

House District 44
Senate District 21

THE TWENTY-EIGHTH LEGISLATURE
APPLICATION FOR GRANTS
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST - OPERATING

GRANT REQUEST - CAPITAL

"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.

"Recipient" means any organization or person receiving a grant.

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:

Db/a: Ho'omau Ke Ola

Street Address:

85-761 Farrington Highway, Wai'anae

Mailing Address:

P.O. Box 837

Wai'anae HI 96792

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name Patti M. Isaacs

Title Executive Director

Phone # 380-6419

Fax # 696-3661

E-mail p.isaacs@hoomaukeola.com

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII
 FOR PROFIT CORPORATION INCORPORATED IN HAWAII
 LIMITED LIABILITY COMPANY
 OTHER
 SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

Residential renovation
and solar project.

4. FEDERAL TAX ID #: 

5. STATE TAX ID #: 

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2016: \$ 175,572.00

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 \$ 0

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:


AUTHORIZED SIGNATURE

Patti M. Isaacs, Executive Director 1-30-2015
NAME & TITLE DATE SIGNED



Application for Grants

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. Please include the following:

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

Ho'omau Ke Ola has provided a full continuum of care (Residential, TLP, IOP, OP, Aftercare) for alcohol and substance abuse treatment services to adults on the Wai'anae coast since 1987. Our mission is to perpetuate life as it is meant to be by promoting healing from the harmful effects of chemical dependency in an environment that weaves Hawaiian spiritual values, life skills, and best practices. Sixty five percent of the people who complete our program remain clean and sober during our 6 month follow-up period.

2. The goals and objectives related to the request;

The grant activity goals are two-fold. 1st, the City and County of Honolulu owned residential facility requires maintenance/renovation work. The second floor walkways, railings, and stairs need to be replaced/improved for safety reasons. Portions of the kitchen cabinets and countertops also need to be replaced. 2nd, a PV and battery system would reduce expenses by about \$18,000 per year, funds that would be used to provide additional client services.

3. The public purpose and need to be served;

Of all ethnicities admitted into alcohol and substance abuse treatment programs in the last ten years, 43% were of Hawaiian descent. According to statistics provided by Kamehameha Schools, the Wai'anae coast has the third largest concentration of Hawaiians in the state. Our community has a relatively large number of substance abusers. There is no question that treatment is a priority need in Wai'anae.

Ho'omau Ke Ola is the only residential and therapeutic living program provider on the coast. I will not list all the mind numbing negative statistics about life in Wai'anae, statistics that identify the rates of poverty, homelessness, unemployment, criminal activities, lack of education, domestic violence, fractured families, and loss of cultural identity. I will provide a sample. Know that substance abuse has a direct negative impact on all of these statistics.

Examples: The Wai'anae coast has a poverty rate of almost 20%, third worst in the state. 25% of our residents receive government assistance and 51% receive SNAP benefits. And these figures don't include the homeless people living on our beaches, in our parks, and on private land in the valleys and hillsides. The Wai'anae coast is home to 35% of the state's homeless population. And more than 50% of homeless people self-report substance abuse as a contributing factor to their homelessness.

Crime directly affects nearly 10% of our youth. When you factor in the number of parents that commit crimes, the affected percentage more than doubles.

Substance abuse is multi-generational. A majority of our clients report that they first smoked and drank with their parents and grandparents. Some report smoking and drinking with their own children. And many have had their children taken away because of substance abuse.

On one hand, Wai'anae is proud of its cultural heritage. On the other hand, Wai'anae has forgotten much of its true cultural identity. The community is proud to be Hawaiian, but in many instances it has forgotten what it truly means to be Hawaiian. The 'forgotten' generation identifies being Hawaiian in terms of racial disparity, the haves versus the have nots. Studies show that loss of cultural identity negatively impacts an individual's self-worth. This causes an individual to seek validation from outside sources instead of carrying forward the proud traditions of their ancestors.

