

House District 27

Senate District 13

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

Log No: 78-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:  
Palama Settlement

Dbas:

Street Address:  
810 North Vineyard Blvd.  
Honolulu, Hawaii 96817

Mailing Address:  
Same as above

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name JEAN EVANS

Title Executive Director

Phone # 845-3945

Fax # 847-2873

e-mail Jevans@palamasettlement.org

3. TYPE OF BUSINESS ENTITY:

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

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

PALAMA SETTLEMENT LIGHTING EFFICIENCY AND ENERGY MANAGEMENT PROJECT, PHASE I

4. FEDERAL TAX ID #: \_\_\_\_\_

5. STATE TAX ID #: \_\_\_\_\_

7. AMOUNT OF STATE FUNDS REQUESTED:

FY 2012-2013: \$ 68,940.00

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 \$ \_\_\_\_\_  
 FEDERAL \$ \_\_\_\_\_  
 COUNTY \$ \_\_\_\_\_  
 PRIVATE/OTHER \$ 10,000.00

TY \_\_\_\_\_ ATIVE:

Jean Evans Executive Director  
NAME & TITLE

1/31/2012  
DATE SIGNED

Palama Settlement  
Grants-in-Aid Application  
Fiscal Year 2012-2013

**I. Background and Summary**

Palama Settlement is a private, non-profit, community-based social service agency that has been serving the densely populated urban neighborhoods of Liliha-Palama-Kalihi since 1896. Over the years the agency has been the pioneer of many innovative programs to meet the critical needs of the ever changing face of the community. These programs have included the State's first public health nursing clinic; outpatient, birth control, prenatal, well-baby and venereal disease clinics; pure milk depots; and free dental care through the Strong-Carter Clinic. With the City and County and State taking over the community's medical needs in the late 1940s, Palama Settlement focused on addressing the needs of the waves of new immigrants who settled in the neighboring community.

From inception, Palama Settlement has provided both the young and old with a place to gather, to learn and to expand their creativity. A major part of Palama's mission is to serve the less fortunate, and disenfranchised families that reside in an area of Honolulu with the highest density of low-income housing projects in the State. The youth who reside in this low income neighborhood, particularly those who reside in one of the Kalihi area public housing projects, are frequently exposed to crime, drugs and violence. Growing up in poverty is additionally associated with risk factors that impede the successful transition to adulthood and self sufficiency.

Palama Settlement's mission statement is: To provide facilities, services and programs to support, improve and positively enhance the cultural, social, educational, physical and emotional well being of the individuals, families and communities surrounding Palama Settlement. A flagship facility on the 5.6 acre Palama campus is the Harry and Jeannette Weinberg gymnasium that was built in 1959. The gymnasium consists of a double court (one full-court and one half-court), a gym office and lanai area on the first floor and a mirrored multi-purpose room and weight room on the second floor. The gym is the morning gathering place for up to 240 senior citizens weekly where volunteer instructors conduct the ever popular beginners', intermediate and advance line dance classes. Mah Jong, Tai Chi, sewing, hula and zumba classes also vie for the seniors' attention and provide a venue for the seniors to socialize and exercise.

After lunch, the students of the State of Hawaii, Judiciary funded, In-Community Treatment Program, (an alternative learning center for adjudicated youth) utilize the gym for physical education classes or to challenge volunteer adults, such as the crew from the US Coast Guard Kittwake in a friendly game of basketball. Following the end-of-day school bell, children and youth from neighboring elementary, middle and high schools take advantage of the gymnasium for basketball and/or volleyball free-play. Palama Settlement's Pakolea Academic/Sports program takes to the courts in the late afternoons to practice for competition in the Honolulu City and County Police Activity League (PAL). Pakolea, which means "train to grow straight", was initiated in 1968 in response to the low number of high school graduates from the Palama Settlement neighborhood. At present, the program focuses on positive character development, success in academic progress and improvement in overall social-emotional functioning by utilizing sports participation as an incentive for change.

During the summer, the children of Palama Settlement's summer program dominate the usage of the gym with their day-long activities. In the evenings, the Late Night Basketball League (LNBL) is conducted in collaboration with Kalihi area social service agencies that include Palama Settlement, Parents and Children Together (PACT), Susannah Wesley Foundation, Coalition for a Drug Free Hawaii, Kalihi YMCA and Kokua Kalihi Valley. LNBL was founded in the 1980s in response to Kalihi area gang violence. The philosophy of the 20 year old league was to utilize sports participation as a deterrent for gang activity and as a venue for opposing gangs to get to know each other better. A drug prevention component was later added to the league with guest speakers from the community, and an all-league, annual community service project is also performed. Palama Settlement has also organized and hosted after school basketball leagues with neighboring elementary and middle schools.

