

Nanakuli Housing Corporation

**Sustainable Housing for
Low to Moderate Income Families**

A Request for Funding

**Hawaii State Legislature
Application for Grants & Subsidies
Fiscal Year 2014**

January 31, 2012

House District 30,42,43,44

Senate District 13,21

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

Log No:

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: Nanakuli Housing Corporation

Dba:

Street Address: 50 P Sand Island Access Road, Honolulu, HI 96819

Mailing Address: P. O. Box 17489, Honolulu, HI 96817

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name MARY SHIMIZU

Title Fiscal Manager

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3. TYPE OF BUSINESS ENTITY:

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

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

SUSTAINABLE HOUSING FOR LOW TO MODERATE INCOME FAMILIES

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FY 2012-2013: \$ 314,452

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 \$ 314,452
 FEDERAL \$ 132,915
 COUNTY \$ 58,650
 PRIVATE/OTHER \$ 31,060

PAIUGE KAPIOLANI BABER
NAME & TITLE

JANUARY 29, 2013
DATE SIGNED

Application for Grants and Subsidies
Nanakuli Housing Corporation
Sustainable Housing for Low to Moderate Income Families

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**Application for Grants and Subsidies
Nanakuli Housing Corporation
Sustainable Housing for Low to Moderate Income Families**

I. Background and Summary

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

Nanakuli Housing Corporation (NHC) is a 501(c) 3 nonprofit organization established in the State of Hawaii in 1999, see Attachment 2. Originally formed by the Nanakuli community, NHC has developed program based on community needs and the input from the families we serve. When families in Nanakuli told NHC they needed low rate interest loans to fix their homes, NHC worked with the City and County to set up a program to do just that. NHC has expanded its services to include low to moderate income families living in the State, principally the island of Oahu. Our funding allows us to serve low to moderate homeowners and potential homeowners in their housing needs. Our mission is that every native family regardless of their economic status will increase their personal assets through homeownership. Our housing centric programs include a construction materials reuse center (Baseyard Hawaii), homeownership and financial literacy training and support, self help home repair and/or replacement, affordable single family home building packages, and, most recently, a small scale Individual Development Account program. Our programs are integrated to assist our participants in not only receiving training and support, but assistance in resolving credit issues, accessing construction materials from our baseyard and securing community resources (e.g. financing and grants) for their home repair/acquisition projects. Participating families are provided training, credit counseling and case management support to attain their housing goals, be it purchasing a home or rebuilding or repairing an existing home. Not only do families increase the value of their home and personal assets, they leave with skills to help them maintain that asset (and its value), and have a support unit which includes NHC and other participating families.

2. The goals and objectives related to the request;

The primary goal of this request is to assist 20 low to moderate income families with securing a home or making needed repairs on an existing home; strengthening the family and providing a safe and healthy living environment. The secondary goal is to assist any disabled household members with accessibility retrofits to increase their quality of life. We have found in our work with low to moderate income families that they are usually larger than the State's average of 2.9 people in the household; often have a disabled kupuna or child in the household; and lack not only the financial capacity, but knowledge about maintaining their home and some of the community resources available to assist them.

This project will 1) identify at least 20 low to moderate income families living on Oahu willing to commit to working on their goal of homeownership or committing to making much needed repairs on their existing homes; 2) assist each family in developing an action plan, including a savings plan with a goal of executing a major home repair or purchasing a family home; 3) provide financial literacy and/or self help home repair training, and credit repair counseling; 4) establish IDA accounts, as applicable; 5) complete at least one family home repair and/or address accessibility for a disabled family member or prequalify for a mortgage loan; and 6) evaluate and enhance program.

3. The public purpose and need to be served;

According to the 2010 Census, of the 211 census tracts on the island of Oahu, 100 have at least 51% low to moderate income households. The larger groups of low to moderate income families live in the Kapalama (96817), Sand Island (96819), Waianae (96792), Waipahu (96786) and Aiea (96701) areas. There are nearly 86,629 low to moderate income individuals, approximately 28,876 households using an average family size of 3 people. Fifty eight percent of the households in Hawaii are owner occupants compared with 64% nationwide, and there is a tendency for more of our Hawaii households to be multigenerational. Based on our work with low to moderate income native families, we have seen larger households and have three or more generations under a single roof.

Our work with low to moderate income families also reflect the findings in the 2003 and 2008 Department of hawaiian Home Lands surveys of families living on Hawaiian Home Lands. Nearly one half of the homes are older and require significant repair. These homeowners lack the financial capacity to make those repairs. More than half of those households would like to make additions to their homes to accommodate their larger than average families or provide housing for their extended family. The repairs we have logged in our assessment of participating homes are major and include leaking roofs, nonfunctioning plumbing, and formerly enclosed areas of the home open to the elements. Health and safety are at risk in these homes.

4. Target population to be served; and

Our target population is low to moderate income households on the island of Oahu willing to commit to an family specific action plan to either purchase a home or make a significant repair to an existing home.

5. Geographic coverage.

This project would work with low to moderate income families on the island of Oahu.

