Church volunteers gather in Puna

“We’re trying to work with people that have like-intent,” O’Hara says. “It’s capacity building for this entire community, whether that means planting trees, putting in roads, water systems, slaughterhouses; whatever it takes to make Puna more sustainable.”

To learn more about the Puna Strong Fund, visit hawaiicommunityfoundation.org/strengthening/island-by-island/puna-strong

“Studies all over the world have shown that marine protected areas create benefits that spillover into surrounding areas.” –PRESLEY WANN



Protecting Hawai'i's Near-Shore Waters through Partnerships

- ▶ **The Marine 30x30 Initiative has a big goal, and an innovative way to reach it that involves both private and public stakeholders.**

As president of Hui Maka'āinana o Makana, a nonprofit dedicated to the stewardship and protection of Hā'ena State Park on Kaua'i's north shore, Presley Wann and his fellow community members have dedicated more than 20 years to maintaining the area. However, when Wann saw the peaceful Hā'ena of his youth eventually fill up with close to 3,000 visitors a day, he knew the park was hitting its limits. "Hā'ena was getting loved to death," Wann says.

After a decade of urging from the Hā'ena community, Governor David Ige in 2015 designated Hā'ena State Park as the first Community-Based Subsistence Fishing Area in Hawai'i, which allowed the local community and the state to manage the area together. This designation has since had a positive impact in terms of helping to restore native life to Hā'ena and reducing the park's overall footprint.

Hā'ena's positive results became an early milestone of success for a larger conservation project: Marine 30x30, a sustainability initiative launched in 2016 aimed at effectively managing 30 percent of Hawai'i's nearshore waters by 2030. For Marine 30x30, communities themselves have a say in how they want to manage their resources.

Local stakeholders, those who live in the area and who understand traditional Hawaiian farming and fishing techniques, are being brought in to the planning conversation and asked what sustainability practices they would propose for the area they know best.

"The 30x30 Initiative will be accomplished through relationships between communities, NGOs [non-governmental organizations], and the government. Collaboration is the key," says Suzanne Case, chair of the Hawai'i Department of Land and Natural Resources (DLNR).

With the help of a wide range of knowledgeable participants that includes marine scientists, Hawaiian cultural practitioners, sustainability experts, and environmental attorneys, the Marine 30x30 Initiative is pursuing objectives that range from reviving traditional Hawaiian land and ocean stewardship practices, to increasing public funding for long-term protection of Hawai'i's nearshore waters, and operating as a transparent program to ensure coordination and accountability between conservation partners.

In 2021, the Hawai'i Community Foundation helped unlock the promise of Marine 30x30's private/public partnership by using a pooled field-of-interest fund to support the efforts of several conservation nonprofits with the help of donors. One important project has been establishing a framework for monitoring data, so that it will be possible to define conservation baselines and benchmarks.

HCF is also planning to support a cohort of communities on Maui and Lāna'i with funding and training to better manage their marine resources in collaboration with the state DAR.

"Studies all over the world have shown that marine protected areas create benefits that spillover into surrounding areas," says Wann.

"We're already seeing that at Hā'ena, with an increase of fish and marine life spreading up and down the Nā Pali Coast. I can't express enough the importance of involving the community and incorporating indigenous knowledge to direct the science on how to best protect Hawai'i waters."

To learn more about the Marine 30x30 initiative, visit hawaiicommunityfoundation.org/strengthening/marine-30x30

Bringing Affordable Housing to Maui Residents

- In one of the least affordable housing markets in the nation, the House Maui Initiative is working to bring home ownership within the reach of Island families.

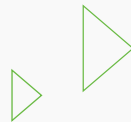
For Maui resident Franklin Bromberg, home ownership had always seemed out of reach. Not only is the local housing market one of the highest priced and most competitive in the nation, Franklin was overwhelmed by the logistics of saving up a down payment, qualifying for a mortgage and making an offer on a home.


Even though he has a successful career with Mahi Pono, a farming company working to transform former Maui sugar cane land into diversified agriculture, it sometimes felt as though he'd be renting forever.

But after he put his name on the list for the affordable housing development Hale Kaiola, he was contacted by Hawaiian Community Assets, a nonprofit financial counseling agency that aims to help Hawai'i families achieve home ownership through Financial Opportunity Centers (FOCs).