4. Describe the target population to be served;

We provide services to about 200 adults a year, 80% of whom are Hawaiian. Funding this grant request will not increase that number significantly. However, it will provide a safer, more energy efficient facility and it will allow us to reallocate funds to provide more direct client oriented services.

5. Describe the geographic coverage.

We are located in Wai'anae, but we provide treatment services to individuals from every island including Ni'ihau, Moloka'i, and Lana'i. We have also served people from the military and the mainland. But the overwhelming majority live on Oahu.

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;

The grant activity is real simple. We want to replace old, warped, water damaged exterior flooring, railings, stairs, and replace damaged interior kitchen cabinets and countertops.

We want to paint the exterior of the facility. There have been no upgrades or exterior painting for nearly 20 years. We want to install a solar system with battery storage that takes us off the grid, reduces our overhead, and provides more money to provide more services for our clients.

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

We will begin the outlined projects in September 2015. The work on the exterior of the house should be completed within three weeks from the time the bid is approved. We anticipate completion of work by the middle of November 2015.

The work on the interior cabinets and countertops will be completed within six weeks from the time the bid is approved, mostly because of the time it will take to make the cabinets and countertops. We anticipate completion of work by the end of December 2015.

The solar photovoltaic installation will also take about six weeks to complete. The timeline depends on the time it takes to obtain permits and approvals from various agencies. We anticipate beginning the process when we receive funding approval so that the project can be completed as soon as possible. Completion should also be by the end of December 2015.

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

The CFO will be the lead person to monitor the renovation, replacement, and construction activities. We will evaluate the bids, the contractors' history, ensure that they are legal in the state of Hawai'i, and be on-site daily to monitor timeliness and workmanship. The CFO has experience in construction and has been responsible for monitoring and evaluating the last three renovation projects and our 2008 solar water heater installation. As far as improving results, we already have a recidivism rate that exceeds the national average. The renovation project will make the facility safer and look better. The solar project will allow us to use the savings to fund additional work, education, and land based program.

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.

I honestly am not sure how to answer this question. I don't know that completing this project will make our treatment program more effective (because we are very effective now), and I am not sure what I would report to the state agency funding this request. I

only know that completing this project would make our facility safer, cleaner, and more energy efficient. It would also reduce our energy costs which would allow us to use the savings to fund additional services for our clients.

III. Financial

Budget

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

Please see accompanying Budget Request by Source of Funds and Budget Justification Forms.

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2016.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
	175,572.00			175,572.00

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2016.

At this time there are no other funding sources under consideration for this project.

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.

None

5. The applicant shall provide a listing of all government contracts and grants it has been and will be receiving for program funding.

Please see Government Contracts and/or Grants Form

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2014.

Our unaudited balance of unrestricted current assets as of December 31, 2014 is \$145,480.02

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.

We are not providing a service for this request. It is a capital project. We have no experience with this type of request in the last three years. Our last project, the solar water heater installation was in 2008.

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.

HKO owns a licensed 16-bed **Residential** treatment facility at 84-1006A and 84-1006B Farrington Highway, Wai'anae, HI (TMK: 84-4-14-1). Our residential program provides professionally directed (Masters' level Residential Manager and Certified Substance Abuse Counselors) substance abuse treatment 24 hours a day, seven (7) days a week.

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 CFO will be the lead person to monitor the renovation, replacement, and construction activities. We will evaluate the bids, the contractors' history, ensure that they are legal in the state of Hawai'i, and be on-site daily to monitor timeliness and workmanship. The CFO has experience in construction and was responsible for monitoring and evaluating the last three renovation projects and the 2008 solar water heater installation. There is no need to supervise, train, or provide administrative direction.

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 organization chart that illustrates the placement of this request.

Please see attached organization chart. The funding request has no impact on the organization staff responsibility/supervision.

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 is paid \$55,500.00 per year
Clinical Director is paid \$48,000.00 per year
Chief Fiscal Officer is paid \$39,799.92 per year

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.

