

House District 2

Senate District 1

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

Log No: 35-C

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: Hawaii Island Community Development Corporation

Dbas:

Street Address: 100 Pauahi Street #204, Hilo, HI 96720

Mailing Address: Same

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name KEITH KATO

Title Executive Director

Phone # 808-969-1158x105

Fax # 808-935-6916

e-mail keith.hicdc@gmail.com

3. TYPE OF BUSINESS ENTITY:

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

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

HILO ADULT DAY CENTER FACILITY

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

7. AMOUNT OF STATE FUNDS REQUESTED:

FY 2012-2013: \$ 7.0 MILLION _____

8. 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 \$ 0.00

FEDERAL \$ 0.00

COUNTY \$ 0.00

PRIVATE/OTHER \$ 0.00

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

AUTHORIZED SIGNATURE

KEITH KATO - EXECUTIVE DIRECTOR
NAME & TITLE

JANUARY 31, 2012
DATE SIGNED

HAWAII ISLAND COMMUNITY DEVELOPMENT CORPORATION

100 PAUHI STREET, SUITE 204 • HILO, HAWAII 96720

January 30, 2012

The Honorable Marcus R. Oshiro, Chair
and Members of the House
Committee on Finance
Hawaii State Capitol
Honolulu, Hawaii 96813

The Honorable David Y. Ige, Chair
and Members of the Senate
Committee on Ways and Means
Hawaii State Capitol
Honolulu, Hawaii 96813

The Hawaii Island Community Development Corporation and the Hawaii Island Adult Care, Inc. are pleased to submit this Grants-in-Aid application for your consideration. We understand the State of Hawaii's tight financial position but urge you to support this request due to the urgency of the matter.

Right now the Hilo Adult Care Center is in danger of being displaced should another major earthquake damage the Old Memorial Hospital that currently houses their operation. The adult day center currently services 60-80 clients on a daily basis, approximately 40% of whom would be forced into care homes if this type of service were not available.

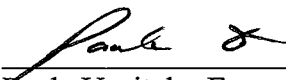
There are no other alternatives. The current facility is beyond repair, in fact, the county has inserted a one month termination clause into the building lease due to the tenuous condition of the structure.

Funding for the project will, of necessity, come from multiple sources. We have sought money from the county's Community Development Block Grant Program and have contacted various private sources. While these remain possibilities, none of them has the capacity to fully fund the project.

We request that the legislature give this project consideration. If you have any questions please contact Keith Kato at ph. 969-1158x105 or Paula Uusitalo at ph.961-4737.



Keith Kato, Executive Director
Hawaii Island Community Development
Corporation



Paula Uusitalo, Executive Director
Hawaii Island Adult Care, Inc.

AN EQUAL HOUSING OPPORTUNITY
-EQUAL OPPORTUNITY EMPLOYER-

ADMINISTRATION: (808) 969-1158
FAX (808) 935-6916

Application for Grants and Subsidies

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

I. 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. Include the following:

1. A brief description of the applicant's background;

The Hawaii Island Community Development Corporation (HICDC) is a 501(c)(3) non-profit corporation whose goals are to secure affordable housing for primarily low income seniors and families of the island of Hawaii. Toward this end, beginning in 1991, HICDC has developed six (6) senior rental apartment projects totaling 188 units, and 254 self help homes on the island of Hawaii.

The self help homes have been constructed in several communities around the island, typically involving young families just starting out in life. The savings from their own sweat equity and the favorable USDA Rural Development mortgages makes this virtually the only way for low income families to get into homeownership. Currently HICDC has two projects under construction, one in Kapa'au, Kohala and one in Puna's Hawaiian Paradise Park.

The low income senior rentals are located in Kailua-Kona, Ainakea, Waimea and Hilo. All of these units are affordable for very low income seniors by virtue of the rental assistance that we have been able to secure. Attached is a listing of projects that HICDC has completed and those that are under construction or in development.

The goals and objectives related to the request:

HICDC's objective is to construct a replacement facility for the Hawaii Island Adult Care's Hilo Adult Day Center so that it move out of its current structure, which is in very poor condition, into a modern secure facility that can serve the elder community for decades to come.

With help from the Hawaii County Office of Aging, the Hilo Adult Day Center originally opened at the Kaumana Baptist Church. As the program grew and proved its significance for the aging kupuna community, the county provided the center an entire floor of the Old Memorial Hospital built in 1924. This building has been damaged by successive earthquakes and now has been declared uninsurable, along with one half of

one wing already condemned. As of 2010, the county has amended its lease to be an annual lease with a one-month termination. This uncertain tenure is a major concern as there are no other facilities available should the structure be permanently damaged. The loss of this site will mean that the day care service for 60-80 senior citizens daily will not be available and families will have to make some serious decisions including possible placement into long term care facilities.

Aside to providing a dignified, quality life and the ability to remain living at home for our kupuna who worked hard all their lives and built our communities, the cost comparison of receiving care in adult day care versus long term care institutionalization is significant. On the average, anyone entering a long term care facility becomes a Medicaid patient within three months, and the average stay is three years. For every 10 participants who would definitely be in an institution except for Hilo Adult Day Center, the center saves the state over ¾ million dollars in Medicaid monies each year. This is comparing full time adult day care attendance at \$1,000 per month per person, versus the long term care Medicaid payment of \$7,445/ per month, per person.

The addition of the Hilo Adult Day Center to the Mohouli senior housing complex being developed, will complement the senior housing site in future years by allowing the seniors living there to age in place for as long as possible with the availability of the day care program. An estimated 150 senior housing units are planned for this complex.

HICDC is ready to construct the 60 unit first phase of the Mohouli senior housing project beginning March, 2012. All funding has been secured and plans are currently in the final stages of Building Permit review. This first increment will use 6.3 acres of a 15.9 acre site that HICDC leases from the County of Hawaii at \$10 per year.

2. State the public purpose and need to be served:

a) The first public purpose of Hilo Adult Day Center is to provide the opportunity for aging elders and challenged adults to remain living in their own homes for as long as possible. Providing a quality, socially active day care center program, makes the participants want to attend every day and have something to look forward to, enjoying their days, thus helping them to remain living in their own homes and not declining in health or with depression.

b) The secondary public purpose is to provide dignity and independence to the end of our elders' days and deter premature institutionalization into long term care facilities. Providing a quality program again gives dignity and independence as they continue to live at home without declining and ending up in a long term care institution where dignity is lessened and there is no independence. This purpose also alleviates the high cost to taxpayers for long term care institutionalization (in the state of Hawaii, almost 90% of all long term care facility patients are paid for by Medicaid funds). Keeping elders living at home for as long as possible saves a great deal in tax dollars.

c) *Thirdly and no less important, is providing respite for their caregivers/family members, and also the opportunity for them to continue employment, to have a life aside to caregiving and also hopefully to deter "burnout". "Burnout" can lead to pre-mature institutionalization into long term care facilities and/or physical or mental abuse. Again, if their aging loved ones are enjoying their days attending day care, the caregivers are able to work and have some relaxation time away from caregiving.*

d) *The need is aging elders who can no longer stay at home alone on their own, many are attending Hilo Adult Day Center under doctor's orders, and the remainder because of the family concerns about their safety being at home alone all day. The family needs to work or needs a real break from care-giving. Only 14% of Hilo Adult Day Center's participants live alone, the remainder with family or spouses. The typical aged elder scenario is that they are at home alone, have a fall end up in the hospital, do not recover sufficiently well and end up being institutionalized permanently, due to safety concerns of the family.*

3. Describe the target population to be served:

The first target population is aged elders who are frail, mentally or physically challenged including those with Alzheimer's disease or dementia. These are aged elders who can no longer adequately take care of themselves at home in the daytime, most are under doctor's orders to attend the day center or the family worries about their safety at home alone all day.

The secondary target population is the caregivers who need to be able to continue their employment or receive much needed relief so as not to become so burned out as to put their loved ones into a long term care institution, or to mentally or physically abuse them. Most caregivers do not want to place them in an institution, the guilt is overriding, but the strain of taking care of them can be extremely difficult. They need to be able to continue their normal life as much as possible, to be able to continue their caregiving role in the evenings and weekends.

Of the current participants of the Hilo Adult Day Center, 74% are over 80 years old, mostly frail with some dementia. Of the younger group, most have Alzheimers/dementia or are stroke debilitated. Everyone who attends needs some type of care, and are accepted regardless of income, numerous grant funds assist over 50% of attendees who are low income and 25% are paid by Medicaid funds.

4. Describe the geographic coverage.

The geographic area for Hilo Adult Day Center is basically east Hawaii, from Honokaa to Ka'u, although participants have attended from as far as Waikoloa.

II. 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.

1. Describe the scope of work, tasks and responsibilities;

HICDC will develop the facility, HIAC will conduct the Hilo Adult Day Center daily activities. For HICDC the scope of work will include securing all land use and building permits, overseeing the design, bidding, construction and payment processes.

2. The applicant shall provide a projected annual timeline for accomplishing the results or outcomes of the service;

*2012 - Land Use Permits, Ch 343 compliance (currently in progress), securing funding, design and permitting, bidding and the start of construction
2013 - Completion of construction, furnishing and occupancy.*

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

The planning, design and permitting activities are currently underway. For these phases the evaluation process essentially is the approval process for the plans and permits. The tracking of these permits is on-going, however, most of the time is spent during the governmental review processes.

The construction progress and quality will be monitored by on-site presence of the owner's representative who is a professional that we have used on all of our senior housing projects. The daily presence of the representative provides immediate feedback to the contractor should quality issues arise so that they can be corrected without delaying progress on the overall project.

Monthly progress reports accompanying the contractor's payment requests will be the primary tracking system.

4. The applicant shall 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.

The targeted schedule for permitting has been established and includes Ch 343 Environmental Assessment amendment, a Use Permit from the Planning Commission, building and grading permits. The entire site has gone through the Ch 343 environmental review process, no environmental issues were noted. However, the proposed use did not include at that time the proposed day care facility. This additional use has required the amendment to the assessment which is now underway.

Maintaining the permitting schedule will be dependent on the governmental review and approval process.

For the construction period, specific points of completion will be established with the contractor and agency which follow the construction process. Grading, site infrastructure, vertical construction, finish grading, final site improvements and landscaping are the major milestones. Construction reporting is handled on a monthly basis in conjunction with the contractor's pay requests.

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2012-2013.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$200,000	\$500,000	\$3,000,000	\$3,300,000	\$7,000,000

3. The applicant shall provide a listing of all other sources of funding that they are trying to obtain for fiscal year 2012-2013.

<i>Community Dev Block Grant funds-Hawaii County</i>	<i>\$1,000,000</i>	<i>Applied Jan 2012</i>
<i>McInerny Foundation</i>	<i>\$ 250,000</i>	<i>Discussed w foundation</i>
<i>Atherton Foundation</i>	<i>\$ 75,000</i>	<i>Discussed w foundation</i>
<i>Harry and Jeanette Weinberg Foundation</i>	<i>\$1,000,000</i>	<i>Discussed w foundation</i>

We are researching other possible foundation sources & federal funding opportunities, including federal preventative health funding.

4. The applicant shall provide a listing of all state and federal tax credits that have 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.

None

IV. Experience and Capability

A. 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.

Building Skills and Experience: Over the past 20 years HICDC has developed more than 450 single family and apartment units on the island of Hawaii. We have worked successfully with funding from state, county and federal sources. As a recipient of federal funds HICDC is subject to annual A-133 financial and program audits. To date, no findings have been cited. All projects initiated with federal and/or state funding have been completed without requiring additional government funds.

In the last three years 29 self help homes and one 30-unit apartment complex have been completed as noted in the attached Affordable Housing History for HICDC. In addition to these two more self help housing projects (Kumakua 2A and Hawaiian Paradise Park 1) and the 60 unit Mohouli Heights Senior Neighborhood Phase 1 project have been initiated.

The self help homes are typically funded by USDA Rural Development while the Mohouli project has a mixed of HUD funds, state housing loans, and federal and state low income housing tax credits. HICDC has considerable experience in managing multiple funding sources as well as considerable development experience in bringing projects from conception to occupancy.

Operating Skills and Experience: HIAC's Hilo Adult Day Center opened its doors in January 1976 with 12 participants. It progressively developed a strong active program geared for mental stimulation and physical activity and currently has 106 participants enrolled, with a daily attendance of 60 to 75. Licensed by the state of Hawaii Department of Human Services, HIAC follows all requirements of Hawaii state, federal and county regulations. With numerous foundation support for low income elders, following their requirements and reporting are a basic part of operations, including detailed statistical recordkeeping.

On the participant level: Over the 36 years of adult day care experience, HIAC developed a comprehensive system for the evaluation of physical and emotional needs of its participants. Each of our participants has an individual care plan, progress is continuously monitored and reviewed and individual monthly progress reports are maintained by staff. Care plans are reviewed as needed or at least every six months, the staff nurse also works closely with the family in care plan assessments. Weekly meetings provide continuous information on participant activity levels and attitudes, feedback from staff keeps all staff fully informed of participants skills, mental attitudes and needs.