Many youth and adults from the community have utilized the Weinberg Gymnasium at some time in their lives. More recently, the gymnasium has been placed into service as a source of income for its maintenance. Income is generated by the weekly rental of the gym to a church for Sunday morning services and a table tennis association in the evening. Youth basketball and volleyball clubs and leagues are additionally frequent renters, as well as seasonal renters such as the Interscholastic League of Hawaii (basketball), the Salvation Army's substance abuse treatment program (basketball and volleyball), the Hawaii Pacific University's men's basketball team and a Canadian enterprise that sponsors volleyball and basketball tournaments with teams from Canada.

In 2011, the income generated by the rental of the gym totaled \$75,000, with expenses of \$127,400, not including an allocation of electricity charges. While this income serves to defray a portion of the gym's expenses, it is insufficient to conduct programming, purchase supplies, and the upkeep the 50 plus year old gym in an "as is" condition. The lighting and electrical wiring in the double court gymnasium is supported by original wiring and lighting fixtures that result in overloaded circuits tripping and with lamps and ballasts requiring frequent changes. In addition, no regular light switches exist, rather, the aged circuit breaker switches are used daily to turn the lights on and off. It is impossible to determine what portion of the Agency's \$10,000 to \$11,000 monthly electric utility expenses is consumed by the gymnasium because the electrical metering of the campus, including 2, two-story buildings constructed in the 1920's, is on one meter, except for the on-site residence of the Support Services Manager.

In an effort to reduce the costly and every increasing utility expense, Palama Settlement has been accepting bids to convert the entire campus to an energy efficient lighting and management system. Phase I of the Palama Settlement Lighting Efficiency and Energy Management Project is conversion is to replace and rewire the lamps, ballast and fixtures in the gym. Phase II is to convert the entire campus to energy efficient lighting and the installation of the energy management system. Phase III will include the evaluation and installation of a photovoltaic system to further increase energy efficiency, reduce utility expenses, and increase sustainability.

This grant in aid request is for Phase I of the project which if awarded will enable the gymnasium to continue to serve as community resource, with reduced net expenses associated with its operation.

## II. Service Summary and Outcomes

The Palama Settlement Lighting Efficiency and Energy Management Project is a campus and agency wide project to replace and/or retrofit existing light fixtures and systems to one that is more energy efficient. The overall strategy is to use more efficient lighting with improved quality and a longer rated life expectancy. Phase I consists of the installation of the energy efficient system throughout the gymnasium. In Phase II, the replacement toward energy efficient lighting extends campus-wide. This phase additionally includes the installation of a system to control the HVAC (heating, ventilation and air conditioning) units on the Rath Building more efficiently and to add sub-meters for all buildings to track electrical usage by clients. The costs and efficiency of the existing HVAC units will be evaluated to determine if a split air conditioning system might better serve the Rath building programs more efficiently. Phase III consists of the study, planning, and design of the installation of photovoltaic units on the campus to further reduce utility costs and redirect the savings to programs that directly impact the Agency's target population.

One initial bid has been received for Phases I and II of the Project, and an additional proposal has been requested from a competitor. The scope of work for Phase I of the Project includes:

- Examination, evaluation and selection of a licensed contractor by Palama Settlement's Executive Director and the Agency's Building and Grounds Committee which includes two commercial real estate professionals, a licensed professional civil engineer, and a licensed electrician who is an officer of the International Brotherhood of Electrical Workers Union.
- Design, planning and applying for appropriate permits with the City.
- Removal and demolition of existing fixtures.
- Installation of a new electrical line for the gymnasium.
- Electrical rewiring and installation of switches.
- Installation of new fixtures and lamps.
- Replacement of existing "Exit" signs.
- Retrofitting gym office lights.

The use of the gymnasium may be curtailed during the removal and installation of the fixtures. Preliminary indication is that one of the contractors will be able to work around high use times (after hours and on weekends), thus minimizing the gym's loss of rental income. Should the contractor's work take place only during normal working hours, the gym would have to be closed for about a week's time.

