

House District 99

Senate District 99

THE TWENTY-SEVENTH LEGISLATURE
APPLICATION FOR GRANTS AND 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): EDN 400

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:

Hawaii 3R's

Street Address: 1425 Liliha Street, Honolulu 96817

Mailing Address: PO Box 1196, Honolulu 96807

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name LINDA CHU TAKAYAMA

Title Board Secretary and Treasurer

Phone # 808 384-9030

Fax # _____

e-mail ltakayama@hawaii.rr.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:

OPERATING AND GRANT FUNDS FOR THE HAWAII 3R'S SCHOOL REPAIR AND MAINTENANCE OF HAWAII'S PUBLIC SCHOOLS. HAWAII 3R'S LEVERAGES THESE FUNDS WITH OTHER (PRIVATE) FUNDS AS WELL AS WITH "SWEAT EQUITY" FROM COMMUNITY AND BUSINESS VOLUNTEERS.

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$ 400,000.00


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 \$200,000.00
 FEDERAL \$0
 COUNTY \$0
 PRIVATE/OTHER \$100,000.00

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE



AUTHORIZED SIGNATURE

LINDA CHU TAKAYAMA - BOARD SECRETARY/TREASURER JANUARY 31, 2014

NAME & TITLE

DATE SIGNED

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;

In 2001, Hawaii 3R's (Repair, Remodel and Restore Hawaii's Public Schools) was the vision and focus of U.S. Senator Daniel K. Inouye who became alarmed by the enormous backlog in repair and maintenance projects facing Hawaii's public schools. While he could easily have turned away from the problem by leaving it as "a state issue," Senator instead chose to tackle the issue head-on for the benefit of Hawaii's students and their families.

Through the past dozen years, Hawaii 3R's has worked closely with the state Department of Education, school administrators, businesses, civic groups and military to leverage State, Federal and private funds to create safe and nurturing learning environments. The estimated value of completed projects to date is over \$46.5 million. With \$12.00 of work completed for every state dollar "invested" in Hawaii 3R's, the state has realized a savings of over \$43.0 million since 2001.

Projects range from landscaping to painting, replacing playground equipment to campus beautification. Since 2001, over 530 grants were awarded to 190 schools (well over half of the total public schools in the state) on six islands: Oahu, Hawaii, Maui, Kauai, Lanai and Molokai. For year end 2013, Hawaii 3R's completed 11 projects including: King Kamehameha III (Lahaina, Maui); Kahala Elementary; Koko Head Elementary; Waipahu High School; Washington Middle School; Kawanānakoā Middle School; Wahiawa Elementary; Hahaione Elementary; Moanalua High School; Ilima Intermediate; and Waikiki Elementary.

Hawaii 3R's is a 501(c)3.

2. The goals and objectives related to the request;

Hawaii 3R's is always striving to keep administrative costs (as a percentage of total costs) at or below 10 percent (recommended best practice for most nonprofits). The administrative cost from 2005 to 2013 is 7 percent. In the coming year, we are re-

organizing to operate with fewer staff and to outsource certain administrative functions, which will result in a sizable cost savings. Project-wise, we are targeting fewer projects (between 10 to 12) than say five years ago when federal earmarks were available, but we intend to concentrate on projects that have greater impact to schools and any community partners. We have noticed an uptick in the number of applications for playground replacement. We imagine this is the result of Hawaii 3R's and DOE tackling some of the other projects over the past decade (when playgrounds were likely deemed a low priority over other more pressing R&M matters facing schools); however, we also know that for young students today, playgrounds are important in providing exercise and social interaction and thus, must be safe and available.

Due to the loss of federal earmarks, Hawaii 3R's has had to scale back on the number and magnitude of projects previously undertaken, especially on our neighbor islands. We will attempt to take on some neighbor island projects in the next year though we recognize that logistical coordination will be a challenge. Our goal for 2014 is to complete 10-12 projects with a grant cap of \$20,000 to \$25,000 each. We can increase the number of projects should more funds, state or private, become available. We believe this is a prudent course of action to take as we enter calendar year 2014.

3. The public purpose and need to be served;

The primary public purpose and need to be served is expedition of the repair and maintenance of public school facilities. A secondary public purpose and need is providing the means for community building and civic vitality.

4. Describe the target population to be served; and

The primary target population to be served is Hawaii's public school students, parents, teachers and administrators who will benefit from improved facilities, and donated products and services. The secondary target population to be served is the community by giving citizens the means to give back to the schools, either through "sweat equity" or by donations.

5. Describe the geographic coverage.

Hawaii 3R's grants are available to any public school statewide, as funding permits. As mentioned earlier, grants have been awarded to public schools on six islands.

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. The applicant shall:

1. Describe the scope of work, tasks and responsibilities;
Over the years, we have developed (by design) a rather cumbersome vetting process for all applications. This, of course, is not to make things difficult for school administrators who are already overburdened with daily responsibilities, but to ensure that checks and balances between Hawaii 3Rs, schools, state DOE, state DAGS and others (i.e., union organizations) are in place and are twice checked or triple checked.