Through surveys, and continued attendance by participants, the program has verifiable proof of its successes over the years. Families comment on how their loved ones are ready to attend in the mornings and are satisfied in the evenings after an active day. Caregiver satisfaction runs close to 100% on surveys, with a lot of positive feedback. Fifty percent are able to continue their employment. Over the 36 years, HIAC has helped thousands of families through their caregiving role and provide dignity and quality of life for their loved ones.

Over the past 9 months enrollment has increased to over 100 for the first time in HIAC's history. With the boomers moving into the elder age group, the need for adult day care services will only increase in the years to come. The daily capacity of 70-75 has become more of the norm, the new building, slated for 80 per day, addresses the increase in need already noted at the Hilo Adult Day Center.

B. 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. Also describe how the facilities meet ADA requirements, as applicable.

The proposed facility's floor plan is attached. The plan basically has four (4) zones: an area for active clients, an area of clients that need quiet, a covered outdoor activity area, and a support area including offices, a kitchen and laundry facilities.

The two client areas are provided with a flexible open area surrounded by strategically placed toilet facilities. Additionally, shower and laundry facilities are planned so that the senior can be bathed before departing.

Convenient covered drop off and pick up areas are planned as are gardening areas.

The facility is designed to allow up to 80 clients which is just above the current daily average at the Old Memorial Hospital site. Plans for the new facility will be reviewed for ADA compliance by State of Hawaii Disability and Communications Advisory Board (DCAB) as well as a specialist design sub-consultant.

The floor plan is designed from the needs recognized at the Hilo Adult Day Center, what has worked, what is needed to make it a fully functional facility for the participants and staff, to work efficiently with safety as the overall concern.

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.

Building construction staffing: *The HICDC staffing for development projects is primarily confined to three individuals on staff plus additional consultants. The development projects are managed by the Executive Director who is responsible for the financing, design, permitting, and completion of the projects. The Business Manager handles all invoices, payments, loan draws, insurance, and maintains the project accounts. The Facilities Manager provides regular on-site inspections of the work in progress, noting any discrepancies between the contract requirements and the work performed.*

The Executive Director, Keith Kato, has overseen all six (6) of the senior complexes completed and the 60 unit Mohouli project that is about to get underway. Prior to joining HICDC in 1996 he worked as a Project Manager for a private real estate development company, and prior to that as a Planner for the County of Hawaii Planning Department of 16 years.

The Business Manager, Jan Makanani, has been with HICDC in that capacity since 1992 and has handled the financial aspects of developing all of senior housing complexes as well as the 273 self help homes completed.

The Facilities Manager, Earl Fujikawa, has been the owner's representative on all six of the senior housing complexes. In addition, Earl has performed similar functions for several resort residential condominium projects along the West Hawaii coast.

Outside assistance is provided by consultants that provide land planning, environmental review, architectural design, civil engineering, and legal services.

Operating Hilo Adult Day Center staffing: *Staff structure includes two Directors, Tracy Kapuni for the main floor of more akamai participants and Maile Young for the Golden Hearts wing which has mostly Alzheimer's disease and more severely physically*

challenged individuals. Maile is also the center's nurse. The two Program Assistants, Lee Wana and Melca Tellio, are in charge when the directors are not on the floor. All other staff are Activity Leaders. Annual trainings, monthly in-services, and numerous other trainings are required by staff for refresher training and continuous improvement.

Hilo Adult Day Center has had quality assurance and evaluation systems in place for over 12 years. Detail statistics are maintained on each participant, and annual surveys are conducted. Weekly meetings are held with staff for monitoring of participants and continuous improvement in program and participant care.

B. 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 organizational chart that illustrates the placement of this request.

The HICDC organizational chart is attached. The two major functions, self help housing and project development including senior housing, are noted. The description of the work and positions as they relate to development projects is noted in IV.A above.

The HIAC overall agency organizational chart is attached.

VI. Other

A. Litigation

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

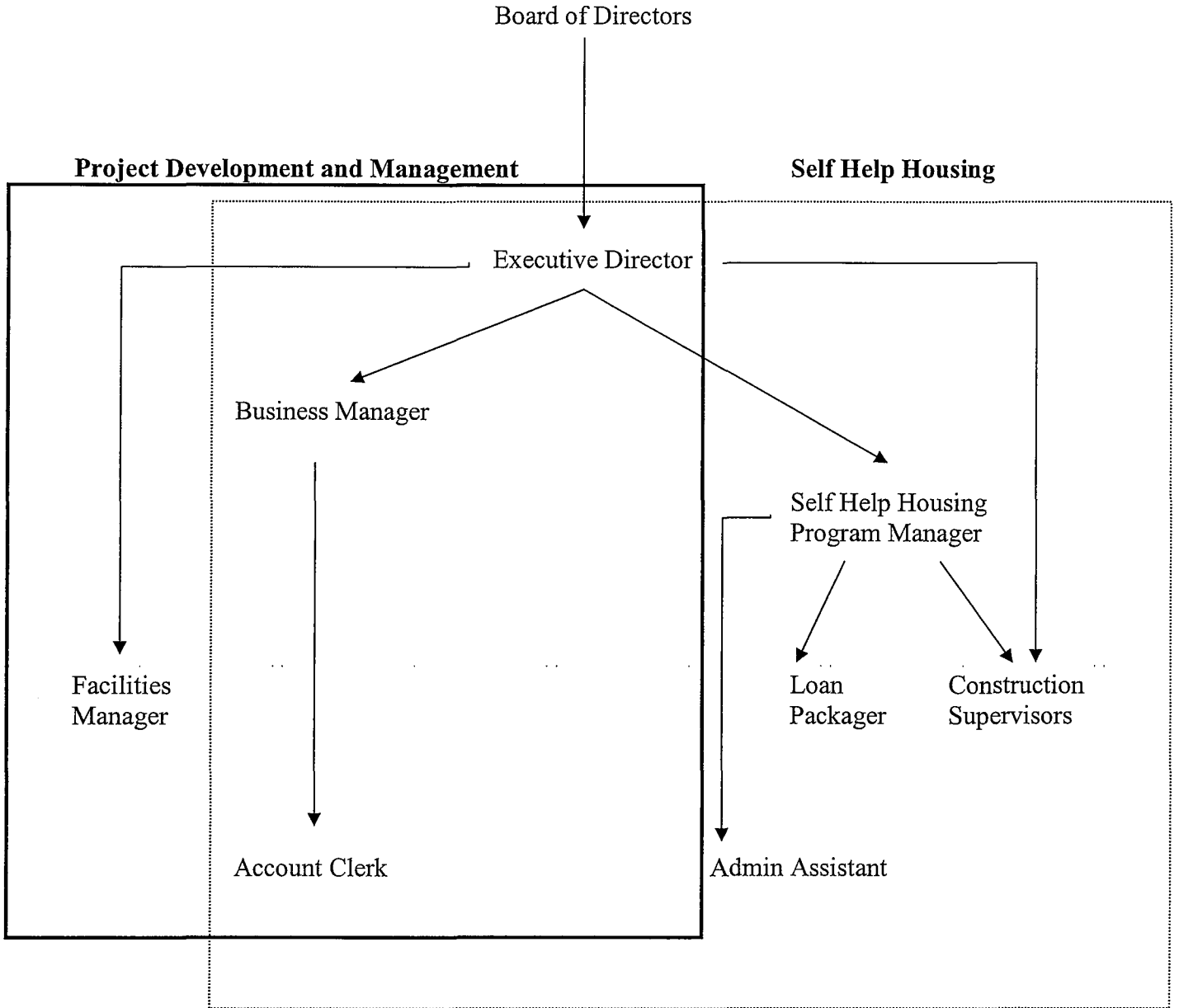
None

B. Licensure or Accreditation

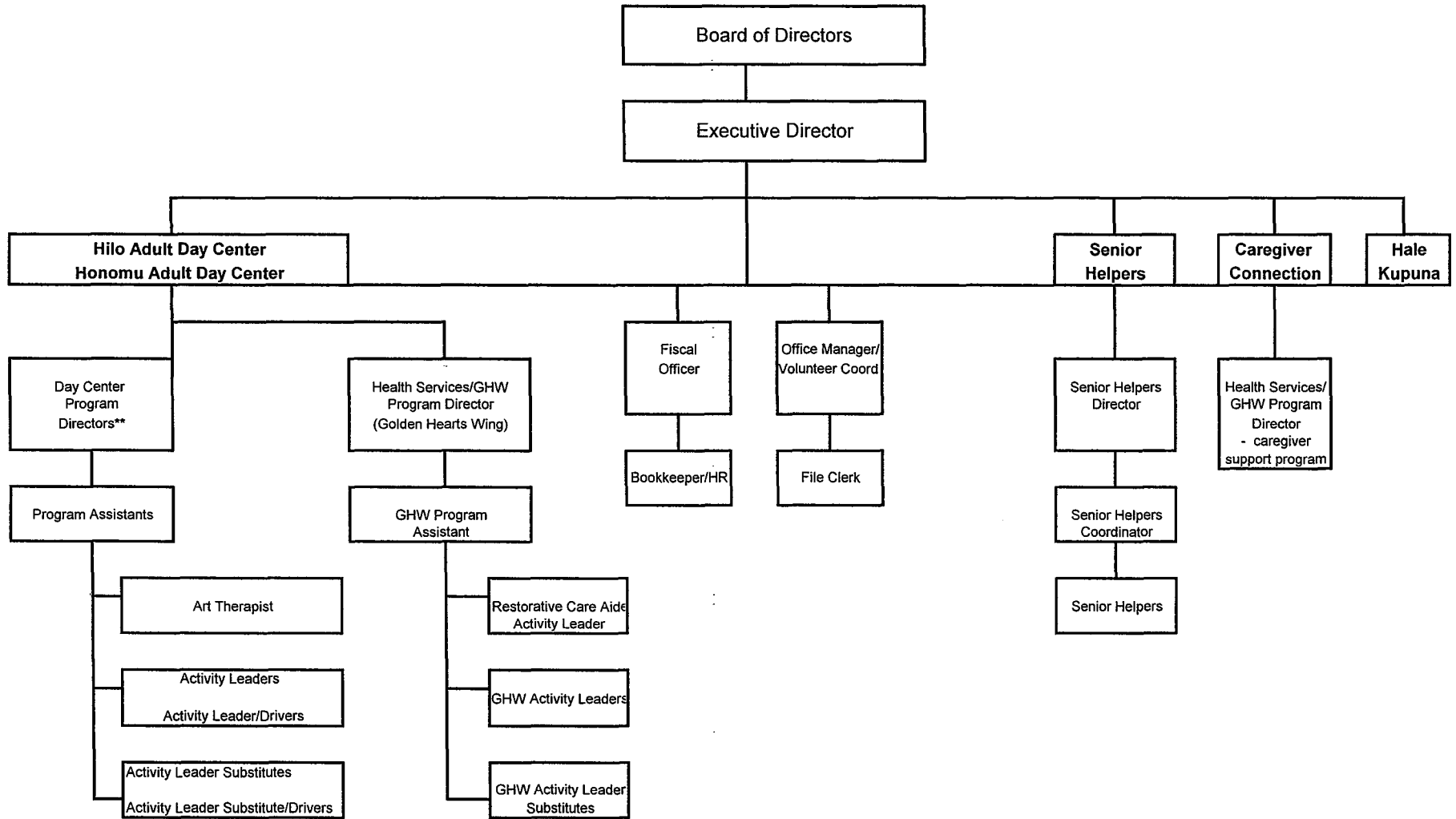
Specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

Hawaii Island Adult Care's Hilo Adult Day Center license attached.

**Hawaii Island Community Development Corporation
Organizational Chart**



HAWAII ISLAND ADULT CARE, INC.
Agency Organization-wide Chart - 2011



** Honumu Director is also Administrative Liaison

STATE OF HAWAII
SOCIAL SERVICES DIVISION
DEPARTMENT OF HUMAN SERVICES



Hawaii Island Adult Day Care Center
34 Rainbow Drive, Hilo, Hawaii 96720

is hereby granted a

Certificate of Approval

*to operate a day care center for elderly and disabled adults not to exceed 105
in number. This certificate is issued in accordance with Section 346-83, Hawaii Revised
Statutes, for the period beginning Jan. 1, 2012 and ending Dec. 31, 2012 ,
unless sooner revoked for cause.*

Patricia McManaman

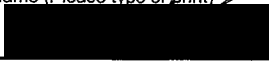
DIRECTOR

By


DIVISION ADMINISTRATOR

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2012 to June 30, 2013)

Applicant: **Hawaii Island Community Development Corporation**

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(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				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES	450,000			
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	6,550,000			
TOTAL (A+B+C+D+E)	7,000,000			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	7,000,000	Keith Kato	808-969-1158x105	
(b)		Name (Please type or print)	Phone	
(c)			January 27, 2012	
(d)		Signature of Authorized Official	Date	
TOTAL BUDGET	7,000,000	Keith Kato/Executive Director		
		Name and Title (Please type or print)		

BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: Hawaii Island Community Development Corporation__

Period: July 1, 2012 to June 30, 2013

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
				\$ -
				\$ -
				\$ -
NOT APPLICABLE				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Hawaii Island Community Development

Period: July 1, 2012 to June 30, 2013

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Tables, Chairs and Other Client Furnishing			\$ 52,700.00	
Commercial Kitchen			\$ 350,000.00	
Laundry Facilities			\$ 3,000.00	
Office Equipment			\$ 44,300.00	
			\$ -	
TOTAL:			\$ 450,000.00	
JUSTIFICATION/COMMENTS:				
See Attached				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

**Hawaii Island Community Development Corporation
Hilo Adult Day Center**

Equipment Needs

Chairs, Tables, Lockers, and Other Client Furnishing

For each client the licensing requirements are that they be provided with a chair with arms. These chairs need to be sturdy, durable, comfortable, easily cleaned, and sufficiently heavy to provide support for the seniors as they use them for support when sitting and rising. The commercial quality chairs cost from \$325 to \$400 each, while they are costly they are functional and durable and provide the best long term economy.