The anticipated outcomes of the Project are:

- Reduced monthly electrical requirements which in turn would reduce utility costs as reflected on the Agency's monthly electric invoice.
- The gym would additionally be better lit, and may attract a greater number of rentals, increasing income over time, as evidenced by the number of gym rentals.

Because the gymnasium, as well as the rest of the Agency campus is metered by one meter, it will be difficult to ascertain the precise energy efficiency of the project however it is projected that some savings will be immediately reflected. With the completion of Phases I and II of the Project, an annual electric savings of approximately \$36,265 is projected.

Quality assurance of the project will be provided by the Agency’s Executive Director and members of the Building and Grounds Committee.

**III. Financial**

**Budget**

1. Please see attached budget proposal
2. Anticipated quarterly funding requests for the fiscal year 2012-2013

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$14,892.00	\$64,047.00	-0-	-0-	\$78,939.00

The funding in Quarter 1 is for the planning and permitting of the Project. Funding in Quarter 2 is the labor and materials for the removal of existing fixtures, installation of the energy efficient lighting, and rewiring of the electrical system in the gym. If the grant in aid is awarded, the completion of the capital improvement project is projected to be completed before the end of November and the beginning of the gymnasium’s high usage season.

3. Listing of all other sources of funding the Agency is trying to obtain for fiscal 2012-2013:

State of Hawaii, First Circuit Judiciary	-	Operations
City and County of Honolulu	-	Operations
Friends of Hawaii Charities	-	Operations
Henry and Colene Trust	-	Operations
Waterhouse Charitable Trust	-	Operations
Pettus Foundation	-	Operations
Aloha United Way	-	Operations
Agency Fund Raising	-	Operations & Capital
Program Fees	-	Operations
Facilities Rental	-	Operations

4. Listing of all state and federal tax credits granted within the prior three years and applying or anticipate applying for pertaining to any capital projects:

Not applicable

#### **IV. Experience and Capability**

##### **A. Necessary Skills and Experience**

Palama Settlement shall contract with a licensed contractor that has experience and expertise in the area of energy efficient lighting and management, and who will sub-contract with licensed professionals. Requests shall be made of the contractor to provide a list of verifiable references for work performance and delivery of stated outcomes. The planning, design and implementation of the project will be overseen and reviewed by Palama Settlement's Executive Director with the Building and Grounds Committee. The Building and Grounds Committee is composed of two commercial real estate professionals, a licensed civil engineer and a licensed electrician.

##### **B. Facilities**

The Palama Settlement campus sits on 5.6 acres of land mauka of Vineyard Boulevard, and maikai of the freeway, and is bordered by Palama Street to the west and Pua Lane to the east. Seven buildings are situated on the campus, and include the Weinberg Gymnasium, locker rooms, Higashino Administration Building, the Rath Building, the Tenant Building, Corbett House and a private residence. The Tenant, Corbett and Rath Buildings were built in the 1920's. The most recent construction was the expansion of the 1984 Administration Building and dining area, completed in 2006. There is also a 25 meter swimming pool, which is open to the public for free swim, and a football practice field. An ADA compliant pool lift has been ordered and will be installed upon delivery by the vendor.

Palama Settlement's Henry and Jeannette Weinberg gymnasium was built in 1959. The gymnasium consists of a full-sized basketball court and a smaller court under 20 feet ceilings. The gym office area consists of three offices, a lavatory, and storage space. A wheelchair access ramp to the gymnasium was built in 2004 with funds donated by the Albert A.B. Dung memorial fund, and construction provided by the Kamehameha Lions Club and Quality General Inc. The second floor consists of a mirrored multi-purpose room, and a weight room. A spacious, open air lanai area completes the gym structure. There is also an outdoor court which was built by a donation from the Alfred L. Castle Jr. Trust adjacent to the gym. Ample free parking behind the gym makes the Weinberg gymnasium a desired location for various activities and functions. With its double courts, the Weinberg gymnasium is one of the largest on the island.

In the early 1980's the bamboo screen which divided the two courts in the gym was replaced with a floor to ceiling curtain. In 1992, the Weinberg Foundation of Hawaii donated funds to repair and repaint the exterior and interior of the gym, and to resurface the wooden floors. Since that time, repairs have been limited to replacement of termite eaten boards in the floor, refinishing the wooden floor by Agency staff, and in 2011, the Hawaii Pacific University replaced six of the baskets and backboards as an in-kind donation for the use of the gym. The lighting and electrical system has not been upgraded since the gym's construction in 1959.