II. Service Summary and Outcomes

1. Scope of work, tasks and responsibilities;

The work plan below details each of the tasks in support of the goals and objectives of this project. Included with the positions supporting each task, an estimated start and end month and project outcomes are detailed.

Objectives and Activities		Position(s) Responsible	Time Period (Month)		Outcomes
			Start	End	
1. Recruit eligible low to moderate income families willing to commit to purchasing a home or making a major repair to an existing home.					40 families express interest, 20 families recruited
1.1	Develop marketing plan and collateral materials to secure families	Executive Director (ED), Program Director (PD), Project Coordinator(PC), Case Manager (CM), Fiscal Manager (FM) Financial Advisor (FA), Building Manager)BM)	1	12	
1.2	Implement marketing plan	ED, PD, PC, CM, FM, FA, BM	1	12	
1.3	Hold initial group meetings to inform families about program and secure family commitment to the process	ED, PD, PC, CM, FM, FA, BM	3	12	
1.4	Complete initial intake process	ED, PD, PC, CM, FM, FA, BM	3	12	
2. Determine needs and goals of families					20 family action plans
2.1	Secure necessary documents to assess family's financial and household status	PD, PC, CM, FA, BM	3	12	
2.2	Work with family to develop short and longer term goals and milestones to achieve, draft a timeline and assign responsibility	PD, PC, CM, FA, BM	3	12	
2.3	Develop individual family action plansto address needs and goals	PD, PC, CM, FA, BM	3	12	
2.4	Open case management file for each family	PD, PC, CM, FA, BM	3	12	

Objectives and Activities		Position(s) Responsible	Time Period (Month)		Outcomes
			Start	End	
3. Provide training (i.e. financial literacy, home repairs home energy efficiency, available community resources)					Each family's action plan includes a savings plan.
3.1	Establish schedule of classes to address family needs	ED, PD, PC, CM, FM, FA, BM	3	3	
3.2	Conduct home assessments for families requiring home repairs	PD, PC, CM, BM, CS	3	6	
3.3	Add family specific training to each family's action plans	PD, PC, CM, FA,	3	12	80% of families with home repairs complete at least one
3.4	Identify families requiring accessibility retrofitting in their homes, schedule volunteers and repairs	PD, PC, CM, FA, BM, CS	3	12	
3.5	Conduct training, including hands on at family homes	PD, PC, CM. BM, CS, FA, FM	3`	12	
3.6	Complete repairs	PD, PC, CM, BM, CS	6	12	
4. Establish IDA accounts for families interested in pursuing homeownership or major home repairs					
4.1	Work with financial institution to gather forms and verify process for families to establish accounts	ED, PD, FM, FA	1	1	
4.2	Train staff in forms and process	PD, PC, CM, FM, FA	2	2	
4.3	Determine eligibility of families to participate, set goals with families	PD, PC, CM, FA, BM	3	12	
4.4	Pay out funds to escrow as families meet goals and close mortgage loans.	PD, PC, CM, FM, FA,	9	12	
5. Provide ongoing support (e.g. referral services and/or case management services)					80% of the families complete their action plan
5.1	Determine most efficient means to communicate with family - email, phone, face to face	PD, PC, CM, FA	3	12	
5.2	Establish a regular meeting/contact timeline with family	PD, PC, CM, FA	3	12	
5.3	Check progress on action plan, revise as appropriate and agreed upon	PD, PC, CM, FA	3	12	
5.4	Secure additional resources, i.e. service providers as needed.	ED, PD, PC, CM, FM, FA	3	12	
5.5	Refer families to other service providers, as needed, and follow up	PD, PC, CM, FA	3	12	

Objectives and Activities		Position(s) Responsible	Time Period (Month)		Outcomes
			Start	End	
7. Celebrate family successes					
7.1	Schedule family gathering at end of program year	ED, PD, PC, CM, FM, FA	9	10	
7.2	Recognize families for progress made over the program year	ED, PD, PC, CM, FM, FA, BM	12	12	
8. Evaluate effectiveness of program					80% of families are satisfied with the services provided and the family is better off for having participated.
8.1	Develop and deliver program progress reports to funding agency	ED, PD, PC, CM, FM, FA	3	13	
8.2	Revise/update and implement evaluation surveys for training, case management and overall program	ED, PD, PC, CM, FM, FA	2	12	
8.3	Check progress against projected outcomes and adjust program efforts as needed	ED, PD, PC, CM, FM, FA	3	12	

2. Projected annual timeline

Based on our experience with low to moderate income families, we know at least one home repair will be completed for most of the families planning repairs to their homes. For families working on a home purchase, few will be able to prequalify for a mortgage loan at the end of 12 months. However, NHC will continue to work with these families on a limited base until they are able to prequalify. All participating families will be provided training, develop action plans, start a savings program and be eligible for IDA's. Since our IDA funds are limited, funds will be committed to families on a first come, first serve basis.

3. Quality assurance and evaluation plans;

“A quality assurance program is a system of policies and procedures designed to continually improve specific business practices.”¹ Among the policies and procedures NHC uses to assure quality in its program offering is our Employee Handbook that provides for:

- Accommodation for the disabled;
- Security in our information systems;
- Confidentiality of our client information;

¹ How to Create an Effective Quality Assurance Plan, by Ronda Levine, <http://www.brighthub.com/office/project-management/articles/30414.aspx>

- Safety of our staff, clients and volunteers with safety training, and a smoke/drug free environment; and
- A grievance process to assure employees can surface issues.