The licensing requirements also include having a lounge chair for every three (3) clients. Again, the durability and functionality aspects are important but come at a cost.

Tables are used throughout the day. Experience has shown that 8-foot long tables with formica surfaces are the most flexible and useful. They can be arranged in a variety of configurations that follow the needs of the activity flow.

Lockers, one for each client, are needed to keep their personal belongings, including a change of clothes.

Commercial Kitchen

Food preparation of the daily lunches must take place in a commercial kitchen. The equipment needs for such a kitchen are considerable including the stainless steel sinks, work surfaces, backsplashes, and duct work, stoves, refrigeration units, ovens, and mixers. Having a commercial kitchen will allow hot lunches to be served for the day care clients as well as possibly a meals on wheels program for the senior housing residents.

Other Equipment

Laundry equipment, bathing stools, and office equipment will also be required. The office equipment will include filing systems, desks, chairs, conference room tables and chairs. While some of the current equipment can be used in the new facility much of it is in need of replacement.

**BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS**

Applicant: Hawaii Island Community Development

Period: July 1, 2012 to June 30, 2013

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: 2010-2011	FY: 2011-2012	FY:2012-2013	FY:2012-2013	FY:2013-2014	FY:2014-2015
PLANS			50,000			
LAND ACQUISITION			35,000			
DESIGN			300,000			
CONSTRUCTION			6,165,000	1,875,000		
EQUIPMENT			450,000	450,000		
TOTAL:			7,000,000	2,325,000		
JUSTIFICATION/COMMENTS:						
See attached						

**Hawaii Island Community Development Corporation
Hilo Adult Day Center**

Budget Justification

Plans

The master planning for the site, including the adult day center, has been completed. Additional funding is needed for revision to the Environmental Assessment and processing of the Use Permit to be obtained from the County of Hawaii Planning Commission.

Meetings with the surrounding community were held in January 2012. No issues relating to the adult day center arose, the concerns expressed related to the planned senior housing complex that it adjacent to some of the residences. These issues included the fencing material that would separate the housing complex from the adjacent residents, inconvenience, noise and dust during construction, parking lot lighting, and possible access through the adjacent subdivision.

As the adult day center would be located a considerable distance from any residences and would not access through their roadways no concerns relating to that use were mentioned. Approval of the Hilo Adult Day Center by the Planning Commission is not expected to be in doubt.

Land Acquisition

The adult day center property needs to be subdivided out from the larger parcel. Expenses will including the subdivision mapping, surveying, and engineering design of the access roads and utility connections.

Once the subdivision has been approved the existing ground lease will need to be amended to provide a separate lease for the adult day center. This will entail legal fees to draft the required documents.

Design

The basic floor plan for the facility has been developed. Close working cooperation between the architect and the Hilo Adult Day Center leadership has resulted in a functional floor plan specifically suited to their operation.

From this point, much additional work to produce the construction documents, including the plans and specifications will be required. The architectural fees will also include bidding and construction administration through the completion of the work.

Construction

The construction costs are based on the floor plan mentioned above and comparable recent bid results. These bid results include the adjacent 60 unit senior housing complex and the Hilo Bay Clinic, both of which has gone through the bidding process in the last six (6) months.

Equipment

See explanation attached to page 6.

**Hawaii Island Community Development Corporation
Hilo Adult Day Center**

Other Funding Sources

These Funding Sources have been contacted, however, to date no financial commitments have been offered.

County of Hawaii Community Development Block Grant Program

An application for CDBG funding has been submitted. The total CDBG allocation for the county is \$2.5 million. While we hope that the county will support this project we do not expect that this project will receive all of the available funding.

Weinberg Foundation

Discussions with the foundation staff have been promising but not conclusive. The foundation will not commit to funding until 60 percent of the funding is in place. Further, the portion to be funded by the foundation is limited to no more than one-third of the total amount, however, it is frequently less than the full one-third.

McInerny Foundation

Discussions with the foundation trustee have indicated that the maximum contribution would be \$250,000. No commitments have been received to date.

Atherton Foundation

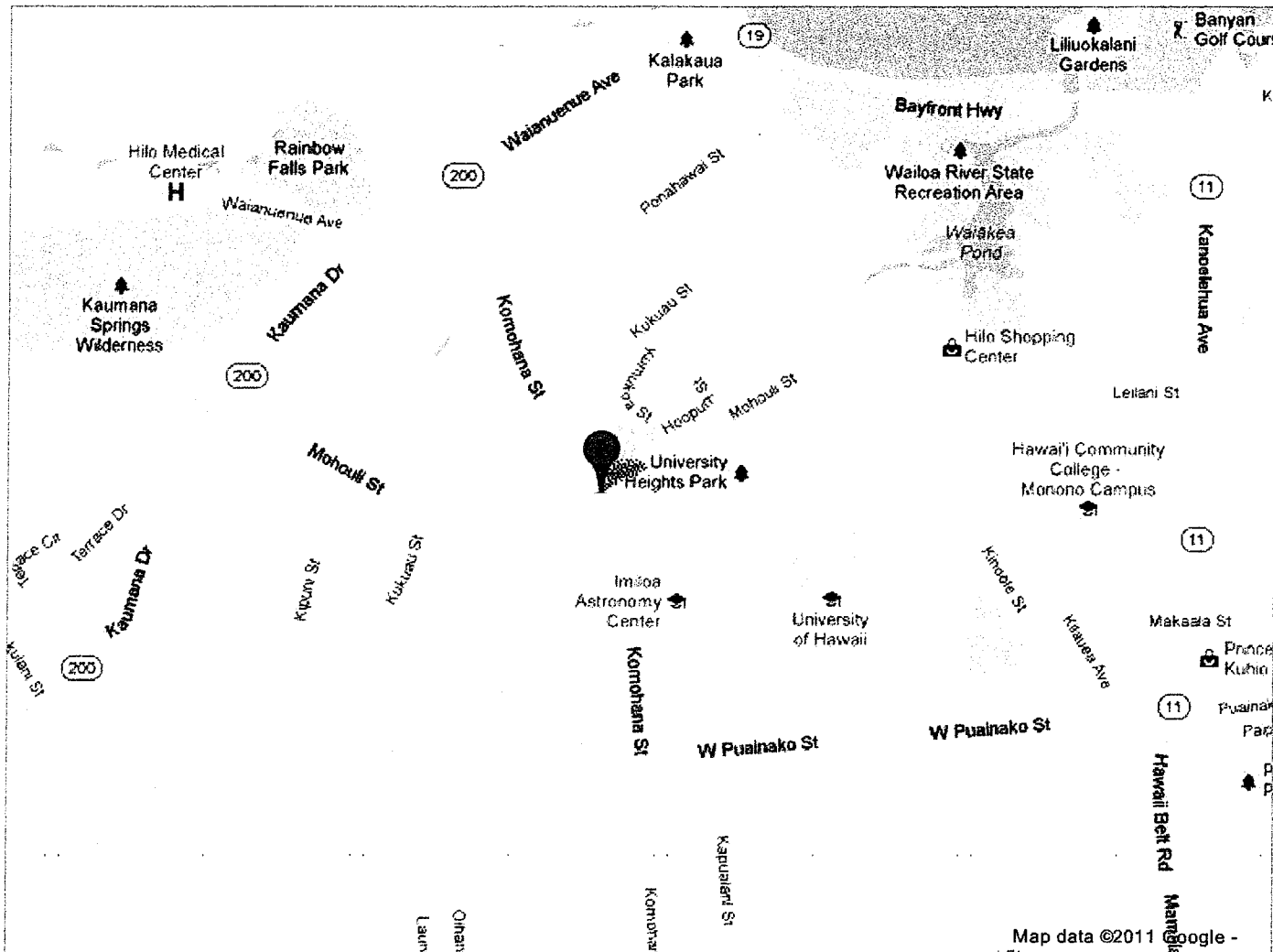
Discussions with the Hawaii Community Foundation staff indicate that the maximum contribution would be \$75,000. No commitments have been received to date.

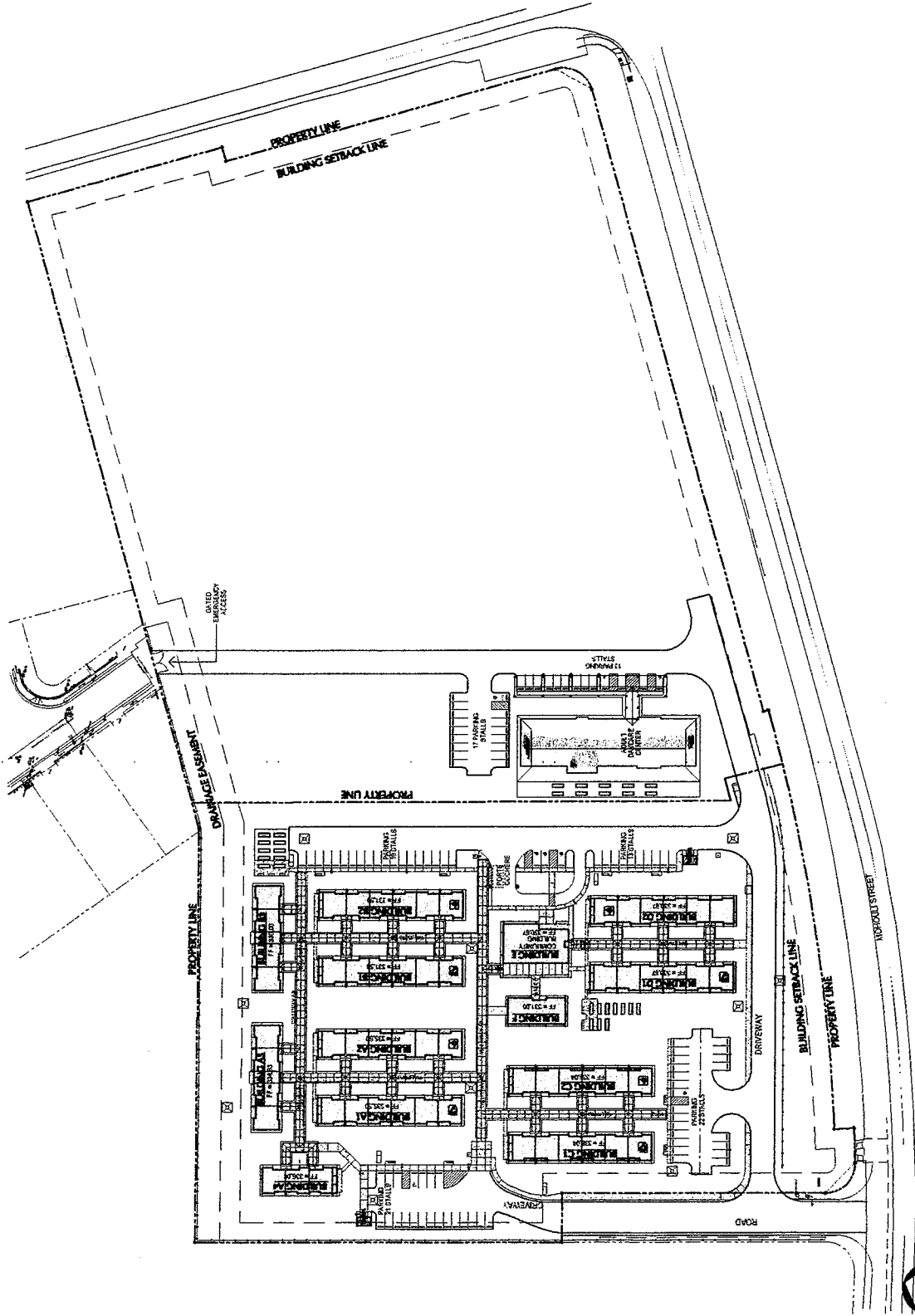
Other Sources

We are continuing to search for other sources, including federal programs that may be appropriate for this use.



To see all the details that are visible on the screen, use the "Print" link next to the map.