**V. Personnel: Project Organization and Staffing**

**A. Proposed Staffing, Staff Qualifications, Supervision and Training**

The bids received for the Project will be examined and evaluated by Palama's Building and Grounds Committee which is comprised of a licensed professional civil engineer and licensed electrician. The Committee will provide recommendation to the Executive Director who will enter into a contract with the state licensed contractor. The contractor shall have experience and expertise in the area of energy efficiency, and will sub-contract the electrical requirements to a licensed electrical contractor.

Fiscal over site of the funds will be managed by the Agency's Business Manager who had been employed in Palama Settlement's Business Office for 30 years and in her capacity as Business Manager for the past 6 years. Reporting requirements will be the responsibility of the Executive Director, Jean Evans, who has been the executive director since 2010. Ms. Evans holds a Masters in Public Health Administration and has served in the non-profit management field in Hawaii since 1981. She will be assisted by the Program Administrator, a licensed social worker who has been employed by Palama Settlement since 1995, and served as Program Administrator since 2007.

**B. Organization Chart**

See attached

**VI. Other**

**A. Litigation**

Palama Settlement is not a party to any pending litigation, nor any outstanding judgments.

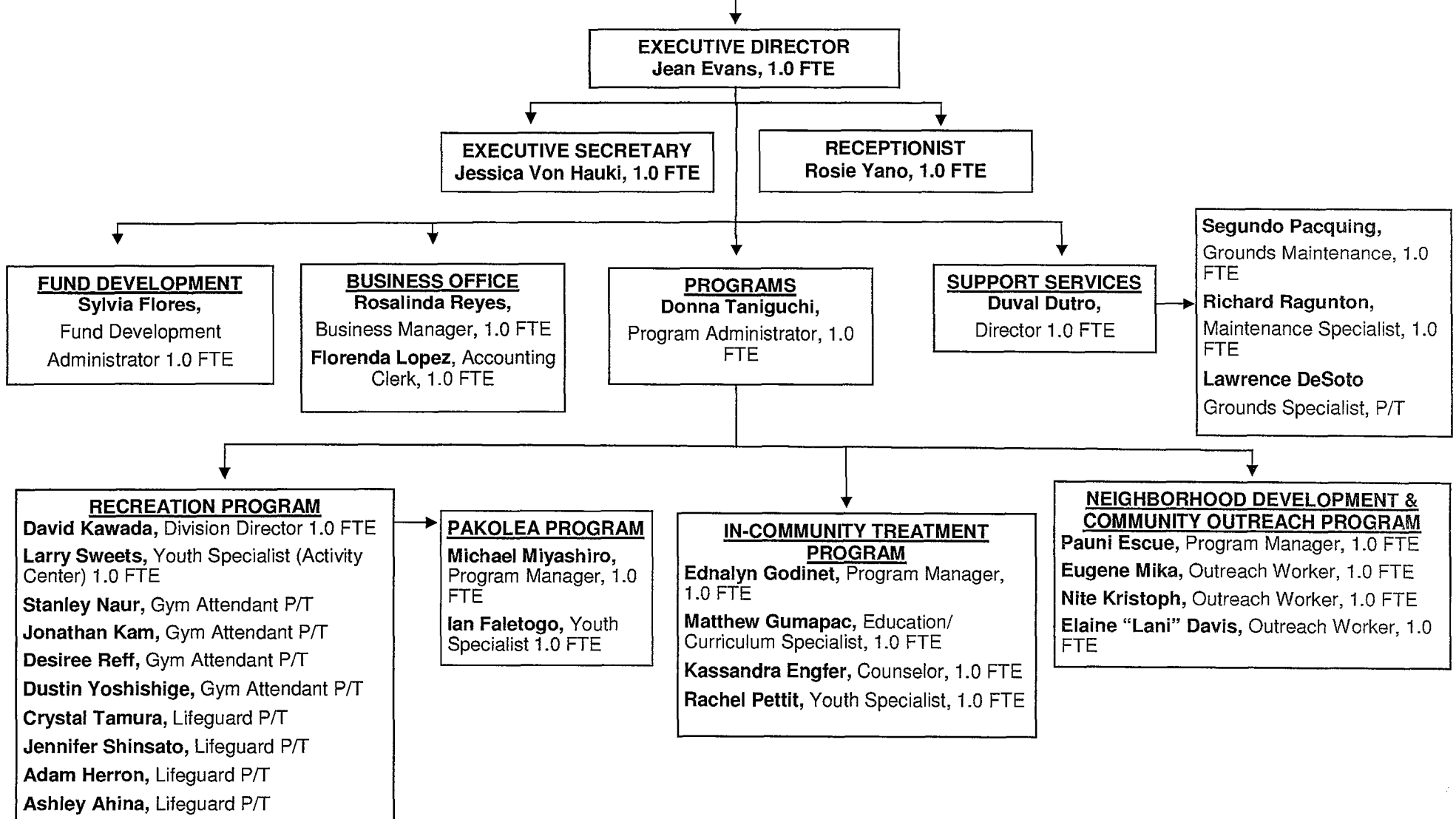
**B. Licensure or Accreditation**

Palama Settlement shall contract with only state licensed contractors that specialize in the field of energy management and efficiency.



## PALAMA SETTLEMENT 2012 ORGANIZATION WIDE CHART

# BOARD OF TRUSTEES





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

Applicant: \_\_\_\_\_ Palama Settlement

<b>BUDGET CATEGORIES</b>	<b>Total State Funds Requested (a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
<b>A. PERSONNEL COST</b>				
1. Salaries	0			
2. Payroll Taxes & Assessments	0			
3. Fringe Benefits	0			
<b>TOTAL PERSONNEL COST</b>	<b>0</b>			
<b>B. OTHER CURRENT EXPENSES</b>				
1. Airfare, Inter-Island	0			
2. Insurance	0			
3. Lease/Rental of Equipment	0			
4. Lease/Rental of Space	0			
5. Staff Training	0			
6. Supplies	0			
7. Telecommunication	0			
8. Utilities	0			
9. Contracted Permit/Planning	0			
10. Contracted Labor	0			
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