A copy of our Employee Handbook will be shared upon request.

Finance and Internal Controls are addressed in an NHC manual and assures generally accepted accounting for all funds handled by the organization. Due to the size of the manual, a copy of will be provided on request.

Program quality is assured by the evaluation points we insert into all our work plans, including the work plan for this program. NHC constantly strives to get input from our participants and partners to better our service offering. Each contract NHC enters into is specific as to delivery requirements which are documented in contract scopes of work and are used as the basis for status reporting to our funders.

In the case of this program, we have included the following evaluation points:

- Tracking of the various marketing and recruitment avenues used and the effectiveness of each. Interested individuals will be asked where they learned of the program and this information will be tracked, later summarized by staff, reported to the funding agency and used in subsequent marketing efforts for this program. In the past we have found radio and flyers to past participants very effective in recruiting participants. Most recently the USPS' new direct mail program has proven efficient in letting families know about our programs;
- Participant evaluation is done with each class. We ask our participants about their instructors and the structure of the program. This information is used to change the curriculum/activities and used to select new instructors (which we have not had to do). All of our instructors are provided their individual feedback and are proactive in changing their materials and approaches to better communicate with our families;
- NHC has adopted the National Industry Standards for Homeowner Education and Counseling. As a result of that adoption, the national code of ethics is reviewed each year with our staff and staff required to commit to the code by signing a commitment document. Each of our volunteer trainers are asked to execute a similar commitment;
- In addition to the trainer, at least one member of NHC staff is in the classroom to assure efficient and effective delivery of the program. We have sometimes taken underage children to our adjoining keiki room so their parents can concentrate on the class proceedings;
- Staff meets weekly, and as needed, to provide status and resolve issues with program delivery;

- Counselor Max is our case management system and is loaded with client data on a regular basis. Intake data is loaded the week following our training and case management info is loaded soon after client meetings. Access to Counselor Max is secured by passwords maintained by a staff administrator;
- Paper case files documenting all interaction with families are stored in a separate, secured area with access limited to case management staff. Copies of our intake and other family executed forms will be shared upon request;
- A process to track the outcomes specific to this request will be developed with most of the data derived from the Counselor Max system;
- At the awarding of this request, a class code will be established in our QuickBooks system to account of all expenditures against the contract. This data will be used for grant reporting and billing; and
- All grant related documents are maintain for three years after the close of the contract or as specified by the contract.

NHC is also applying with the Department of Housing and Urban Development to be a HUD Counseling Agency. The requirements (e.g. documentation and processes, staff certifications and proper facilities) to become and remain a HUD Counseling Agency will help insure the quality of NHC's service offerings.

4. Measure(s) of effectiveness;

As detail above, the following outcomes are expected for this project and performance to those outcomes will be reported to the expending agency on at least a quarterly basis or as otherwise required:

- | | |
|--|---------------------------------------|
| 1. Number of low to moderate income families participating in the project: | 20 |
| 2. Number of families completing training; | 20 |
| 3. Number of families developing action plans: | 20 |
| 4. Number of families completing one home repair during project period | 80% of
those with a
home repair |
| 5. Number of families establishing a savings plan; | 20 |
| 6. Number of families satisfied and better off due to program participation: | 16 |

III. Financial

Budget

1. Budget forms are included in Attachment 3 along with a narrative detailing the calculations for each line item.

2. Anticipated quarterly funding requests for the fiscal year 2014.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$63,494.58	\$68,464.58	\$93,464.57	\$86,528.57	\$311,952.30

3. Listing of all other sources of funding that they are seeking for fiscal year 2014.

The following table shows the funding Nanakuli Housing will be seeking in 2014. As additional funding becomes available, NHC will continue to seek program funding. So, the following list is a work in progress.

Source	Program	Amount
Office of Hawaiian Affairs Housing 2013-2015	To build more stable housing for Native Hawaiian families. Request also includes \$375,000 in IDA funds in 2013, \$300,000 in 2014	\$900,000
Native American Housing and Self Determination Act (NAHASDA)	To assist native Hawaiian families with self help home repair and renovation loans funded by the Department of Hawaiian Home Lands (\$500,000)	\$745,368
Friends of Hawaii Charities	Individual Development Account Matching Funds	\$50,000
Community Block Development Grant	To assist low to moderate income households with self help home repair	\$287,767
Administration for Native Americans	To strengthen native families and create a safer, healthier living environment	TBD
Americans for Financial Independence	Individual Development Account Matching Funds	TBD
Department of Hawaiian Home Lands	Home ownership and Financial Literacy for native families	TBD

4. Listing of all state and federal tax credits

No state or federal tax credits have been applied for or granted over the past three years.