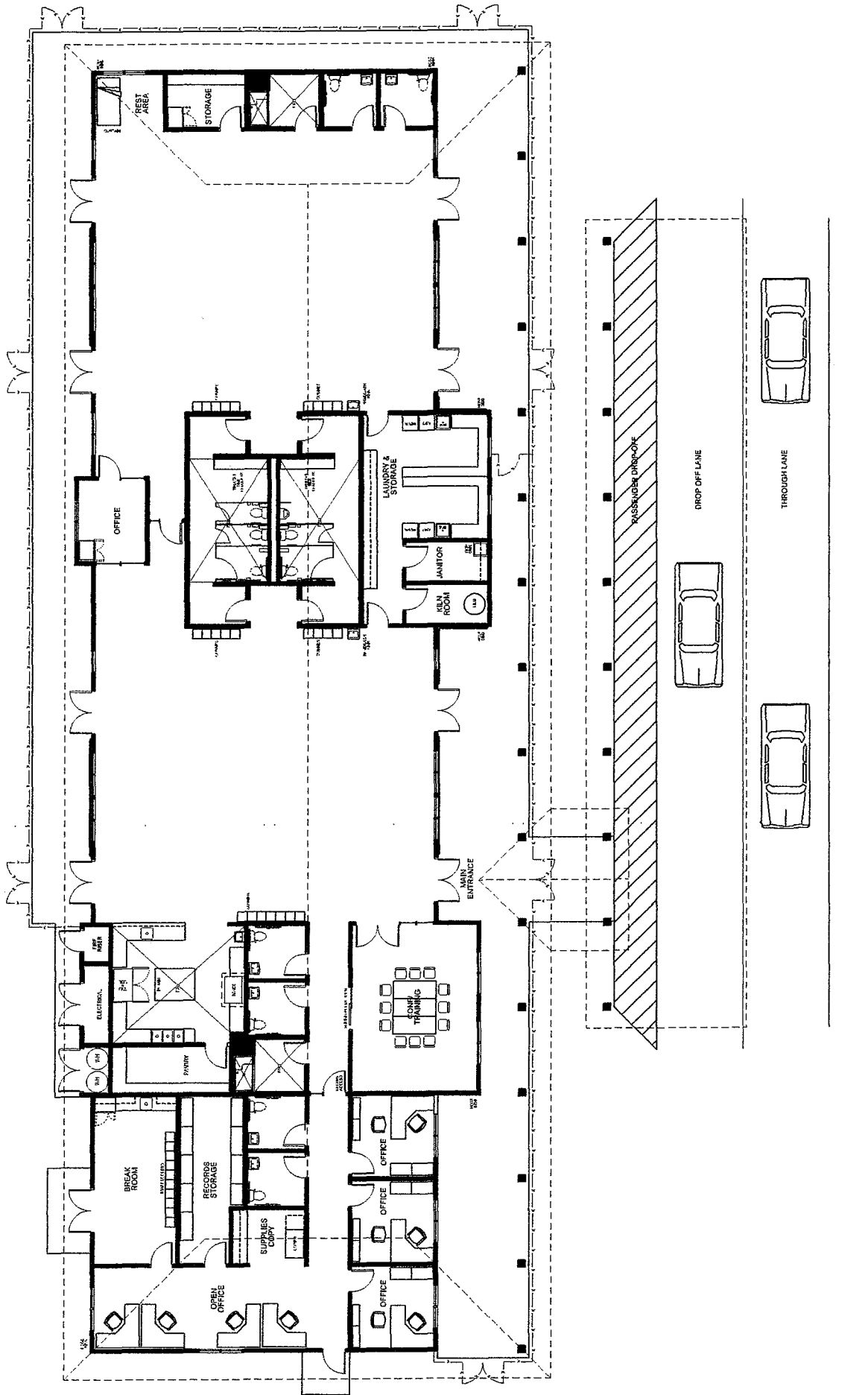




0 10' 20' 40' 75'
SCALE IN FEET



1 SITE PLAN
SCALE 1"=50'



MEMORANDUM OF UNDERSTANDING
(Mohouli Site for HIAC)

This Memorandum of Understanding (“Memorandum”) is made between Hawaii Island Community Development Corporation, a Hawaii nonprofit corporation (“HICDC”) and Hawaii Island Adult Care, Inc, a Hawaii nonprofit corporation (“HIAC”):

Recitals

1. HICDC leases from the County of Hawaii a 15.9 acre site at the corner of Komohana Street and Mohouli Street in Hilo, Hawaii (“Mohouli Property”).
2. HICDC and HIAC wish to determine the feasibility of HIAC moving its Hilo operations from 34 Rainbow Drive to the Mohouli Property.
3. The purpose of this Memorandum is to identify the major components that need to be addressed to accomplish the relocation and to describe the responsibilities of HICDC and HIAC.

NOW THEREFORE, in consideration of the foregoing, HICDC and HIAC agree as follows:

1. **Plans and Specifications for New HIAC Facility at the Mohouli Property.**
 - a. **Location within the Mohouli Property.** HICDC is now proceeding with the initial development of the senior rental housing on the Mohouli Property. Preliminary discussions established that the new adult day care facility would require a building with approximately 8,000 square feet. The parties anticipate that the adult day care facility will be a separate structure from the senior rental housing structures. HICDC will include the site for the new adult day care facility in the site planning for the Mohouli Property.
 - b. HIAC and HICDC will work together to prepare a description of the activities to be conducted in the joint effort new adult day care facility and the areas required for

such activities within that facility. HICDC will work with HIAC to develop an initial building layout for site planning and a preliminary construction budget.

c. HICDC will work with HIAC and design professionals to develop building plans and construction specifications sufficient to obtain bids for construction of the HIAC facility.

2. **Construction Work.**

a. **Site Location.** HICDC will identify the specific area on the Mohouli Property on which the new HIAC facility can be built. HICDC will also identify the areas which will be available for access and utilities for the new HIAC facility.

b. **Vertical Construction.** Design work is currently under contract between Fleming & Associates and HICDC. HICDC will be responsible for the construction of the facility. The general contractor will be required to provide performance and payment bonds and liability insurance coverage for the sublessor and the County of Hawaii during construction.

3. **Financing.**

a. **Budget.** HICDC will prepare a development budget for the project. The development budget will be revised as additional development budget information becomes available. A final development budget will be prepared once HICDC has received the construction bid.

b. **Construction Financing.** HICDC will be responsible for obtaining appropriate construction financing for its new facility.

c. **Permanent Financing.** HICDC, in cooperation with HIAC, will be responsible for obtaining permanent financing through either grants or loans or any combination thereof. It is expected that work on permanent financing will be done concurrently with the

work on construction financing. HIAC will cooperate in providing information on its program, in making presentations to potential funders, and to otherwise assist in the fund raising efforts.

4. **Scheduling.** HICDC and HIAC will provide each other with a schedule showing HICDC the estimated time of completion of the items described in this Memorandum and will revise the schedule as needed.

5. **Lease for HIAC Facility, Shared Costs.** HICDC will work on appropriate leasing terms for the new adult day care facility. The lease terms will include terms for permitted use, maintenance of any improvements within the leased area, appropriate liability and property insurance, replacement reserves, with-and timely payments to be made on loans incurred to pay for such improvements with appropriate indemnities if such obligations are not met by HIAC. That work will also include consultation with HIAC and the County of Hawaii. Although HICDC cannot assure HIAC that the County will provide the necessary consent to the leasing, HICDC will use its best efforts to obtain such consent.

a. The permitted use under the sublease will be limited to HIAC operations. That use cannot be changed without the agreement of HICDC and the County of Hawaii. The rights to lease the land were acquired on the understanding that certain specific nonprofit uses would be made of the land so it is unlikely that the County will agree to allow any other uses.

b. In order to be entitled to the lease, HIAC must have agreed to the plans and specifications, development budget and schedules as described in this Memorandum.

c. The sublease shall be finalized before construction financing closes.

d. The sublease will be subject to termination if the financing for the adult day care facility is not obtained by the date specified in the development schedule or if the adult

day care facility is not started by the date specified in that schedule (with such amendments as are accepted in writing by HICDC).

e. Shared Costs. HIAC will include in its budget its share of common facilities used by the HIAC facility and the senior housing facilities. HIAC will also be responsible for a share of operating and maintenance costs for shared improvements that benefit the HIAC facility and other facilities on the Mohouli Property.

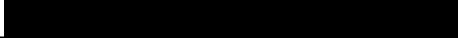
6. **Contact Persons.**

HICDC
Keith Kato
Telephone No.: 969-1158 ext. 105
Email: keith.hicdc@gmail.com
Address: 100 Pauahi Street Suite 204
Hilo, Hawaii 96720

HIAC
Paula Uusitalo
Telephone No.: 961-3747
Email: puusitalo@hawaiiislandadultcare.org
Address: 34 Rainbow Drive
Hilo, Hawaii 96720

7. **Purpose of this Memorandum.** The purpose of this Memorandum is to allow the parties to identify the tasks needed to establish a new facility for HIAC on the Mohouli Property, to show the respective responsibilities of the parties and the context in which the development would take place. This Memorandum is not a binding legal agreement. Such agreements will be made as work progresses.

HAWAII ISLAND COMMUNITY
DEVELOPMENT CORPORATION

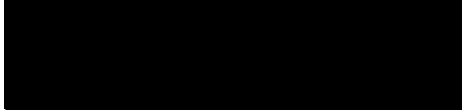
By: 

Its *Secretary Treasurer*

Date: 1/4/2012

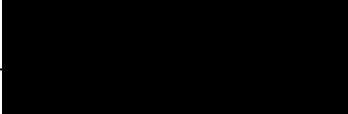
HAWAII ISLAND ADULT CARE, INC

By: _____



Its President

By: _____



Its Executive Director

Date: _____

1/4/12

HAWAII ISLAND COMMUNITY DEVELOPMENT CORPORATION

100 Pauahi Street Suite 204 Hilo, Hawaii 96720 Phone 808-969-1158 Fax 808-935-6916
Equal Housing Opportunity Provider

The Mission of the Hawaii Island Community Development Corporation (HICDC) is a 501(c)(3) non-profit corporation is to assist low and moderate income residents of the island of Hawaii in securing affordable housing.

HICDC's primary activity is in the development of affordable housing, particularly self help housing and senior housing. Property management of the senior housing projects is contracted to outside entities.

Self help housing is the most viable method for low and very low income families to attain homeownership. Through this program families secure the financing, property, and home construction technical assistance necessary to complete the self help homes. To date 256 self help homes have been built by our family builders on the island of Hawaii.

Senior housing is a growing need area and one in which HICDC has been pursuing since 1996. The senior projects completed to date include a total of 209 units in seven projects, one of which was completed for another non-profit corporation. HICDC has utilized state, federal and county funding sources to complete these projects. Currently HICDC has another project underdevelopment, a 60 unit senior rental project financed, in part, HUD, Low Income Housing Tax Credits, and interim loans from the State of Hawaii and the Rural Community Assistance Corporation.

The HICDC staff is comprised of seven persons. The average tenure of the five full time employees is 12+ years. The dedication of this group is what drives the non-profit and deserves much of the credit for the success enjoyed.

Board of Directors:

- H. Peter L'Orange, President
- Guido Giacometti, Vice President
- Alice Kawaha, Secretary/Treasurer
- Ross Wilson, Director
- Virginia Goldstein, Director
- Gilbert DeMotta, Director

**Hawaii Island Community Development Corporation
Affordable Housing History**

Self Help Homes Completed

1992	10	Ainakea
1993	8	Pacific Paradise Gardens 1
1994	7	Pacific Paradise Gardens 2
1996	19	Kalaoa View Estates 1&2
1997	20	Keaau Loop 1&2
1998	8	Nani Malio
1999	7	Panaewa - DHHL
	12	Ouli 1
2000	10	Keaukaha - DHHL
	10	Ouli 2
2001	3	Panaewa - DHHL
	8	Ouli 3
	10	Pacific Paradise Gardens 3
2002	9	Hawi 1
2003	7	Kawaihae - DHHL
	12	Hawi 2
2004	10	Pacific Paradise Gardens 4
	10	Ouli 4
2005	10	Pacific Paradise Gardens 5
2006	10	Pacific Paradise Gardens 6
2007	14	Panaewa - DHHL
2008	19	Kekaha - DHHL TA Partner
	10	Pacific Paradise Gardens 7
2010	11	Kumakua 1A/1B
	11	Kumakua 1C
2011	8	PPG8
Total	273	

Low Income Elderly Apartments Completed

1998	30	Hualalai Elderly Phase 1
2002	36	Hualalai Elderly Phase 2
2003	21	Keaau Elderly (dev. consultant)
2004	32	Kamuela Senior Housing
2007	30	Hualalai Elderly Phase 3
	30	Kinoole Senior Residences
2010	30	Ainakea Seniore Residences
Total	209	

**Total
Units
Finished**

482

Subdivision Lots Completed

1996	20	Keaau
1997		
1998	40	Ouli
1999		
2000		
2001	21	Hawi
2002		
2003	20	Puukapu
2008	24	Kumakua Phase 1
2011	19	Kumakua Phase 2
Total	144	

Under Development

Self Help Housing

2012	11	Kumakua 2A
	9	Hwn Para Park 1
	35	Pepeekeo Subd

2013+ 45 Kumakua P3 Subd

100 Sub Total Self Help

Senior Housing

2012	60	Mohouli Sr Phase 1
2013+	60	Mohouli Sr Phase 2
	60	Kamakana Sr 1 & 2
		Hilo Adult Day Care

180 Subtotal Senior Hsg

280 Total Housing

Ann N. Fukuhara, CPA MBA
An Accountancy Corporation

714 Kanoelehua Avenue
P.O. Box 6691
Hilo, Hawaii 96720
(808) 961-5532
Fax (808) 934-8589

Independent Auditor's Report

The Board of Directors
Hawaii Island Community Development Corporation


We have audited the accompanying consolidated statements of financial position of the Hawaii Island Community Development Corporation (a not for profit organization) as of December 31, 2010 and 2009 and the related statements of activities, of functional expenses and cash flows for the years then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hawaii Island Community Development Corporation as of December 31, 2010 and 2009 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Generally Auditing Standards*, we have also issued our report dated May 6, 2011, on our consideration of Hawaii Island Community Development Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or an compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and the derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


Ann Fukuhara, CPA MBA, An Accountancy Corporation
May 6, 2011
Hilo, Hawaii

NEIL ABERCROMBIE
GOVERNOR OF HAWAII

LORETTA FUDDY, ACSW, MPH
DIRECTOR OF HEALTH



STATE OF HAWAII
EXECUTIVE OFFICE ON AGING
NO. 1 CAPITOL DISTRICT
250 SOUTH HOTEL STREET, SUITE 406
HONOLULU, HAWAII 96813-2831

WESLEY LUM, PhD, MPH
DIRECTOR

Telephone
(808) 586-0100

Fax
(808) 586-0185

January 30, 2012

The Honorable David Ige
The Senate
State Capitol, Room 215
Honolulu, Hawaii 96813

The Honorable Marcus Oshiro
House of Representatives
State Capitol, Room 306
Honolulu, Hawaii 96813

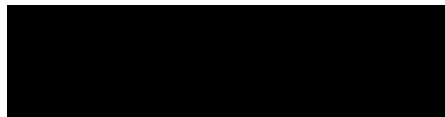
Dear Senator Ige and Representative Oshiro,

I am pleased to write this letter of support for a new adult day care facility in Hilo, Hawaii.