"They reached out to me, assigned me a counselor who I met with regularly," Bromberg says. "They provided free home-buying courses, went through the whole process of what I need to do, what I need to for the down payment. It was a really great process."

Shel'le, Samson, and their daughter live in Wailuku. The couple is working with the Financial Opportunity Center to support their readiness to purchase a home on Maui.





In Hawai'i, FOCs, which provide financial coaching to moderate-income families to find ways to reduce their housing cost burden, have become crucial resources to help families and individuals like Bromberg navigate the exceptional challenges of Hawai'i's housing market. The Island of Maui is where these challenges are most acute and complex.

Complex problems require multi-part solutions. Working in public-private partnership with Maui County and HCF's new House Maui Initiative, which brings together the island's diverse stakeholders with the goal of creating a truly sustainable housing market on Maui (both for potential buyers and renters), Hawaiian Community Assets was able to open and staff a dedicated Maui office in December 2020. They set an ambitious goal of helping more than 1,000 in their first year—and they more than met it, with 1,153 people enrolling in the FOC in 2021.

How do these programs make a difference? House Maui Initiative director Keoni Kuoha says that, while many tools and opportunities exist for potential buyers of affordable housing, accessing some of them can be a real hurdle: "It's really, really complicated," he says.

Kuoha says FOCs offer clients "someone who knows the affordable housing ecosystem to hold your hand and say, 'Hey, I know what your situation is. These are the products that are going to work for you, so let's work on applications for them.'"

In doing so, they create more of what the system calls "qualified buyers." "If there aren't enough qualified applicants, those houses turn to market rate and go at market prices," says Kuoha.

In 2021, of 332 Maui County units that were designated as workforce (affordable) housing, just 117, or 35 percent, found qualified buyers who were able to navigate the affordable housing qualification system. House Maui's intention is to increase that number to 100 percent.

"The vision," says Kuoha, "is that our communities can be maintained intact. Because attrition happens little by little, sometimes we miss the big picture that our communities are being fractured. Grandparents and grandchildren have an ocean separating them."

Educating potential home buyers and renters is just one part of the puzzle, of course. The House Maui Initiative has three main pillars: Aligning federal, state, and county resources to create regional infrastructure for affordable housing, Educating and Empowering Maui residents, and Organizing and Engaging with nonprofits, government, and the private sector to advocate for regulatory and public policy changes.

Bromberg hasn't yet moved into a home of his own yet. But he did become a winner in the phase one lottery for a residential workforce housing unit in the Upcountry Maui development, Hoku'ula, which is still in construction. While he waits for this house to be ready, he's continuing to up his down payment and bolster his finances with the help of HCA.

"I've made this big leap toward buying a home," Bromberg says. "Hawaiian Community Assets guided me through every step. It was so helpful."

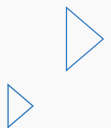
To learn more about the House Maui Initiative, visit housemaui.com



Left: Bradley A. Chun and Rachel Wong
Right: James "Jimmy" Nishida and Kimberlin Blackburn
Bottom: The Arashiro family

Mahalo to our Donors

► In 2021, the challenges facing Hawai'i's communities were greater than ever before. Fortunately, so was the will to pitch in and help—donors from across the Islands and the nation made contributions large and small that collectively made a real difference. To everyone in this community who made this positive impact on our community in 2021, we humbly thank you.





SEE MING YIM's first contact with HCF was as a recipient of a post-secondary scholarship that allowed him to pursue a successful career as an engineer at a local firm. Wanting to give back to help others in need of educational assistance, See Ming has donated regularly to HCF's **STRONGER TOGETHER HAWAII SCHOLARSHIP FUND**, which steps out of the box of traditional scholarships, allowing students to explore a wide range of continuing education options and offering funding for traditional and non-traditional needs. His goal is to eventually set up a scholarship endowment of his own, to keep helping Hawai'i students achieve their dreams.

For **RACHAEL WONG**, who received a kidney transplant 20 years ago, reaching her 50th birthday was a real milestone. To celebrate and commemorate her health and life, her husband **BRAD CHUN** established the **RACHAEL WONG MELIAN FUND FOR WOMEN AND FAMILIES** with an initial **\$50,000** donation. Family and friends were asked to donate \$50 for her 50th birthday, as a way to amplify Rachael's collaborations with individuals and organizations within Hawai'i to better the lives of women and families across the state.