The application process starts simply with an initial inquiry (phone or email), usually by a school administrator or PTA representative. From there the inquiry goes into exploratory mode, which usually includes a site visit and meetings between state DOE, Hawaii 3Rs and school administrators/PTA representatives to define project scope, resources needed as well as resources available. Once that has been vetted, a formal application is completed and submitted to Hawaii 3R's. Sometimes, because school administrators are too busy, Hawaii 3R's staff will help to complete the application for the school. We will also, where appropriate, help to identify groups of volunteers who are interested and available to help with specific projects at schools. Once an application is approved, it is submitted to the Technical Committee at Hawaii 3R's. The committee is comprised of experts in the field -- engineers, architects, construction managers, etc. The applications are evaluated and rated. Once approved by the Technical Committee, the application is submitted to the full board of directors of Hawaii 3R's for final approval of both the project and grant request.

Hawaii 3R's will also continue to help the schools develop lasting partnerships with businesses and other organizations within the community. These partnerships ultimately help the school, but also help the community give back to the schools.

2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;

With 10-12 projects in the calendar, we anticipate scheduling 3-4 projects per quarter to achieve our annual goal. Additionally, the number of corporate inquiries for community service projects appears to be increasing. We intend to pursue these vital partnerships as businesses use community service as a way to encourage team building among their employees.

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

We are continuously monitoring and analyzing how we operate our projects to ensure that we are getting the greatest “bang for our buck” or that we are operating these projects with the greatest efficiency. This has always been important to us because we know that the long term success of Hawaii 3R's is dependent on our ability to stretch our available resources for maximum impact. Additionally, because we work closely with the state DOE from project inception to project completion, the state DOE is ready to sign off and accept work done by Hawaii 3R's. Few other volunteer projects achieve that end result. And

4. 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 objective standard is the state's R&M backlog list and working to bring each project in at 50 percent (or better) of the state's estimated project cost. Additionally, we are always striving to ensure that the resources we expend match up to a formula that includes: state's estimated cost for project and 3R's resources (i.e., grant awards and/or “sweat equity”) to realize a saving to the state. See attached chart of 2013 projects as an example of the projects completed last year. In addition, our evaluation process for all applications include a technical review performed by a Technical Review committee that is comprised of construction experts: current and retired engineers, architects, and other experts, including (as needed) personnel from the state Dept. of Education and state DAGS. Following each school project, we do a post-project follow up with the school principal to ensure that the work is satisfactory. This helps us to improve our management and oversight of future projects (i.e., “lessons learned”), as appropriate.

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.

2013 Hawaii 3R's School Projects Completed

School	Project Request	State Estimate	Hawaii 3Rs Grant	\$2 check off	Savings to State	Status
Washington Middle	Partial campus sprinkler system/ campus safety striping	\$40,000	\$11,400	\$0	\$28,600	Completed
King Kamehameha III (Lahaina)	Playground equipment installation	\$100,000	\$30,000	\$0	\$70,000	Completed
Kahala	Remove/replace playground equipment and surfacing/install ADA sidewalk	\$100,000	\$16,600	\$0	\$83,400	Completed
Koko Head	Replace playground equipment and artificial turf installation	\$100,000	\$25,010	\$0	\$44,990	Completed
Hahaione	Remove and replace playground and surfacing	\$105,000	\$43,000	\$0	\$62,000	Pending final inspection
Moanalua HS	Restriping upper parking lot and curbs	\$105,000	\$9,345	\$11,785	\$83,870	Completed
Ilima Middle	Sprinkler	\$44,100	\$21,800	\$970	\$21,330	Completed

	system/concrete pad/re-sod front lawn					
Waikiki Elementary	Playground installation	\$100,000	\$11,713.60	\$28,800	\$59,486.40	Completed.
Kawananakoa MS	Native Hawaiian Arboretum (ongoing)	\$0			\$40,000	Ongoing. Partnership with PTA and being done entirely with private funds.
Wahiawa El	Wellness center	\$0			\$100,000	Done entirely with private funds. Completed

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2015.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
250,000	50,000	50,000	50,000	400,000

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2015.

Other than this GIA request, we are not asking for other state grants.

4. The applicant shall provide a listing of all state and federal tax credits it has 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.

Not applicable.

5. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2013.

The unrestricted balance as of December 31, 2013 is \$279,775.00.

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.

Hawaii 3R's has an extensive and proven track record of results based on the past dozen+ years of operation. Along with the required experience and expertise, Hawaii 3R's has the organizational and operational capacity in place to provide the necessary skill and experience to perform and monitor the work required. As previously mentioned, a Technical Committee performs the critical role of evaluating project proposals to be undertaken by Hawaii 3R's and the state DOE. The committee is comprised of architects, engineers and other construction experts.