IV. Experience and Capability

A. Necessary Skills and Experience

Nanakuli Housing Corporation was a key participant in a pilot program with the Department of Hawaiian Home Lands (DHHL) and the Bank of American to provide homeownership and financial literacy training to native Hawaiian families on the DHHL wait list. Based on

Neighborhood Works’ Realizing the American Dream, the pilot was successfully implemented in 1999. NHC has continued to provide homeownership and financial literacy training via DHHL and has developed a culturally based curriculum to increase the relevancy of the training for our families. Five of our staff members are certified by Neighborhood Works (3 staff) and OWEESTA (2 staff) to deliver homeowner and financial literacy education.

NHC realized that training alone was not sufficient for most of the families. Lack of financial capacity and credit issues were and continue to be common challenges for waitlist and other low to moderate income families. As our work continued with DHHL, credit counseling and case management services were added to the training and the success rate of families was positively impacted. To support our case management services, one of our staff has been certified by the National Council on Homeownership Education and Counseling (NCHEC) to deliver Homeownership Counseling and another has just received NCHEC Certification for Foreclosure Counseling. Qualifications by staff member are detailed in Section V. below

NHC first developed the self help home repair program through funding by the Administration for Native Americans in 2004. We have delivered that program to native and other low to moderate income families on a limited basis through NAHASDA and TANF funding. Details of our most current contracts are included below:

Contracting Agency	Contact Person and Information	Contract/ Program Title	Award Date/ Term	Amount	Purpose/ Outcomes
DHHL – Nahasda	Scottina Ruis, scottinamalia@gmail.com	Holomua I Na’au’ao – Self Help Home Repair	January 2010	\$234,242	To assist 35 native low to moderate income families with home repair/replacement, 35 projects completed
	Ms. Trisha Paul DHHL/Nahasda (808) 620 9285		March 2011	\$286,420	To assist 25 native low to moderate income families in home repair/ replacement, 25 projects completed. One family to receive \$30,000 down payment assistance. To provide 25 families with home repair/ replacement training and support, 25 projects completed. 2 families to receive \$50,000 in down payment assistance
DHHL- NAHASDA	Ms. Trisha Paul DHHL/Nahasda (808) 620 9285		December 2012	\$328,850	To provide 25 families with home repair/ replacement training and support and two families with down payment assistance. IN PROGRESS

Contracting Agency	Contact Person and Information	Contract/ Program Title	Award Date/ Term	Amount	Purpose/ Outcomes
Queen Liliuokalani Children's Center	Luella King, (808) 851-3769	MOU	February, 2010 February 2011 February, 2012	\$5,000 \$5,000 \$5,000	Completed. Provided funding for program supplies and to provide in-kind assistance for cultural based training.
State of Hawaii, Department of Human Services, Benefit, Support Services and Economic Development	Kim Arista (808) 586 7060	Holomua I Na'au'ao: Self Help Home Repair & Replacement	March 2010 January 2011 January 2012 January 2013	\$83,333 \$100,000 \$100,000 \$100,000	To assist 15 families with home repair/ replacement training and support, 15 projects completed To assist 10 TANF eligible families with home repair/ replacement training and support, 10 projects completed To assist 10 TANF eligible families with home repair/ replacement training and support, 10 projects completed To assist 10 TANF eligible families with home repair/ replacement training and support, IN PROGRESS
Office of Hawaiian Affairs	Clarita Hironaka (808) 594 1809	Holomua I Na'au'ao: Self Help Home Repair	August 2011	\$80,000	To assist 10 native families with substantial home repairs. Extended to March 31, 2013
Office of Hawaiian Affairs	Misti Pali (808) 594 0243	The Road to Homeownership	June, 2012 June, 2013	\$208,675 \$208,675	To provide 75 families paying more than 30% of household income in rent to decrease that % or purchase a home. To assist 100 families paying more than 30% of household income in rent to decrease that % or purchase a home.

B. Facilities

NHC leases two sites from the State of Hawaii. The first, a former Navy training center at Kalaeloa, is leased from the Department of Hawaiian Home Lands. It has been refurbished to

use for training families and to house our program staff. The 12,000+ square foot building is located on 5 acres of property and includes a smaller building which is used as a workshop for our self help home repair training. There are five classrooms available, the largest holds up to 50 people. Adjacent to the largest classroom is a keiki room used for activities for family keiki during training. There is also a library that doubles as a confidential area for individual counseling sessions with families. All the classrooms are air conditioned, and while the building is not ADA compliant, NHC does make accommodations for participants with special needs. This may include providing wheelchair access via our garage area and/or having a handicap accessible portable bathroom.

In addition to Kalaeloa, NHC leases warehouse space for the State of Hawaii Department of Transportation, Harbors Division for our construction materials reuse center, Baseyard Hawaii and administrative offices. Just off Sand Island Access Road, the facility provides case management meeting space for families living closer to the downtown area and not requiring special accessibility. This facility is not ADA compliant and is not used for family training.

We realize that our Kalaeloa training facility or Baseyard at Sand Island will not be convenient for many of the families attending the classes for this program. We will be scheduling training classes and follow up case management meetings throughout the island of Oahu using our Baseyard facility and the facilities of one of our partners, Queen Liliuokalani Children's Center (QLCC), as well as public libraries, as each are available. As a community building member of QLCC, NHC is able to use their facilities without charge. The charge for the use of the public libraries is nominal and will be covered by NHC as necessary.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

When funded, the tasks for this project will be integrated into our current program duties. Program and administrative staff will integrate the tasks for this project with current program efforts, so just a portion of each of the following staff positions will be allocated to the project.