It is my understanding that the Big Island legislators are currently working with Hawaii Island Adult Care and the Hawaii Island Community Development Corporation on a grant-in-aid to enable the construction of a new adult day care facility as part of a new senior housing complex in Hilo, Hawaii. The Executive Office on Aging would be happy to be named as the expending agency to ensure that the adult day care facility is built.

Should you have any questions, please feel free to contact me at 808-586-0100 or at wesley.lum@doh.hawaii.gov.

Sincerely,



Wesley Lum, PhD, MPH
Director



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. BOX 3378
HONOLULU, HI 96801-3378

Dear Hawaii Island Legislators, State Capitol.

1/12/12

This letter is to support capital funding for the construction of a new facility for the Hilo Adult Day Center. This building will be built by Hawaii Island Community Development Corporation (HICDC) on their new senior housing site in Hilo, for Hawaii Island Adult Care, Inc. (HIAC) to relocate the current Hilo Adult Day Center program.

The current facility at the Old Hilo Memorial Hospital is a very poor condition, there has been structural damage to the building, wood is very termite ridden and the county has a 1-month termination provision in the current lease. In case of an environmental event such as earthquake, HIAC may be forced to halt their operations until suitable quarters can be found and the state licensing process to operate an adult day care program is completed. As you could imagine this could take months if not years leaving many voting families with no acceptable alternative. A much needed new building for the current active adult day care is one key in facing this future.

Currently HIAC's enrollment is 108, serving 60-75 people per day, providing an active organized day program with meals, bathing, medication and restorative care. The activities provide mental stimulation and physical activity to help aged elders continue to live at home as long as possible ("aging in place") and have a social life. More than 70% are over 80 years old, most are frail elders with some dementia, the remainder have Alzheimer's disease, are stroke debilitated and/or other conditions. HIAC has served the East Hawaii community for 36 years, adult day care participants have attended from many districts, even seventy miles away, Waikoloa and Ka'u.

Adult day care saves the tax payer Medicaid money by delaying aged elders entry into long term care. Most patients in long term care end up as Medicaid patients within three months of entry and the average stay is three years. For every 10 persons who would have been in long term care if not attending adult day care, per year Medicaid saves \$743,400; full time long term care (one person/\$7,445 per month), full time adult day care including Saturdays (one/\$1,250 per mo). An estimated 40% of Hilo's adult day participants would be in a long term care institution if the program did not exist.

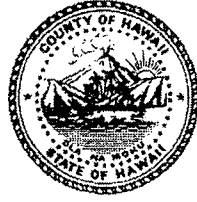
Many of my patients and their families utilize this program so the mother or father can remain at home but the family is still able to work while mom or dad is at day care. I have many patients and families who, if not for HIAC would have either been institutionalized, or at some other risk of injury long ago if not for this our one and only day care program on the East Side of Hawaii.

Thank you for your assistance and support of this meaningful project.

Sincerely,

Jacqueline Gardner RN,PHN,MSN,APRN,PA-C

William P. Kenoi
Mayor



William T. Takaba
Managing Director

Walter K.M. Lau
Deputy Managing Director

County of Hawai'i Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553
KONA: 74-5044 Ane Keohokalole Hwy., Bldg. C • Kailua-Kona, Hawai'i 96740
(808) 323-4444 • Fax (808) 323-4440

January 26, 2012

The Honorable David Y. Ige, Chair
and Members of the Senate
Committee on Ways and Means
Hawaii State Capitol
Honolulu, HI 96813

The Honorable Marcus R. Oshiro, Chair
and Members of the House
Committee on Finance
Hawaii State Capitol
Honolulu, HI 96813

The Hawaii Island Adult Care, Inc. (HIAC) operates an adult day care program at 34 Rainbow Drive in Hilo. This program is located in the former Hilo Memorial Hospital, currently under the jurisdiction of the County of Hawai'i. A large portion of this building has been abandoned by the County because of structural and other safety concerns. The County no longer maintains any offices in this building.

Although the HIAC appreciates having use of the space for many years, they believe it is time to move. Should another earthquake hit the building, the HIAC may be forced to halt their operations until suitable quarters can be found, and the state licensing process to operate an adult day care program is completed.

Currently, HIAC's enrollment is 108, serving 60-75 people per day, and provides an active organized day program with meals, baths, and restorative care. Staff also administer medications. More than 70% of HIAC's participants are over 80 years of age, most are frail with some dementia. The remainder have Alzheimer's disease and/or other debilitating conditions. HIAC has served the community for 36 years and participants have come from as far away as Waikoloa and Ka'u. Besides being an excellent program for older persons, adult day care allows family caregivers to continue working and/or receive respite during the day. Additionally, adult day care is the most economical alternative to in-home and institutional care.

The Honorable David Y. Ige
The Honorable Marcus R. Oshiro
Page 2
January 26, 2012

The Hawaii Island Community Development Corporation (HICDC) would like to build a new facility for HIAC and is requesting a grant-in-aid from the State for this purpose. The project will be constructed next to HICDC's planned 60-unit senior housing project at the Hamakua/Mauka corner of the Komohana – Mohouli Street intersection.

Building an adult day care center on the senior housing site follows a model set by Hale Mahaolu on Maui, for which its director received a "Best Practices" award from the federal Department of Housing and Urban Development. The HICDC, a private non-profit corporation, has built senior housing and self-help housing projects island-wide since 1981. With the aging of our population, the need for good alternatives to long-term institutional care is real.

The purpose of this letter is to offer my wholehearted support to the Hawaii Island Adult Care, Inc. and the Hawaii Island Community Development Corporation in their request for a grant-in-aid to construct a new adult day care facility in Hilo.

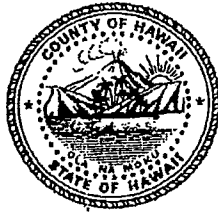
Aloha,



William P. Kenoi
MAYOR

CHARLENE Y. IBOSHI
PROSECUTING ATTORNEY

DALE A. ROSS
FIRST DEPUTY
PROSECUTING ATTORNEY



655 KĪLAUEA AVENUE
HILO, HAWAII 96720
PH: (808) 961-0466
FAX: (808) 961-8008
(808) 934-3403
(808) 934-3503

WEST HAWAII UNIT
81-980 HALEKĪ ST, SUITE 150
KEALAKEKUA, HAWAII 96750
PH: (808) 322-2552
FAX: (808) 322-6684

OFFICE OF THE PROSECUTING ATTORNEY

January 20, 2012

Senator Gilbert Kahele
Representative Clift Tsuji
Hawai'i State Capitol
Honolulu, HI 96813

Re: Support for New Hilo Adult Day Care Center

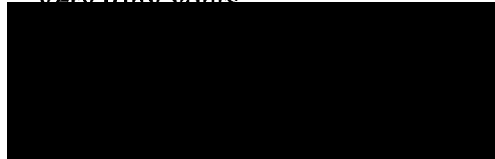
Dear Senator Kahele and Representative Tsuji:

The Hawai'i County Office of the Prosecuting Attorney has recently established an Elder Abuse Prosecution and Prevention Unit. This Unit is tasked with expediting the prosecution of elder abuse and financial exploitation cases and enhancing awareness and prevention of elder abuse through inter-agency collaborations and community education. As a result of the work of this Unit, we recognize the essential role elder adult daycare plays in our community. The Hilo Adult Care Center serves all adults, including elderly, who are mentally and physically impaired. The respite care provided by Hilo Adult Care Center for the elders' families and caregivers cannot be underestimated.

Until mid-2007, Hilo's current adult day care facility (the old Hilo Memorial Hospital) was home to the Office of the Prosecuting Attorney. The current building conditions have prompted the Hilo Adult Care Center to seek a more suitable site near the senior housing complex planned for Mohouli St..

We appreciate the tough fiscal times throughout the state and county. Within the resources available, the Hawai'i County Office of the Prosecuting Attorney supports the responsible funding of the adult care services and site development for this non-profit organization. The services provided are essential to our community's physical and emotional well-being.

Very truly yours



CHARLENE Y. IBOSHI
Prosecuting Attorney



Hawaii Island Economic Development Board
ISLAND OF OPPORTUNITY

16 January 2012

Hawai'i Island Legislators
Hawai'i State Capitol

Aloha,

As we celebrate the life and vision of Dr. Martin Luther King today, it is my privilege and pleasure to submit this letter on behalf of Hawai'i Island Economic Development Board (HIEDB) in support of the Hilo Adult Day Center (HADC) and plans by Hawai'i Island Community Development Corporation (HICDC) in partnership with Hawai'i Island Adult Care, Inc. (HIAC) to build new facilities and relocate the HADC from its current location.

Currently housed in the old Hilo Memorial Hospital which is structurally damaged and termite infested, should there be an earthquake for example, HADC and its clients will be in jeopardy with the former possibly losing its license pending identification and approval of new facilities and the latter losing the care that HADC provides.

Adult day care provides a safety net not just to the participating kupuna and their families respectively, but also to our broader community collectively in numerous socio-economic ways. Perhaps most importantly, we should recall the words of the late Senator Hubert Humphrey who in his last speech in November 1977 said in part "... the moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly ..." as well as those of Dr. King whose dream included that the "unalienable Rights of Life, Liberty and the pursuit of Happiness" be guaranteed for all human beings.

HIEDB recognizes that like Dr. King, our kupuna helped build the foundation of and bring to fruition the dreams and opportunities that are available to us today and our children tomorrow.

HIEDB is proud to support this initiative which allows our community to be measured by the manner in which we care for our elderly ... with compassion, gratitude, dignity, respect, and solidly demonstrate the Aloha for which Hawai'i is recognized worldwide.

Mahalo for your time and consideration. Please do not hesitate to advise if we may be of assistance in bringing this dream to fruition.

Sincerely,



Jacqui L. Hoover
Executive Director & COO



Hawaii Island Chamber of Commerce

117 Keawe Street, Suite 205
Hilo, Hawaii 96720
Phone: (808) 935-7178
Fax: (808) 961-4435
E-mail: admin@hicc.biz
www.hicc.biz

January 23, 2012

Hawaii Island Legislators
State Capital

2011-12 Board

President
Jon Miyata

President-Elect
Vaughn Cook

Vice President
Judith Fox-Goldstein

Treasurer
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Past President
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Stan Fortuna, Jr.

Judith Fox-Goldstein

Jay Ignacio

Ka'iu Kimura

Karina Leasure

Marco Mangelsdorf

Keith Marrack

Eugene Nishimura

Spencer Oliver

Glenn Santos

Margaret Shiba

Kimberly Shimabuku

Alice Sledge

Mele Spencer

Art Taniguchi

Ron Terry

Steve Ueda

William Walter

RE: Hawaii Island Adult Care, Inc. CIP Appropriations Request

I am writing on behalf of the membership of the Hawaii Island Chamber of Commerce, which represents both large and small businesses on Hawaii Island and has approximately 240 member businesses comprising more than 500 individual members and are writing in support of Representatives Tsuji's and Senator Kahele's request for \$7 million in CIP appropriations to fund the construction of a new facility for the Hilo Adult Day Center.

Should the appropriation be approved, this building will be built by the Hawaii Island Community Development Corporation on their new senior housing site in Hilo, for Hawaii Island Adult Care, Inc. ("HIAC") to relocate the current Hilo Adult Day Center Program.