The **COLT BRENNAN LEGACY FUND** was established by the **BRENNAN FAMILY** to honor the memory of their son and brother, Colt Brennan, one of the University of Hawai'i's most celebrated football players. The fund supports causes that Colt was passionate about—UH Athletics and youth sports, as well as organizations that advocate and provide resources toward making a difference in the lives of individuals struggling with mental health and addiction issues. The fund has already inspired many others in the community to donate and raise funds to carry on Colt's legacy.

SHERI GUSUKUMA, daughter of **SEIJU AND AYAKO IFUKU**, founders of Rainbow Drive Inn, worked with HCF to convert her parents' private family foundation into the **IFUKU FAMILY FOUNDATION** at HCF, an endowed donor advised fund to support schools and grassroots nonprofit organizations.

Sheri made an endowment of **\$1.8 MILLION** to create this fund, which will initially generate about **\$72,000** per year to benefit the larger community—a great legacy for the founders of an iconic local plate lunch restaurant.

During his life, **ROBERT NISHIMOTO** was an avid supporter and volunteer of the Honpa Hongwanji Hilo Betsuin, among other local nonprofits. When he passed, his friend **CHRIS MATSUNO** wanted to make sure Robert's passions and legacy would carry on, and established four funds in his name with an initial donation of \$40,000: the **ROBERT NISHIMOTO SCHOLARSHIP MEMORIAL FUND**, the **ROBERT NISHIMOTO JŌDO SHINSHŪ BUDDHISM MEMORIAL FUND**, the **ROBERT NISHIMOTO HOSPICE MEMORIAL FUND**, and the **ROBERT NISHIMOTO FOOD SECURITY MEMORIAL FUND**.

The Kūki'o community, on the west side of Hawai'i Island, through the **KŪKI'O COMMUNITY FUND**, raised **\$1 MILLION** in its most recent campaign, distributing **\$85,000** in scholarships for non-college bound students of the Ēlama 13th year program at Pāalamanui, **\$300,000** toward the advancement of educational programming in the areas of science, technology, engineering, and math through Career Connected Learning, **\$400,918** to support 30 youth-serving organizations providing specific projects or programs, including newer or innovative projects, through Community Grants, and **\$92,000** in independent and higher education scholarships for employees and their dependents.

Wanting to support Maui County students going into the healthcare field, particularly nursing, as a way to build capacity for quality health care in the Islands, **ROGER MACARTHUR** created the **ROGER AND HELEN MACARTHUR SCHOLARSHIP FUND** as well as a donor advised fund. The scholarship is open to students from Maui County, who have enrolled or will enroll at an accredited, two- or four-year, not-for-profit institution within the U.S. to pursue a degree in nursing and have demonstrated good leadership skills and academic achievement. The current awardee is from Moloka'i and has been receiving the scholarship for three years while pursuing her nursing degree.

Financials

- ▶ In 2021, HCF managed approximately \$1 billion in assets and distributed \$100 million in grants to the community from funds at HCF, contracts, and private foundations.

\$32,393,120

INITIATIVES AND
PROGRAMS

\$7,134,981

SCHOLARSHIPS

\$6,883,751

DONOR
DESIGNATED
GRANTS

\$13,052,675

CONTRACT AND
PRIVATE FOUNDATION
CLIENTS

\$41,118,812

DONOR ADVISED
GRANTS



Our Collective Impact through the CHANGE Framework

- ▶ HCF represents the vision and desire of a community where everyone has the issues and finding solutions that can only happen by working together. The **CHANGE** Framework helps us do that. In 2021, \$85,416,727 in grants were awarded from HCF.
- 



► Here's how those funds are making positive change in our community:

Community & Economy – \$21,245,640

- Supporting pathways to resilient, sustainable communities
- Building capacity for disaster relief and recovery
- Housing houseless individuals and youth and helping them meet their basic needs
- Helping local families achieve their financial goals
- Investing in Hawai'i-based nonprofits and social ventures with a social or environmental return
- Providing emergency assistance for rent and utility payments

Health & Wellness – \$26,300,158

- Spreading awareness against tobacco consumption
- Connecting those in need with healthy, local food
- Offering childcare and afterschool programs to essential workers
- Providing mental health support for our youngest keiki
- Reducing barriers to care and food for kūpuna
- Preventing child abuse and neglect
- Increasing access to healthcare providers, especially for rural and vulnerable communities
- Delivering fresh produce and food to vulnerable people