Paige Kapiolani Barber has been with NHC since 2006 and is certified by Neighborhood Works in homeownership/financial literacy and counseling. She holds a certificate in Nonprofit Management from Kapiolani Community College. She will be delivering portions of our homeownership training and will insure the quality of our case management services. She will allocate 15% of her time to this project;

Marlene Among, our program director, has been with NHC since 2004 and developed our culturally based curriculum. She is certified by Neighborhood Works to deliver homeownership and financial literacy training and holds a Nonprofit Management Certificate from Kapiolani Community College. She will be supervising the day to day operations of this project, directing the activities in the work plan and reporting status – approximately 40% of her time;

Clarence Kalima, our financial advisor, has been with NHC as a staff member since 2009. Prior to joining NHC he was a mortgage loan broker and lender and volunteered in our homeownership and financial literacy training to teach and counsel families on credit issues and prequalifying for a mortgage loan. Clarence provides our homeownership training, credit counseling and has done foreclosure counseling, and is certified by NCHEC. He will allocate 40% of this time to this project;

Camille Laybon, our case manager, has been with NHC since 2006 and is certified by OWEESTA to deliver homeownership and financial literacy training. She has been working with our families and providing case management services since joining NHC. She is trained in Counselor Max and is our staff administrator. She is responsible for the creation and maintenance of NHC's case management filing system and will allocated 40% of her time to this project;

Michele Minhoto, our project coordinator, has been with NHC since 2007. She is an OWEESTA certified homeownership and financial literacy trainer. Her job responsibilities include supporting all program activities, scheduling families for training and follow up meetings and assisting in creating and maintaining case management data. This project will require approximately 40% of her time

Mary Shimizu, our fiscal manager, is certified in homeownership and post homeownership training by Neighborhood Works and delivers a portion of our curriculum in both homeownership and self help home repair. She has been with NHC since 2004 and assisted in the development of our homeownership and self help home repair curriculum. She holds a master's degree in business administration from the University of Hawaii, Manoa, a certificate in Nonprofit management from Kapiolani Community College and holds a State of Hawaii real estate license. She will allocate 20% of her time to this project;

Wilbert Barber, our building manager, has been with NHC since its inception as a volunteer and joined the staff in 2004. A master welder and machinist, he assists with the hands-on portion of program training, but is, more importantly, responsible for our facilities at Sand Island and Kalaeloa. He received OSHA training on an annual basis and supports our program staff in their delivery of training and meeting with families over the course of the program. He will allocate 60% of his time to this project; and

Kelly Pasa, our construction specialist, has been with NHC on a part time basis since 2009. He has worked with Eugene Kawelo, our former staff and general contractor, on training families in doing home repairs. With this contract he will become full time and allocate 75% of his time to working directly with families and D & E Kawelo Construction to complete their home assessments, train on home repairs and complete their repairs.

NHC will be contracting with D&E Kawelo Construction to deliver some of the home repair training and doing assessments on family homes as needed. A retired principal of the firm, Eugene Kawelo, was a staff member of NHC and held a contractor's license with the State of Hawaii. He has since retired and his firm, now led by his brother, has offered to provide similar

services at a discounted rate. The assessment is done using an NHC form created from the City and County of Honolulu/HUD assessment form. Progress on each family's repair project is monitored by staff. Before and after pictures are used to record progress and a family evaluation done at the end of the project to assess satisfaction with the repair.

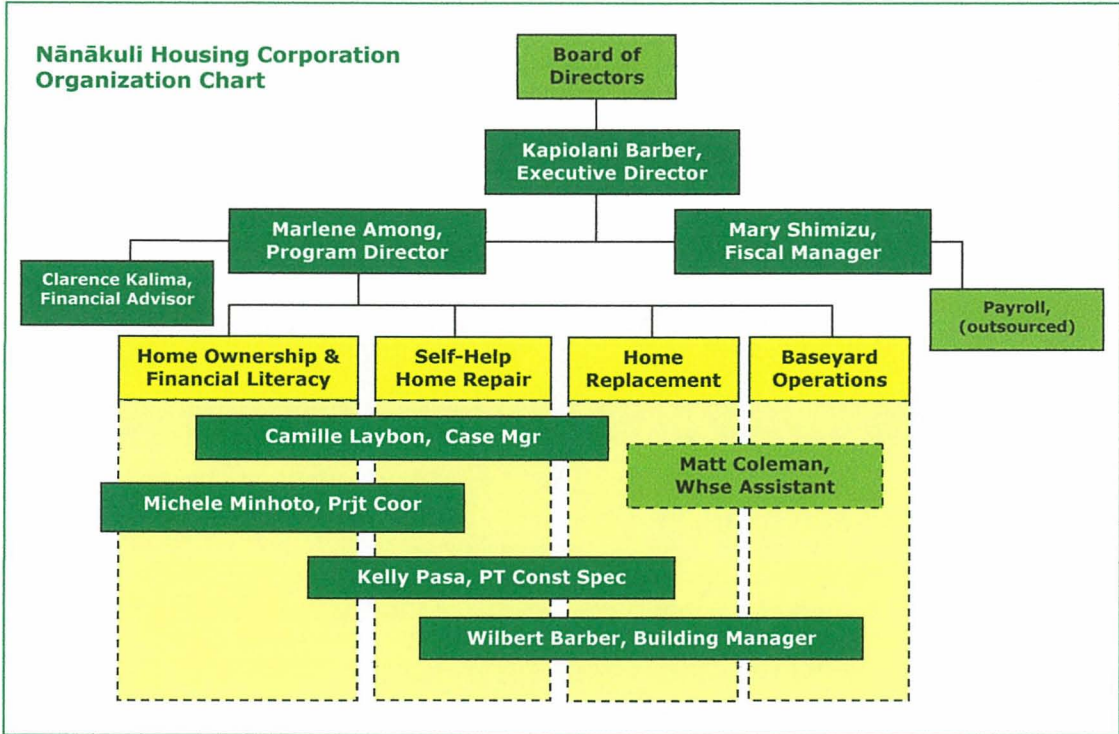
NHC will also be contracting with previous partners, the Kalaimoku Group and Lance Holden Design, to assist with the marketing strategy and collateral materials of this project. Both Kalaimoku and Lance Holden have assisted with prior marketing plans and performed above and beyond their billed rates to assist NHC in getting the word out about our programs.