The current building which presently houses HIAC is the Old Hilo Memorial Hospital and it is in extremely bad condition. There is structural damage, including dry rot and termite damage, which presents severe safety concerns. HIAC has appreciated Hawaii County providing them with the location, but due to its poor condition, the County would like no residents utilizing the building.

Currently, HIAC's enrollment is 108, serving 60-75 people per day, and provides an active organized day program with meals, bathing, medication and restorative care. The activities provide mental stimulation and physical activity to help aged elders continue to live at home as long as possible ("aging in place") and have a social life. More than 70% are over 80 years old, most are frail elders with some dementia, the remainder have Alzheimer's disease, are stroke debilitated and/or other conditions. HIAC has served the East Hawaii community for 36 years and adult day care participants have attended from many districts, even seventy miles away, including Waikoloa and Ka'u.

Not only is adult day care good for the elders, it is necessary for their family caregivers, who are able to continue working or get some respite/relief during the day. Also, adult day care for those who can no longer take care of themselves, is the most economically reasonable alternative as compared with in-home care or long term care institutionalization.

Adult day care also provides for dignity, being a part of family and community and true happiness for the adult children who otherwise feel extremely guilty if placing their loved one in a facility or care home.

Adult day care saves the tax payer Medicaid money by delaying aged elders entry into long term care. Most patients in long term care end up as Medicaid patients within three months of entry and the average stay is three years. For every 10 persons who would have been in long term care, if not attending adult day care, per year Medicaid saves \$743,400; full time long term care (one person/\$7,445 per month), full time adult day care including Saturdays (one/\$1,250 per mo.). An estimated 40% of Hilo's adult day participants would be in a long term care institution if the program did not exist (For instance, those with advanced mental and physical limitations, including Alzheimer's disease).

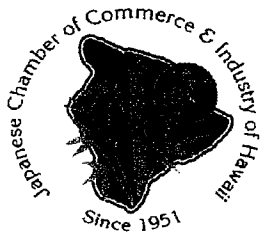
With the boomer generation beginning to hit 70 in 2016, and by 2020, almost one in four individuals on our island will be 60 years or older, the need for good alternatives to long term care institutionalization is real. A much needed new building for the current active adult day care is one key in facing this future.

We understand the challenges of this economy and the State's budget situation, but feel this project and request merits approval. We hope you agree.

Very truly yours,



Jon Y. Miyata
President



Japanese Chamber of Commerce & Industry of Hawaii

January 16, 2012

Hawaii Island Legislators
State Capitol
Honolulu, Hawaii

Dear Senators and Representatives of Hawaii Island,

The Japanese Chamber of Commerce and Industry of Hawaii supports the \$7 million CIP request for construction of a new facility for the Hilo Adult Day Center (HIAC). This much needed facility will replace the present facilities in the old Hilo Memorial Hospital.

The HIAC program provides a valuable service to the community. Unfortunately, after 36 years of service in its present deteriorated facilities, continuation of this program is being threatened. Undoubtedly, without this valuable program and service, many of the current clients would prematurely require expensive long-term care facilities or in-home services.

The current facilities at the old Hilo Memorial Hospital on Rainbow Drive are in poor condition and structural integrity is questionable. What will happen when the next earthquake hits Hilo? We must find a new home for HIAC to continue operating for many years to come.

We urge you to support this CIP appropriation for the Hilo Adult Day Center. Thank you for your kind consideration.

Sincerely,


Michael Kaleikini
President


Jon Arizumi, Government Affairs Chair
President-elect



January 12, 2012

1055 Kinoole Street, Suite 105
Hilo, Hawaii 96720

Ph: (808) 935-1144

Fax: (808) 935-1143

E-mail: sfsbigisland@hotmail.com

To Hawaii Island Legislators, State Capitol:

It is with great pleasure that I write this letter of support to erect a new day care building for Hawaii Island Adult Care (HIAC) at the site of HICDC's 60 unit senior housing project at the Hamakua/Mauka corner of the Komohana - Mohouli Street intersection.

HIAC has been serving our community for over 36 years and for the past 22 of those years I have had the pleasure of working with them in meeting the needs of our frailest kupuna who would otherwise be prematurely placed in an institution. This is a special day care facility, full of activities and interactive support. Their current enrollment is at 108 and they serve 60-75 people per day. Their service includes not only activities but meals, bathing, medication management and restorative care. They provide mental stimulation and physical activity to help aged elders to continue to live at home as long as possible and have a social life. More than 70% are over 80 years old, most are frail elders with some form of dementia, the remainder have Alzheimer's disease, are stroke debilitated or have other chronic conditions. Although most of their clients are from the East Hawaii community, there are participants who live as far away as Ka'u and Waikoloa.

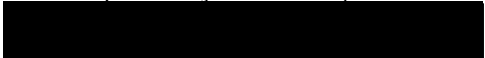
HIAC also provides respite for caregivers who sometimes put their own lives on hold to take care of their parents, but they need a break, too. Then there are the working caregivers who need to have a safe place for their loved ones while they continue to work.

Most importantly, HIAC helps to save the tax payer Medicaid money by delaying aged elders entry into long-term care. For every ten persons who are in long-term care if not attending adult day care per year Medicaid saves \$753,400. An estimated 40% of current adult day care participants would be institutionalized if not attending day care. These are the ones with advanced mental and physical limitations including Alzheimer's disease.

HIAC's facility is really living on borrowed time. It is located on Rainbow Drive at the site of the Old Memorial Hospital. There has been structural damage to the building, wood is very termite ridden and the county has a 1-month termination provision in the current lease. The next earthquake may be the last time the facility will be open for care. They would have to find a suitable place and still go through the State licensing process to operate as an adult day care which could take months.

I strongly support HIAC's efforts to procure funds for this much needed facility.

Thank you for your consideration.


Debra M. Nakaji
Executive Director



*"Promoting **INDEPENDENCE** while Preserving Your **DIGNITY** in the Comfort of Home"*

January 12, 2012

Jose Enovejas, Community Relations Coordinator
327 Kinoole st.
Hilo, HI 96720
Ph.: (808) 935-6235
Email: metrocarehawaii01@gmail.com

To: Hawaii Island Legislators, State Capitol

I am writing this letter in support of the \$7million CIP appropriation to fund the construction of a new facility for the Hawaii Island Adult Care. This funding is crucial to the relocation of the current Hilo Adult Day Center program because the first phase of the new senior housing site in Hilo will begin in March, and this project is slated to follow. Thus, the funding request needs to be approved soon in order for the plans of construction to flow through smoothly.

Another reason why the Hawaii Island Adult Care facility needs to be relocated is the fact that the current facility is in very poor condition. Currently, there has been structural damage to the building, the wood is termite ridden, and the county has a 1-month termination provision in the current lease. Also, the county does not want residents in the current location due to its physical condition. If there were to be another severe earthquake, the Hawaii Island Adult Care facility may be forced to stop their operations until suitable quarters can be found.

The Hawaii Island Adult Care plays a vital role in our community because it provides an active organized day program with meals, bathing, medication, and restorative care to our local elderly population. These activities allow participants to be mentally stimulated and physically active which assists the elderly to continue to live at home as long as possible, which furthers the concept of "aging in place." The facility also allows the elderly to have a social life instead of staying at home and doing nothing. The majority of the Hawaii Island Adult Care participants are over 80 years old, frail with some dementia, and the rest of the participants have Alzheimer's disease, are stroke debilitated, and have other conditions. Where would these participants go if it were not for the Hawaii Island Adult Care?

The Hawaii Island Adult Care has served the east Hawaii community for 36 years. Many of the participants that have attended come from many districts of the Big Island. Some have even



*"Promoting **INDEPENDENCE** while Preserving Your **DIGNITY** in the Comfort of Home"*

come from as far away as Waikoloa and Ka'u. The benefits of adult day care not only pertain to the elderly, it also allows their family caregivers to continue working or get some kind of respite care. The Hawaii Island Adult Care assists those who can no longer care for themselves, and is one of the most reasonable alternatives in comparison to in-home care or long term care institutionalization.

As you contemplate your decision whether or not to be in favor of funding the construction of a new facility for the Hilo Adult Day Center, please keep in mind the various families you will be helping within our community. By permitting the funds for the relocation of the Hawaii Island Adult Care, you will be continuing to give many families that extra option to choose from for their elderly members of their family. Please take to heart the various reasons that I have stated in this letter, and allow representative Tsuji and Senator Kahele's request for a \$7million CIP appropriation to fund the construction to fall through so that the Big Island community can continue to take advantage of such a wonderful organization as the Hawaii Island Adult Care.

Sincerely,

Jose Enovejas

Hawaii Island Legislators

State Capitol

Dear Hawaii Island Legislators,

I have worked full-time at the Life Care Center of Hilo (nursing facility) as the Director of Social Services for the past 17 years. I have also worked part-time for the Alzheimer's Association (1999-2005, 2008-Present).

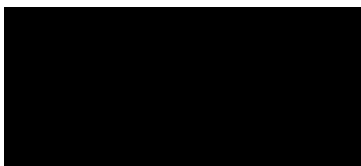
In my work I have seen the importance of the work accomplished by the Hawaii Island Adult Care. When someone is discharged to the community from a nursing facility to the community, I find that the Elder succeeds in remaining in the community longer if they attend day care. When someone in the community who suffers from dementia attends day care, the caregiver **survives** the caregiving experience.

The value of day care in terms of increasing the quality of life of our Elders and their family members is invaluable. Day care is a safe place where stimulation occurs while the Elder's family members can work or get their errands done.

Hawaii Island Adult Care does a marvelous job but it is in an old building. I feel the State of Hawaii needs to support this program in helping the Hawaii Island Adult Care develop a new and improved building.

Our state needs to show our Elders that they are important members of our society. By helping Hawaii Island Adult Care build a new building, we are saying that our Elders are a priority.

Please consider this cause.



Chris Ridley, LCSW

808-443-7360



MICHAEL K. FUJIMOTO | PRESIDENT AND CHIEF EXECUTIVE OFFICER
16-166 MELEKAHIWA STREET • KEA'AU, HAWAII 96749 • PHONE: (808) 966-5636 • FAX: (808) 966-7564
MICHAELFUJIMOTO@HPMHAWAII.COM • WWW.HPMHAWAII.COM

January 26, 2012

Hawaii Island Legislators, State Capitol

Dear Honorable Legislators:

On behalf of HPM Building Supply (HPM), I am writing you to humbly request your support of a \$7 million CIP appropriation to fund the construction of a new facility for the Hilo Adult Day Center in Hilo.

This building will be built by Hawaii Island Community Development Corporation (HICDC) next to their new senior housing site for Hawaii Island Adult Care, Inc. (HIAC). This new building will allow HIAC to relocate the current Hilo Adult Day Center program from their current dilapidated facility at the Old Hilo Memorial Hospital. Phase 1 of HICDC's 60 unit new senior housing project is slated to begin construction in March 2012 on the corner of Mohouli St. and Komohana St.

This year, HPM will be celebrating our 91st year as a proud and grateful member of our Big Island community and as a committed citizen; we feel a real responsibility to garner support to make this project a reality. Key points supporting this project include the following:

- The current facility at the Old Hilo Memorial Hospital is a very poor condition, there has been structural damage to the building, wood is very termite ridden and the county has a 1-month termination provision in the current lease. HIAC has appreciated having the location for many years but it is time to move, and the county would like no residents in the old hospital due to its physical condition.
- Currently, HIAC's enrollment is 108, serving 60-75 people per day, and provides an active organized day program with meals, bathing, medication and restorative care. The activities provide mental stimulation and physical activity to help aged elders continue to live at home as long as possible ("aging in place") and have a social life. More than 70% are over 80 years old, most are frail elders with some dementia, the remainder have Alzheimer's disease, are stroke debilitated and/or other conditions. HIAC has served the East Hawaii community for 36 years, adult day care participants have attended from many districts, even seventy miles away, Waikoloa and Ka'u.
- Not only is adult day care good for the elders, it is very necessary for their family caregivers, who are able to continue working or get some respite/relief during the day. Also, adult day care for those who can no longer take care of themselves is the most economically reasonable



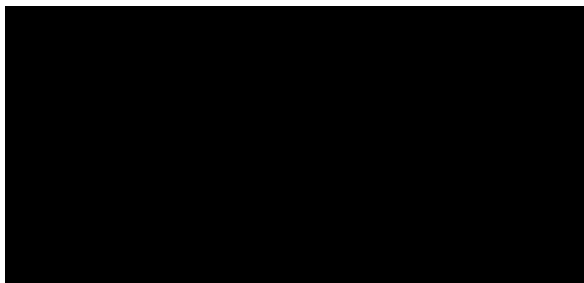
MICHAEL K. FUJIMOTO | PRESIDENT AND CHIEF EXECUTIVE OFFICER
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MICHAEL.FUJIMOTO@HPMHAWAII.COM • WWW.HPMHAWAII.COM

alternative as compared with in-home care or long term care institutionalization.