Arts & Culture – \$5,541,901

- Expanding arts education to children in school
- Supporting the perpetuation of Hawaiian tradition and culture
- Increasing educators' skills through the integration of fine arts
- Providing opportunities for local artists to engage with the public

Natural Environment – \$11,694,391

- Coordinated outreach and capacity building to ensure clean, fresh water is in our future
- Conserving our most precious and unique natural resources
- Expanding conservation education
- Supporting nonprofits working to restore our oceans
- Protecting watershed areas and forests

Government & Civics – \$5,878,623

- Increasing civic engagement
- Improving access to financial services

Education – \$14,756,014

- Expanding literacy to provide more employment opportunities for people
- Reducing the technology gap for students during remote school
- Strengthening our public library as a valuable community resource
- Supporting public school students as they pursue their higher education goals
- Engaging youth with valuable programs, like science, technology, engineering and math (STEM)
- Providing professional development to strengthen our workforce

To learn more about the CHANGE Framework
visit hawaiicommunityfoundation.org/change

What's on the Horizon for Hawai'i Community Foundation in 2022 and Beyond?

▸ 'Iole

In early 2022, we were proud to announce 'Iole, a nonprofit place-based research center and living scientific laboratory in Kohala on Hawai'i Island, that will bring together academic experts, Native Hawaiian practitioners, community members, students and government leaders to develop sustainability solutions rooted in ancestral knowledge and indigenous practices.

Leveraging expertise and resources from partners at the University of Hawai'i (UH) and Arizona State University (ASU), 'Iole will work to become a global resilience hub, prioritizing its initial programming around three focus areas: energy security, food security and place-based learning.

'Iole is the result of approximately 2,400 acres of land and assets in the process of being generously gifted to HCF from the New Moon Foundation and the Kohala Institute.

The nonprofit will restore and cultivate the 'Iole ahupua'a, while developing solutions-based models that can be scaled and replicated in other parts of the world. Solutions emerging from 'Iole will be deeply connected and rooted to the richness and resilience of the historic community of Kohala.

'Iole has engaged additional local organizations, including Kamehameha Schools and Hawaiian Electric Industries, which are directly aligned with 'Iole's focus areas. Their interest and involvement will further direct and enhance the global value of the solutions developed at 'Iole.

To learn more, visit hawaiicommunityfoundation.org/strengthening/iole

▸ The Renovation and Reopening of the C. Brewer & Co. Building

In 2021, HCF embarked on an ambitious renovation of our headquarters in the historic C. Brewer & Co. Building at 827 Fort Street Mall. Our goal was to preserve the building's recognizable style and unique historic features, while creating a vibrant gathering place where our community members, nonprofits, donors, and many others can meet and share ideas in an environment that fosters collaboration.

Transforming our two-story building into a space that serves as a community resource in the core business district will help align the work we're doing with partners across the state today—and into the future.

Now that we've reopened our doors, we're excited to welcome you into our new space.

Visit hawaiicommunityfoundation.org/our-place-of-work to learn more and watch videos of the renovated space, including a virtual tour of the building, and interviews with some of the artists who created installations for the entryway and atrium.



Join Us!

► Interested in working with us? Whether you'd like to learn more about opening up a fund, are a Hawai'i nonprofit looking for additional support in order to make a difference, or just want to explore some of the many different initiatives and funds that HCF supports—we'd love to share more information with you!

hawaiicommunityfoundation.org

► You can also find us on social media:



Hawai'i Community Foundation

O'ahu

827 Fort Street Mall
Honolulu, HI 96813
(808) 537-6333

Kaua'i

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Līhu'e, HI 96766
(808) 245-4585

Maui

444 Hāna Hwy Suite 201
Kahului, HI 96732
(808) 242-6184



E LAUHOE MAI NA WA'A; I KE KĀ, I KA HOE; I KA HOE, I KE Ā; PAE AKU I KA 'ĀINA

"Everybody paddle the canoes together; bail and paddle, paddle and bail, and the shore will be reached."
If everybody pitches in, the work is quickly done.

ŌLELO NO'EAU / HAWAIIAN PROVERBS & POETICAL SAYINGS / MARY KAWENA PUKUI



HAWAI'I COMMUNITY
FOUNDATION

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