As shown in the project organization chart below, the program director is responsible for the effective delivery of this project. All staff is supervised by the program director for all project efforts. Weekly staff meetings are held and tasks reviewed to assure timely completion. As additional resources are required, the program director will secure or look to the executive director and/or fiscal manager to secure.

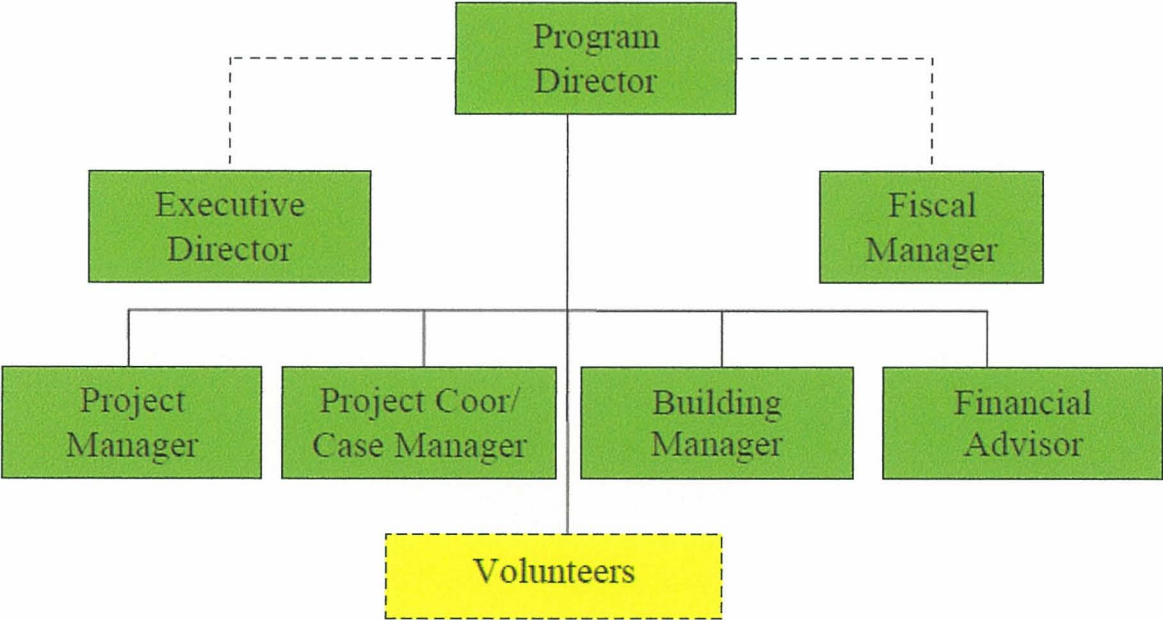
Staff training is provided as needed for each project (e.g. project scope and work plan, changes in procedures and forms, additional requirements). As noted in our quality assurance discussion, NHC is applying to be a HUD Counseling Agency. Inherent in that designation is the requirement to keep staff certifications current for each program offered. Included in the budget is funding for two staff members to update their homeownership training and counseling certifications with Neighborhood Works. These certifications allow staff to update their program delivery skills, providing the most current and effective services for the families we serve.

B. Organization Chart

The staff at NHC works as a team to deliver each of our programs. Below is the overall organization chart. The program staff is under the supervision of the program director, who, in turn, reports to the Executive Director along with the Fiscal Manager. The Executive Director is responsible to the Board of Nanakuli Housing Corporation.



The following project organization chart, reflects the organization for the delivery of this project. All staff working on project tasks, as well as volunteers, report to the program director.



VI. Other

A. Litigation

There is no pending litigation.