- Adult day care saves the tax payer Medicaid money by delaying aged elders entry into long term care. Most patients in long term care end up as Medicaid patients within three months of entry and the average stay is three years. For every 10 persons who would have been in long term care if not attending adult day care, per year Medicaid saves \$743,400; full time long term care (one person/\$7,445 per month), full time adult day care including Saturdays (one/\$1,250 per mo). An estimated 40% of Hilo's adult day participants would be in a long term care institution if the program did not exist. (Those with advanced mental and physical limitations including Alzheimer's disease.
- With the boomer generation beginning to hit 70 in 2016, and by 2020, almost one in four individuals on our island will be 60 years or older, the need for good alternatives to long term care institutionalization is real. A much needed new building for the current active adult day care is one key in facing this future.

Thank you for your support of this much needed project. Please feel free to contact me for further information at 808-966-5636.

Sincerely,



1206 Malawaina Place
Hilo, Hawaii 96720
January 12, 2012

Hawaii Island Legislators
State Capitol
Honolulu, Hawaii

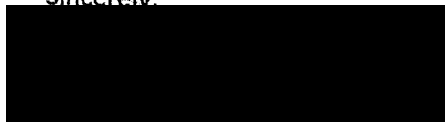
It is with great pleasure that my wife and I support Hilo Adult Day Center and their effort to seek financial support for a new facility in Hilo. After providing this valuable service to our community for 36 years in the deteriorated facilities at the old Hilo Hospital, their continuation is threatened and in dire need of a new home.

The day care program for the elderly is unique and offers an alternative to long-term care institutionalization or in-home care for the elderly. Long-term care is extremely costly to families and the State of Hawaii and the Federal Government, HIAC has been successful in prolonging the avoidance of institutionalization of the elderly population on the Big Island. It is truly a win-win-win program for the individual clients, their families, the State of Hawaii, and the Federal Government.

On a personal note, HIAC provided day-care assistance to my 80+ year old father-in-law in the 1980's until his health deteriorated to the point necessitating institutionalization. My own mother participated in the HIAC program for more than a year before health issues required hospitalization, then institutionalization. I realize that the HIAC program enabled my mother remain at our home much longer than the alternative of long-term care.

Please support the \$7 million CIP appropriation to fund construction for a new facility for Hilo Adult Day Care Center. I believe it would be a wise investment and will remain an asset to our community for many years.

Sincerely,



Barry T. Mizuno

January 24, 2012

Hawaii State Legislature
State capital
Honolulu, Hawaii

Dear Big Island Legislators,


Alohal My name is Marvin Min and I am on the Board of Directors for the Hawaii Island Adult Care (HIAC). Out of the many organizations that I volunteer on, this organization provides me with the biggest "mana" as it is the right thing to do for our kupuna's and adults who have done so much to make Hawaii what it is today and who have taken care of us when we needed their support, guidance and knowledge. Now, in the elder years or unable to care for themselves, unable to drive or have family close by to provide for them, HIAC is the answer. HIAC provides for them and gives them comfort, care and most of all, a big smile.

I was also a part of the HIAC's strategic planning group. Part of the strategic plans was to develop its mission and value statement and to fully understand the needs for the Hawaii Island, the demographics of its clientele, the core functions of HIAC, and to identify risk and develop a mitigation plan. The most important part was to plan for the future of HIAC and to address the sustainability of this much needed organization, which is to relocate from its old Hilo Hospital on Rainbow Drive to another facility that provides for better structurally built security for our future. After a year or more of planning for the future relocation of the facility, it was decided that the most economical and best solution for HIAC was to form a joint partnership with the Hawaii Island Community Development Corp (HICDC). They have the expertise in building projects and were successful in another adult care project on Maui.

As in the movie "The Perfect Storm", where all three storms was transitioning from far away and temperature, wind direction, etc brought together three small storms to create this Perfect Storm, the same energy and "mana" is developing for the HIAC's building project. The planning and development has gained momentum and energy, where the partnership of HICDC is so ripe and provides the best solution, where HIAC will help lower the cost of health care tremendously and make a huge impact on reducing institutionalizing of our kupuna's, where this project will create much needed construction jobs, where this project will also keep our employees of HIAC employed and also create more jobs as HIAC grows and where the demographics and baby boomers era needs are evident. This is the Perfect Project!

I humbly ask for your support for HIAC's request for Grant in Aid. The timing is right and we will meet the growing demands in our community for years to come.

Mahalo Nui Loa


Marvin Min
HIAC, Board of Director



Barry K. Taniguchi
50 E. Puainako Street, Hilo Hawai'i 96720
Phone (808) 959-2817, Fax (808) 959-8050
E-mail: barry_taniguchi@ktasuperstores.com

January 30, 2012

To: Hawaii Island Legislative Delegation

Re: Hawaii Island Adult Day Care Funding

Aloha.

I write in support of funding for a new facility for Hawaii Island Adult Care (HIAC). For more than 35 years, HIAC has provided adult daycare services to our elderly citizens who might otherwise need to be in long-term care institutions.

HIAC serves 108 of our citizens and the need for adult daycare is growing. One of every 14 people on Hawaii Island is 75 or over. One in seven is over 65. Ours is a family-centered island. We want to keep our respected elders at home, where they continue to influence our young people and remind us of our responsibilities. Many of us need to work and need to feel secure that our elders, like our children, are safe and invigorated. HIAC provides active, stimulating programs set to the levels the individual elder can handle.

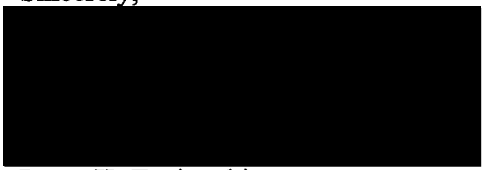
Despite its success, HIAC faces disruption any day. It is housed in the old Hilo Memorial Hospital, which is structurally damaged. The property owner, the County of Hawaii, seeks to close the facility to tenants because of its condition.

Indeed, should another earthquake shake the building, it is unlikely it would be cleared for continued use. If the location is closed, we would be without the HIAC program services for at least six months while approvals and licensing are undertaken.

Service interruption will place families in a tough spot and it is likely that many elders would be forced into inpatient facilities at a much higher cost to the families or to the Medicaid system. More than 70 percent of HIAC's clients are older than 80 years old.

HIAC seeks to have a new facility, built by Hawaii Island Community Development Corporation (HICDC) on its new senior housing site in Hilo. Locating adult daycare with senior housing is a growing model and has been recognized as a best practice by the federal Department of Housing and Urban Development.

Sincerely,



Barry K. Taniguchi
President
KTA Super Stores



Caring Service since 1976

34 Rainbow Drive, Hilo, Hawai'i 96720

Ph: 808-961-3747/Fax: 808-961-3740

www.hawaiiislandadultcare.org

Hawaii Island Adult Care, Inc. Overview

- A) **History:** Due to a national Office of Aging mandate to provide dignity to aged kupuna and deter premature institutionalization into long term care, HIAC opened its doors in January 1976 as an adult day care center
- 1981 – Incorporated into a federally tax exempt corporation
 - 1988 - Opened Kona Adult Day Center
 - 1988 – Started Senior Helpers – in-home care and Hale Kupuna, small group home was opened
 - 2010 opened Honomu Adult Day Center
- B) **Programs:**
- Hilo & Honomu Adult Day Centers, 106 participants enrolled
 - Senior Helpers Hawaii – in-home chore and personal care, serving 56 clientele
 - Caregiver Connection – support for caregivers, support group, respite program
 - Hale Kupuna – small group home for five economically needy elders
- C) **Goals** for our community elder Kupuna and disabled adults:
- To remain living in their own homes as long as possible
 - To have dignity
 - To maintain their independence
 - Be with family & community
 - Deter pre-mature institutionalization into long term care facilities
 - Support caregivers with their employment and/or relief from care-giving

Real goal - to have participants/clients pass away while living at home, their lives fulfilled in dignity; caregivers, though sad, also very happy to have fulfilled their job of having them living at home to their passing.

Our adult day center participants are: lawyers, one judge, nurses, teachers, many small business owners, laborers, housewives, all who have built our communities to make what we have today.

- D) **Budget:** All agency, \$1,678,080 - 46 employees; Hilo & Honomu Adult Day Centers, \$1,192,750 – 32 employees (Honomu is a very small new program).
- E) **Adult Day Centers save State Medicaid dollars:** an important plus is that when a family decides they can no longer take care of their loved one at home, and **places them in long term care**, we look back at the years we have served them and know that we have saved the state Medicaid dollars.

On the average, anyone entering a long term care facility becomes a Medicaid patient within three months, and the average stay is three years. For every 10 participants we take care of, for those who would **definitely be in an institution except for our adult day care program, we save the state over ¾ million dollars in Medicaid monies each year.**

F) Building history & HIAC progress for another site:

- Built 1923 - 89 years old; half of one wing is already condemned.
- As of 2010, one year leases (with one month to vacate) with county because their insurance won't cover the building for anything anymore.
- Occupancy at risk because of earthquake or other big issues, relocating means the relicensing process which can take months, loss of service to community.
- Board researched other buildings before considering new.
- Acquired land with Hawaii County Office of Aging, it has some flood issues.
- 2009-2010 - completed feasibility study.

G) Where we are now:

- 2011, Keith Kato, HICDC, opened the door to wanting our adult day center on the new senior housing project site in Hilo. He follows the Maui model of the national mandate "aging in place", where three adult day centers now have been built on senior housing sites.
- This is a Win-Win situation, Keith Kato has the building experience and the senior housing clientele will be able to use the facility for some activities and join in on the celebrations we have for events year round.
- The national push is to keep more elders living at home; as the senior housing kupuna age, more will become participants of the day center, to be able to remain independent and live in their homes.
- In facing the future of the tsunami wave of baby boomers, this is a key time to be prepared with a strong new building to last throughout those years.

**HAWAII ISLAND ADULT CARE, INC.
BOARD OF DIRECTORS
2012**

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BEERS, Jeanne (2013) Registered Nurse
VICE PRESIDENT - GOVERNANCE
IGNACIO, Jay (2013) HELCO, President
VICE PRESIDENT - INTERNAL AFFAIRS
AH CHIN, Judy (2012) Retired County Bldg Dept. Supervisor
VICE PRESIDENT - EXTERNAL AFFAIRS
ONISHI, Richard (2012) Computer Analyst
SECRETARY
IKAWA, Irma (2013) Vice Pres./Sec. Big Island Candies
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IKEDA, Roxann (2013) BOH - Asst. Vice President & Branch Manager, Waiakea Branch
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MCKINLEY, Mary (2013) Planning Department
MIN, Marvin (2013) Gas Co. Manager
NAKAHARA, Jan (2012) RN Case Manager NHWW
WALDO, Barbara (2013) Retired Public Relations
YAMADA, Nancy (2013) Retired BOH / Asst. Mgr.
ASSOCIATE MEMBERS
WOO, A. Stephen Jr., MD Retired

Jennifer L. Gossert
CERTIFIED PUBLIC ACCOUNTANT
An Accounting Corporation

688 Kinoole Street, Suite 201 • Hilo, Hawaii 96720 • Phone (808)969-3115 Fax (808)969-7463


INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Hawaii Island Adult Care, Inc.

We have audited the accompanying statement of financial position of Hawaii Island Adult Care, Inc. (a nonprofit organization) as of June 30, 2009, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hawaii Island Adult Care, Inc. as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



April 23, 2010

Hawaii Island Adult Care, Inc.

Caregiver Comments – 2011

Safe haven. Kind and compassionate workers/volunteers. Reasonable fees. Enjoyable and meaningful activities. Although only recently a part of HIAC, my mother utters high praises and offers words of thanksgiving each day she is part of this loving, caring ohana. Once again enjoying the company of former co-workers and old friends, Mom is in her element! I am at peace during the day, knowing she is in good hands, among folks who show her respect and shower her with love.

Karen Maedo

All the people at HIAC are so pleasant and cheerful. Harvey says it's like they all took a "happy pill" before going to work. They are all very caring and loving as evidenced in their interaction with those who need care and with each other, too. When my mother was living with us and either Harvey or I took her to HIAC for day care, I always felt such a peace knowing that I could go to work and not worry about her at all, that she was being well taken care of, being served a nutritional lunch and snacks, too! On occasion, we would leave my mother at HIAC during a Saturday when Harvey and I had to go to Kona for the day. Again, we felt very good about the fact that she would be fine at HIAC while we were gone. I am extremely grateful to Hawaii Island Adult Care for being available to care for my mother and do it so well and with so much love and aloha.

Helene Tajiri

I'm going to tell you the story of how HIAC became a valuable partner to my family. In April of 2001, my father, Kotoku Curly Miyashiro at age 83, had a stroke which partially paralyzed him on his right side. Since he was still mobile, my mother, Masako Milly Miyashiro, cared for him at home. As Dad grew weaker with age and subsequent strokes, it was time to seek additional assistance. Fortunately through consultation with Services for Seniors, we were made aware of various community resources for the elderly. That's when HIAC became a part of our family. Dad started in 2003 or 2004 on a half day twice or 3 times a week. The van transportation was an important part of the service. This provided relief for my mother who was responsible for Dad's care 24 hours a day. Dad was not able to communicate well due to the stroke affecting his speech, but he had previously found joy in talking to and being around people, especially the elderly. So I know that he appreciated and enjoyed being at HIAC. Dad was a regular client till the end of 2006 when he was hospitalized. After an extended hospital stay he passed away in Sept. 2007. I then became Mom's caregiver upon Dad's death as she was already showing signs of dementia. It was apparent that she needed more stimulation than sitting at home in front of the TV. She resisted all attempts to join in any of the P&R senior programs. Finally came the fateful day that I said she had to become a client of HIAC. The first several attempts to get her here was met with tremendous resistance and I physically had to carry her down the house stairs and put her into the car. Thankfully the staff assured me that she was not the only client that put up a fuss about coming to the wonderful facility, which eased my guilt. She finally accepted the fact that she would be a regular client and did so for 6 days a week. While not an avid participant in all

activities, she did enjoy singing and she does have a loud voice. Luckily for the staff and other clients, she at least could carry a tune.