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. The applicant shall also describe how the facilities meet ADA requirements, as applicable.

Hawaii 3R's has office space on the 2nd floor of the American Savings Bank Building at Liliha Square. The building is equipped with an elevator and wide hallways to meet any ADA needs. The office space is generously provided by American Savings Bank at a nominal monthly rent and is a contribution to the program.

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.

The primary program coordinator is currently a staff position with the state DOE's auxiliary services. This position is partly funded by Hawaii 3R's and will likely remain that way. This is a key position for vetting the application and coordinating the project scheduling falls under the care of this position.

Executive Director – We are looking at a full-time position to oversee the operations of Hawaii 3R's.

Fund Development – This will be a new position that focuses solely on fund raising of private funds and grants for Hawaii 3R's. We anticipate that it will be funded as a percentage of funds received.

Other administrative functions and additional support, as needed, will be outsourced to independent vendors as a cost saving measure.

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.

See attached

C. Compensation

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position.

Executive Director (full time) at \$60,000 per annum.

Fund Development: \$25,000.00 per annum (based on percentage of funds raised)

Program Coordinator (part-time): \$30,000 per annum

HAWAII 3R'S
Organizational Chart
(as of January 30, 2014)

Board of Directors (9)
Alan Oshima, Chairman
Dev Braganza, Vice Chairman
Linda Chu Takayama
Edmund Aczon
Roy Amemiya
Nolan Kawano
Ray L'Heureux (Asst. Superintendent, DOE)
Norman Sakamoto
Lynn Watanabe

State DOE
Auxiliary Services

Executive Director

Fund Development
(New)

Independent Contractors:

- Project Assistant – Hourly basis
- Kirio & Co. – Bookkeeping & accounting services

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.

No past or pending litigation against Hawaii 3R's.


B. Licensure or Accreditation

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

Not applicable.

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2014 to June 30, 2015)

Applicant: _____ Hawaii 3R's

BUDGET CATEGORIES	Total State Funds Requested (a)	Tax Check Off (b)	Private (c)	(d)
A. PERSONNEL COST	45,000	30,000	40,000	
1. Salaries				
2. Payroll Taxes & Assessments	0			
3. Fringe Benefits	0			
TOTAL PERSONNEL COST	45,000	30,000	40,000	
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	0			
2. Insurance	1,000	1,000		
3. Lease/Rental of Equipment	0			
4. Lease/Rental of Space	600	600	0	
5. Staff Training	0			
6. Supplies	500	500	500	
7. Telecommunication	0			
8. Utilities	0			
9 Project Expenses	346,900	37,900	53,500	
10 Accounting Services	6,000		6,000	
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	355,000	40,000	60,000	
C. EQUIPMENT PURCHASES	0			
D. MOTOR VEHICLE PURCHASES	0			
E. CAPITAL	0			
TOTAL (A+B+C+D+E)	400,000	70,000	100,000	
SOURCES OF FUNDING		Budget Prepared By 		
(a) Total State Funds Requested	400,000	Name (Please type or print) _____ Phone _____		
b) Tax Check Off	70,000	Signature of Authorized Official _____ Date _____		
c) Private	100,000	Board Secretary/Treasurer _____		
(d)		Name and Title (Please type or print) _____		
TOTAL BUDGET	570,000			

BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant: Hawaii 3R's

Period: July 1, 2014 to June 30, 2015

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: 2012-2013	FY: 2013-2014	FY:2014-2015	FY:2014-2015	FY:2015-2016	FY:2016-2017
PLANS	0		0	0		
LAND ACQUISITION	0		0	0		
DESIGN	0		0	0		
CONSTRUCTION	0		0	0		
EQUIPMENT	0		0	0		
TOTAL:	0		0	0		
JUSTIFICATION/COMMENTS Not applicable						

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Hawaii 3R's

Period: July 1, 2014 to June 30, 2015

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST
		\$0.00	\$ -
		\$0.00	\$ -
		\$0.00	\$ -
		\$0.00	\$ -
			\$ -
TOTAL:			

JUSTIFICATION/COMMENTS:

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST
	0.00	\$0.00	\$ -
		\$0.00	\$ -
		\$0.00	\$ -
		\$0.00	\$ -
		\$0.00	\$ -
TOTAL:			

JUSTIFICATION/COMMENTS: Not applicable.

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

TOTAL BUDGETED
0
0
0
0
0
0

TOTAL BUDGETED
0
0
0
0
0
0

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS AND SUBSIDIES PURSUANT TO
CHAPTER 42F, HAWAII REVISIED 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, Hawaii 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, Hawaii 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, Hawaii 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, Hawaii 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.

Hawaii 3R's
(Typed Name of Individual or Organization)

(Signature)

(Date)

Linda Chu Takayama
(Typed Name)

Secretary/Treasure
(Title)