B. Licensure or Accreditation

No specific licensure or accreditation is required for the project. Training and certification of our staff and consultants to support this project are discussed in Section II.3 and Section V.A above.

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS AND SUBSIDIES PURSUANT TO
CHAPTER 42F, HAWAI'I REVISED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
 - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
 - c) Agrees not to use state funds for entertainment or lobbying activities; and
 - d) Allows the state agency to which funds for the grant 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.
- 2) The applicant meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is incorporated under the laws of the State; and
 - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
 - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawai'i Revised Statutes, for grants or subsidies 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.

Nanakuli Housing Corporation



1-24-2013

(Date)

Paige Kapiolani Barber, Executive Director

(Typed Name)

(Title)

OGDEN UT 84201-0046

In reply refer to: 0424060534
Jan. 26, 2004 LTR 252C
99-0273980 000000 00 000
03329
BODC: TE

NANAKULI HOUSING CORPORATION
PO BOX 17489
HONOLULU HI 96817-0489891

Taxpayer Identification Number: 99-0273980

Dear Taxpayer:

Thank you for the inquiry dated Dec. 03, 2003.

We have changed the name on your account as requested. The number shown above is valid for use on all tax documents.

If you have any questions, please call us toll free at 1-877-829-5500 between the hours of 8:00 a.m. and 6:30 p.m., Eastern Time.

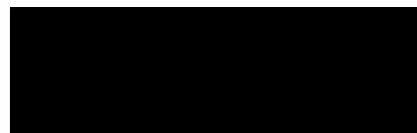
If you prefer, you may write to us at the address shown at the top of the first page of this letter.

Whenever you write, please include this letter and, in the spaces below, give us your telephone number with the hours we can reach you. Also, you may want to keep a copy of this letter for your records.

Telephone Number () _____ Hours _____

Thank you for your cooperation.

Sincerely yours,



Nadine Wille
Dept. Manager, Code & Edit/Entity 3

Enclosure(s):
Copy of this letter

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

ORIGINAL

DEPARTMENT OF THE TREASURY

Date: JAN 30 1994

NANAKULI NEIGHBORHOOD HOUSING
SERVICES INC
87 2070 FARRINGTON HWY
NANAKULI, HI 96792-3733

Employer Identification Number:
99-0273980
Case Number:
953323078
Contact Person:
TERRY IZUMI
Contact Telephone Number:
(213) 725-6619
Our Letter Dated:
Sept. 1989
Addendum Applies:
No

Dear Applicant:

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

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


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

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

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

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

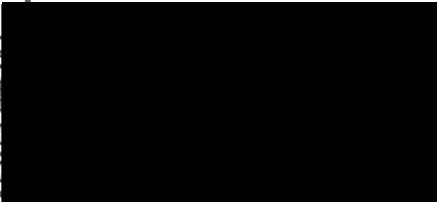
Sincerely yours,


Richard R. Orosco
District Director

Letter 1050 (DO/CG)

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2013 to June 30, 2014)

Applicant: Nanakuli Housing Corporation

BUDGET CATEGORIES	Total State Funds Requested (a)	Federal Funds (b)	Other Funds (c)	In Kind (d)
A. PERSONNEL COST				
1. Salaries	133,600	76,985		31,060
2. Payroll Taxes & Assessments	12,892	17,748		
3. Fringe Benefits	30,194	4,680		
TOTAL PERSONNEL COST	176,686	99,413		31,060
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance	2,310	2,641		
3. Lease/Rental of Equipment				
4. Lease/Rental of Space	13,187	14,097		
5. Staff Training	4,400			
6. Supplies	54,634	3,694	1,650	
7. Telecommunication	3,366	4,802		
8. Utilities	5,940	5,179		
9 Airfare for training	3,000			
10 Contractual Services - Administrative	6,980	2,641		
11 Contractual Services - Subs/Consultants	25,450			
12 Mileage	2,400	450		
13 Postage, Freight & Delivery	2,910			
14 Publication & Printing	3,000			
15 Subsistence/Per Diem	840			
16 Advertising	6,850			
17 Individual Development Accounts			57,000	
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	135,266	33,502	58,650	
C. EQUIPMENT PURCHASES	2,500			
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	314,452	132,915	58,650	31,060
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	314,452			
(b) Other Federal Contracts	132,915			
(c) Other Funds	58,650			
(d) In Kind	31,060			
TOTAL BUDGET	537,077	Paige Kapiolani Barber, Executive Director		
		Name and Title (Please type or print)		
		842 0770 Phone		
		1/30 2013 Date		

BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: Nanakuli Housing Corporation

Period: July 1, 2013 to June 30, 2014

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Executive Director	1	\$60,000.00	15.00%	\$ 9,000.00
Program Director	1	\$60,000.00	40.00%	\$ 24,000.00
Project Coordinator	1	\$32,000.00	40.00%	\$ 12,800.00
Case Manager	1	\$32,000.00	40.00%	\$ 12,800.00
Financial Advisory/Loan Specialist	1	\$53,000.00	40.00%	\$ 21,200.00
Building Manager/Trainer	1	\$34,000.00	60.00%	\$ 20,400.00
Construction Specialist	1	\$31,200.00	75.00%	\$ 23,400.00
Fiscal Manager/Trainer	1	\$50,000.00	20.00%	\$ 10,000.00
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				133,600.00
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Nanakuli Housing Corporation