She remained a client till the end of August 2010. Considerably weakened and under Hospice care for several months, she passed away peacefully at home, a week later.

It was always a pleasure visiting HIAC and the staff while my parents were clients. They were given compassionate care coupled with a sense of humor and keen understanding of the frailty of mind and body of the people they served. This is why the staff, the front line employees that care for clients like Dad and Mom, are such an important component of the success of HIAC. I have no hesitation in recommending families needing HIAC's services to come by and see for themselves that their loved one will be properly cared for while they can enjoy some time for themselves.

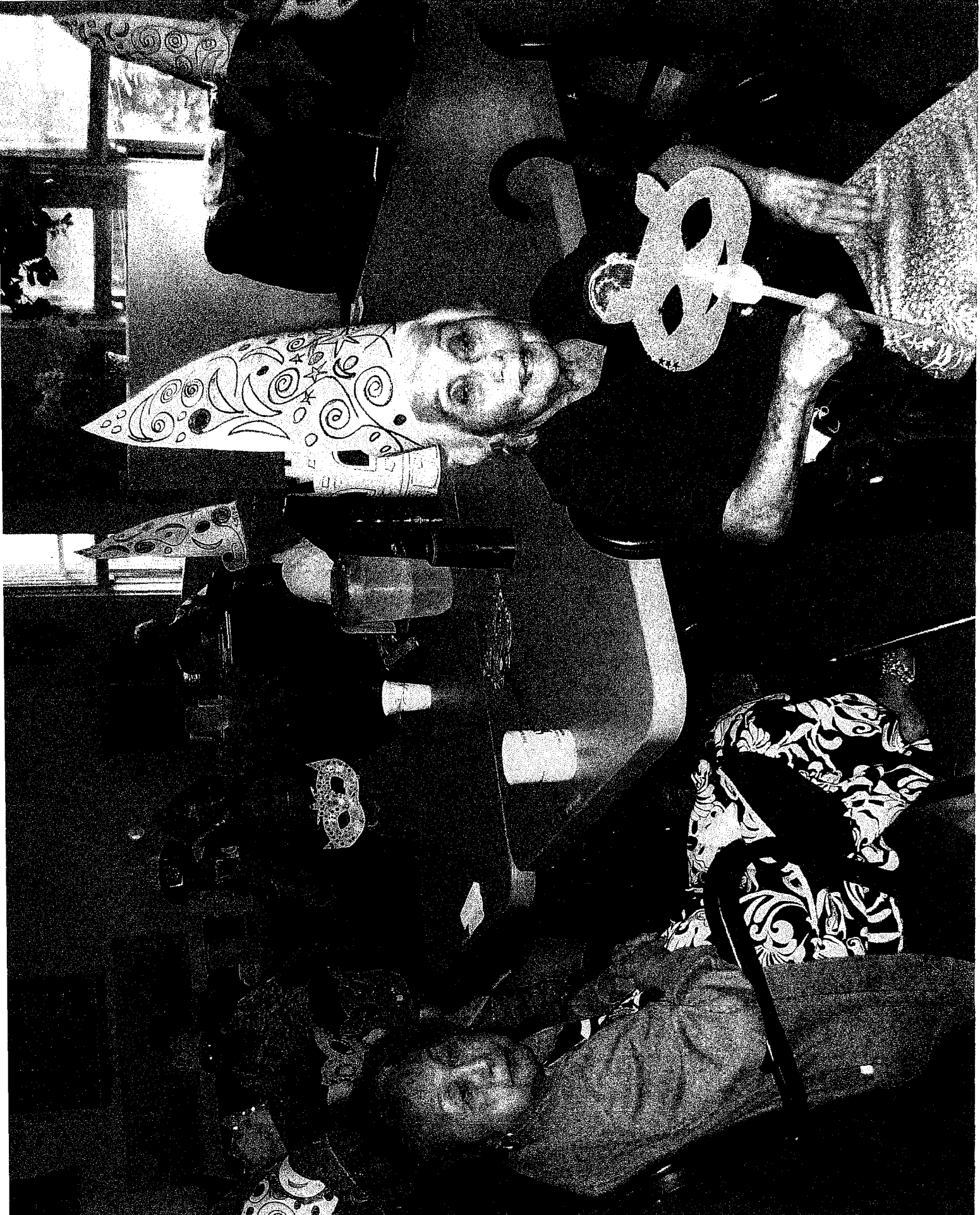
To HIAC, thanks for caring for our ohana. While we may not say it often enough, we do appreciate what you do. And please pass this message of appreciation to all your employees and volunteers.

Dwayne Miyashiro

WHEN THEY SMILE, WE SMILE!



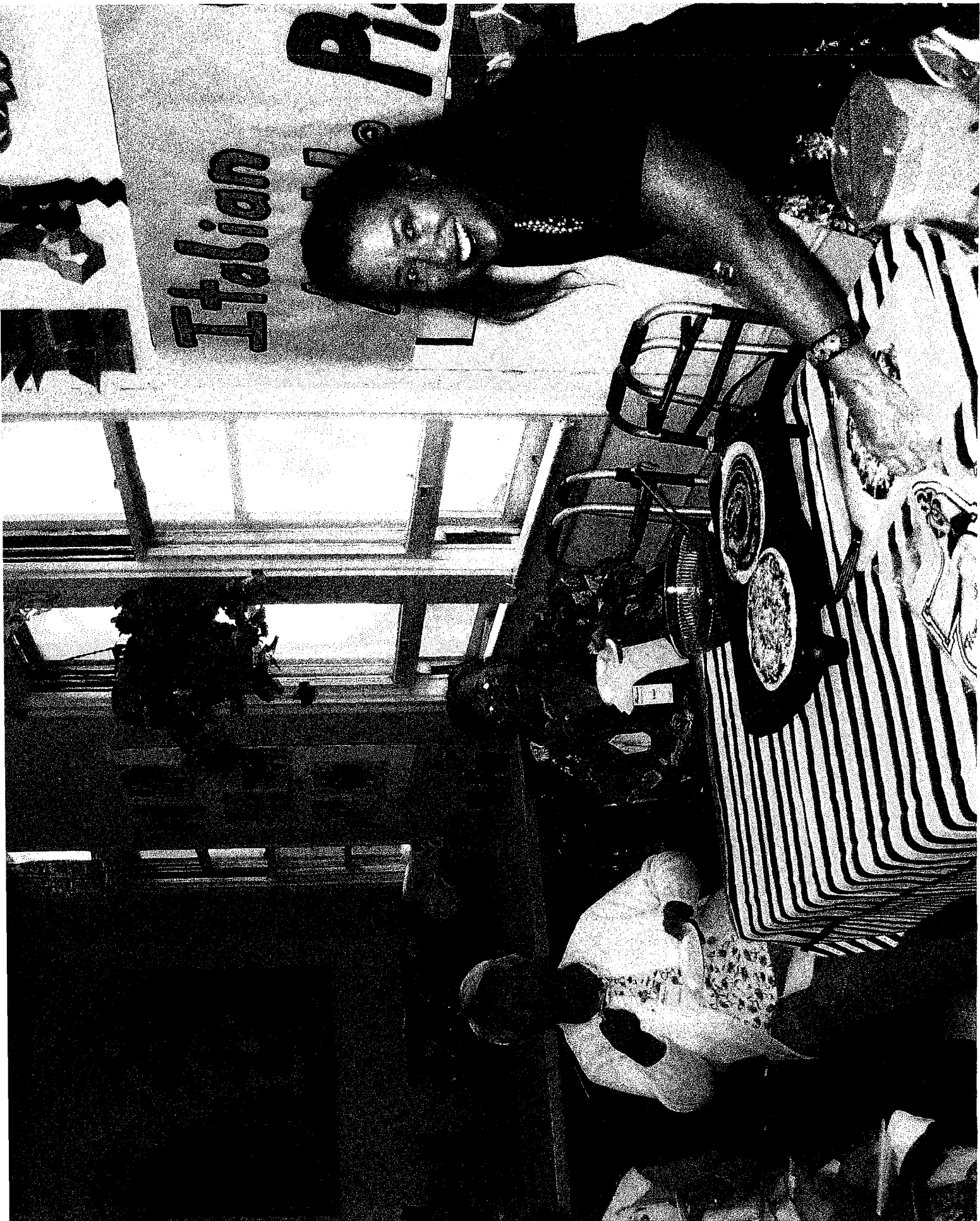


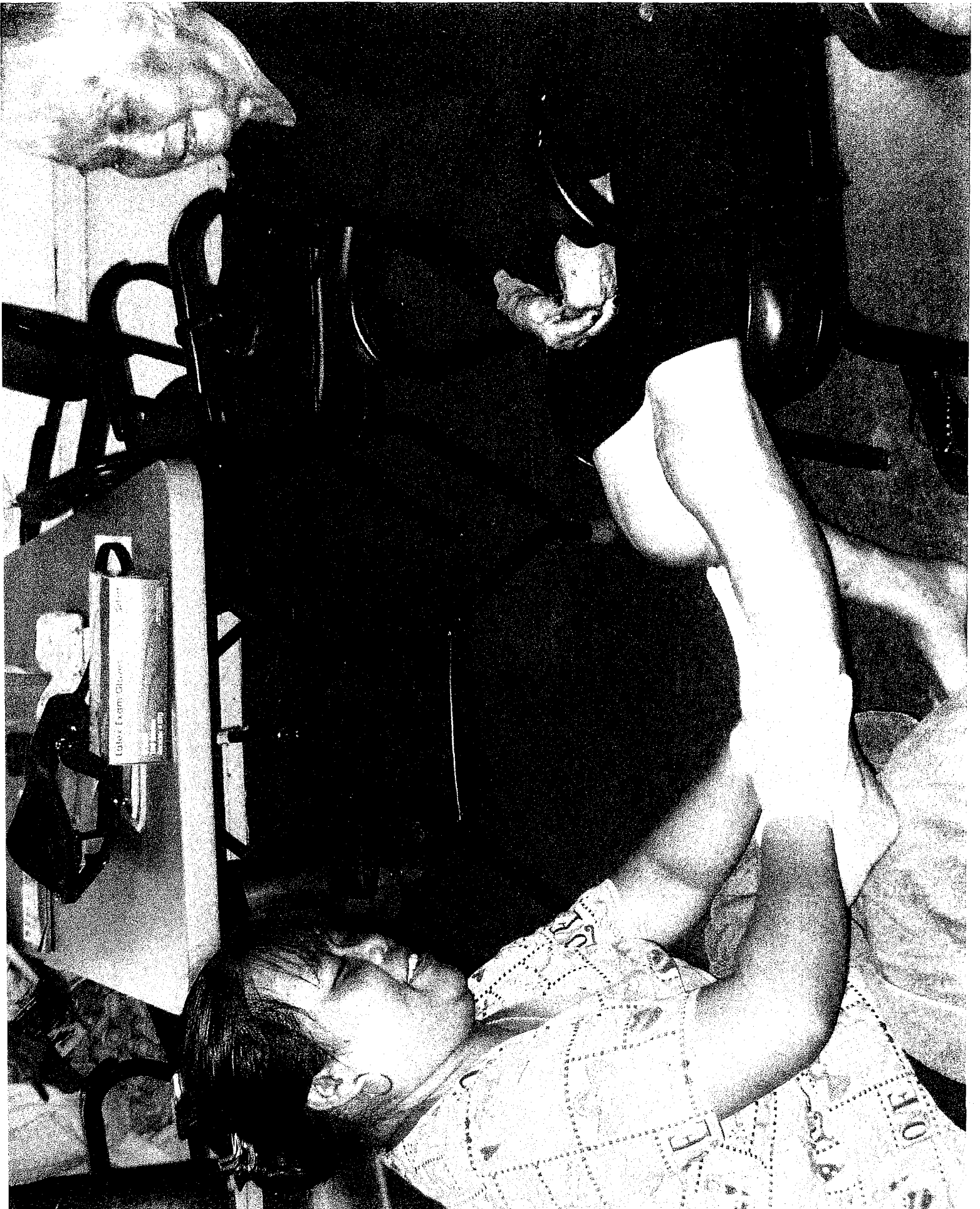




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**DECLARATION STATEMENT
APPLICANTS FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISIED STATUTES**

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 ensuring 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.

For a grant or subsidy used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant or subsidy 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 or subsidy 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 Island Community Development Corporation

(Typed Name of Individual or Organization)



(Signature)

January 31, 2012

(Date)

Keith Kato

(Typed Name)

Executive Director

(Title)