<b>TOTAL OTHER CURRENT EXPENSES</b>	<b>0</b>			
<b>C. EQUIPMENT PURCHASES</b>	<b>0</b>			
<b>D. MOTOR VEHICLE PURCHASES</b>	<b>0</b>			
<b>E. CAPITAL</b>	<b>78,940</b>			
<b>TOTAL (A+B+C+D+E)</b>	<b>78,940</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	68,940	Jean Evans	848-2518	
(b) Agency Fundraising	10,000	Name (Please type or print)	Phone	
(c)		[Redacted]	11/31/2012	
(d)			Date	
<b>TOTAL BUDGET</b>	<b>78,940</b>	Jean Evans, Executive Director		
		Name and Title (Please type or print)		

## BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: Palama Settlement

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				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
<b>TOTAL:</b>				0.00
<b>JUSTIFICATION/COMMENTS:</b>				

## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Palama Settlement

Period: July 1, 2012 to June 30, 2013

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
<b>NOT APPLICABLE</b>			\$ -	0
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>				<b>0</b>
<b>JUSTIFICATION/COMMENTS:</b>				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
<b>NOT APPLICABLE</b>			\$ -	0
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>				<b>0</b>
<b>JUSTIFICATION/COMMENTS:</b>				

## BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant: Palama Settlement

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	OF FUNDS	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2010-2011	FY: 2011-2012	FY:2012-2013	FY:2012-2013	FY:2013-2014	FY:2014-2015
PLANS	0	0	14892			
LAND ACQUISITION	0	0	0			
DESIGN	0	0	0			
CONSTRUCTION	0	0	54048	10000	71060	
EQUIPMENT	0	0				
<b>TOTAL:</b>			<b>68,940</b>	<b>10,000</b>	<b>71,060</b>	
<b>JUSTIFICATION/COMMENTS:</b> The costs are based upon a preliminary proposal from a licensed lighting contractor. Plans include the cost of plans and required permits. Construction includes the cost of materials (light fixtures, lamps, switches, wiring, etc.), labor costs to remove and dispose of old fixtures, installation of new electrical wiring system and light switches, and the installation of the new, energy efficient fixtures throughout the gym.						

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

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawai'i 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.

Palama Settlement

(Typed Name of Individual or Organization)



(Date)

Jean Evans

(Typed Name)

Executive Director

(Title)