Period: July 1, 2013 to June 30, 2014

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Computer and software	1.00	\$2,500.00	\$ 2,500.00	2500
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:	1		\$ 2,500.00	2,500
JUSTIFICATION/COMMENTS:				

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

Application for Grants and Subsidies
Nanakuli Housing Corporation
Sustainable Housing for Low to Moderate Income Families

Budget Justification Year One

Personnel

As shown in SP206A eight of NHC's staff members will be supporting this project. The table below details staff positions, annual salary and full time equivalent of their duties for this project:

Staff Position	Annual Salary	FTE for Project	Budget
Executive Director	\$60,000	15%	\$9,000
Program Director	\$60,000	40%	\$24,000
Project Coordinator	\$32,000	40%	\$12,800
Case Manager	\$32,000	40%	\$12,800
Financial Advisor/Loan Specialist	\$53,000	40%	\$21,200
Fiscal Manager	\$50,000	20%	\$10,000
Building Manager/Trainer	\$34,000	60%	\$20,400
Construction Specialist	\$31,200	75%	\$23,400
		Total	\$133,600

Payroll Taxes and Assessments

Based on 1.45% for Medicare, 6.2% for FICA and 2% State unemployment assessments, taxes and assessments = $\$133,000 \times 9.65\% = \$12,892$

Fringe Benefits

NHC covers medical insurance for staff members, provides a 2% contribution to a Simple IRA for each staff member, 1% for temporary disability and 1% for worker's compensation insurance. Our current medical premiums represent 18.6% of benefits. Fringe benefits = $\$133,600 \times 22.6\% = \$30,194$

Insurance:

NHC purchases liability and building insurance at a cost of \$7000 per year. One third of the annual cost has been allocated to this project: $\$7000 \times .33 = \$2,310$

Lease:

NHC's program and training facility is leased from the State of Hawaii Department of Hawaiian Home Lands for \$3700 per month. A portion of the monthly rent is allocated to space licensing (10%). One third of the month rent has been allocated to this project. $\$3700 \times .9 \times 12 \times .33 = \$13,186.80$

Staff Training

As a potential HUD Counseling Agency, certifications are required to be renewed every three years. We are requesting the renewal of two staff member certifications with this grant: @ X \$1200 each registration fees + \$150 Hotel X 6 Days X 2 staff + \$100 ground transportation X 2 staff = \$4,400

Supplies:

NHC provides training materials and forms for each participating family estimated at \$50 for each of 25 families + \$5,000 construction materials X 10 families + \$100 office supplies X 12 months + \$400 copier rental X 12 months X .33 allocation = \$54,634

Telecommunications

NHC's monthly telephone, internet bills average \$850 per month. One third of that cost is allocated to this project. $\$850 \times 12 \times .33 = \$3,366.00$

Utilities:

NHC's utility costs, i.e. electricity, water and security, total \$1500 per month. One third of those costs are allocated to this project. $\$1500 \times 12 \times .33 = \$5,940.00$

Airfare for Training:

The certifications and training NHC is required to take are located on the U. S. Mainland. We are requesting round trip airfare for 2 staff members estimated at \$1500 each = \$3000

Contractual Services: Administrative

NHC outsources its payroll and reconciliation services to Pacific Academy and Accounting. Monthly charges are \$262.50. C. W Associates does both NHC's audit (\$12,000) and tax information (\$6000) annually. We have allocated 33% of the monthly charges to this project: $262.50 \times 12 \times .33 + \$18,000 \times .33 = \$6,980$

Contractual Services: Subcontractor and Consultant

NHC plans to engage Kalaimoku Group (\$2500) and Lance Holden Design (\$450) to assist with marketing strategies in year one. We also plan to engage D&E Kawelo 20 families X \$1125 per family to provide assessments, training and repair assist to families participating in the project. $\$2500 + 450 + 22,500 = \$25,450$

Mileage

The budget estimates about \$50 per month in mileage costs to support program activities, e.g. securing supplies, meeting with services providers. An additional \$50 for three visits to 20 family homes over the project period $\$50 \times 12 + \$30 \times 3 \times 20 = \$2,400$

Postage

We expect to mail at least 15,000 flyers at a direct mail rate of \$.194 each to market the program or \$2,910

Publication and Printing:

NHC outsources the printing of 15,000 flyers at a cost of about \$.20 each = \$2000

Subsistence and Per Diem:

We are requesting \$70 per day per diem X 6 travel days X 2 staff members, \$840 to attending training.

Advertising:

Advertising in both radio and print is anticipated for this project. Radio ads run about \$1500 for a week of announcements and Public Service Announcements. Print ads for OHA, Midweek and the Star Advertiser are estimated at about \$350 each. We estimate 2 radio runs and 11 print ads = $\$3000 + \$3850 = 6,850$

Equipment:

We are requesting a new laptop computer to use with family meetings and on site trainings. We estimate the computer with carry case and additional software will cost about \$2500.