We are not involved in any litigation at this time and have no outstanding judgments.

B. Licensure or Accreditation

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

We are licensed to operate a residential substance abuse treatment facility by the Department of Health, Office of Health Care Assurance and are accredited by the Department of Health, Alcohol and Drug Abuse Division.

C. Federal and County Grants

The applicant shall separately specify the amount of federal and county grants awarded since July 1, 2014.

Please see accompanying Government Contracts and/or Grants form.

D. Private Educational Institutions

The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question.

Funding from this grant will not be used to support or benefit a sectarian or non-sectarian educational institution.

E. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2015-16 the activity funded by the grant if the grant of this application is:

- (1) Received by the applicant for fiscal year 2015-16, but
- (2) Not received by the applicant thereafter.

Because this funding request is a one-time request for facility upgrades, there is no sustainability plan needed. Our operating costs are funded through other sources.

F. Certificate of Good Standing (If the Applicant is an Organization)

If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2014.

Please see attachment.

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2015 to June 30, 2016

Applicant: Ho'omau Ke Ola

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
A. PERSONNEL COST				
1. Salaries	2,000			
2. Payroll Taxes & Assessments	236			
3. Fringe Benefits	336			
TOTAL PERSONNEL COST	2,572			
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9. Leasehold Improvements	11,000			
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
TOTAL OTHER CURRENT EXPENSES	11,000			
C. EQUIPMENT PURCHASES	162,000			
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	175,572			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	175,572	Marlen Sommers	380-6418	
(b) Total Federal Funds Requested		Name (Please type or print)	Phone	
(c) Total County Funds Requested			01/30/15	
(d) Total Private/Other Funds Requested		Signature of Authorized Official	Date	
TOTAL BUDGET	175,572	Patti M. Isaacs Executive Director		
		Name and Title (Please type or print)		

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2015 to June 30, 2016

Applicant: Ho'omau Ke Ola

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Chief Fiscal Officer	1	\$40,000.00	5.00%	\$ 2,000.00
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				2,000.00
JUSTIFICATION/COMMENTS: Staff person assigned to request bids, review invoices, and monitor work schedules, progress of project, and final reviews project costs.				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2015 to June 30, 2016

Applicant: Ho'omau Ke Ola

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Rooftop Photovoltaic and Battery Storage System	1.00	\$173,000.00	\$ 173,000.00	173000
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:	1		\$ 173,000.00	173,000

JUSTIFICATION/COMMENTS:

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

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2015 to June 30, 2016

Applicant: Ho'omau Ke Ola

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2013-2014	FY: 2014-2015	FY:2015-2016	FY:2015-2016	FY:2016-2017	FY:2017-2018
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION			11,000		0	0
EQUIPMENT			162,000			
TOTAL:			173,000			
JUSTIFICATION/COMMENTS: Construction amount is for renovation of existing structure. Equipment amount is for PV System.						

GOVERNMENT CONTRACTS AND/OR GRANTS

Applicant: Ho'omau Ke Ola

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1.	Residential Substance Abuse Treatment	07/01/2014 - 06/30/2015	ADAD	State	503,354.00
2.	Therapeutic Living Program and Outpatient Treatment	07/01/2014 - 06/30/2015	ADAD	State	182,000.00
3.	Transitional Housing – Substance Abuse Treatment	05/01/2014 - 04/30/2015	City & County of Honolulu	HUD/Honolulu	172,997.00
4.	Continuum of Substance Abuse Treatment	07/01/2011 - 06/30/2015	Judiciary	State	No set amount - dependent on funds available to courts
5.					
6.					
7.					
8.					
9.					
10.					
				TOTAL	858,351.00

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS 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 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 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 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.
- 2) If the applicant is an organization, 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 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 used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant 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 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.

Ho'omau Ke Ola
(Typed Name of Individual or Organization)



(Signature)

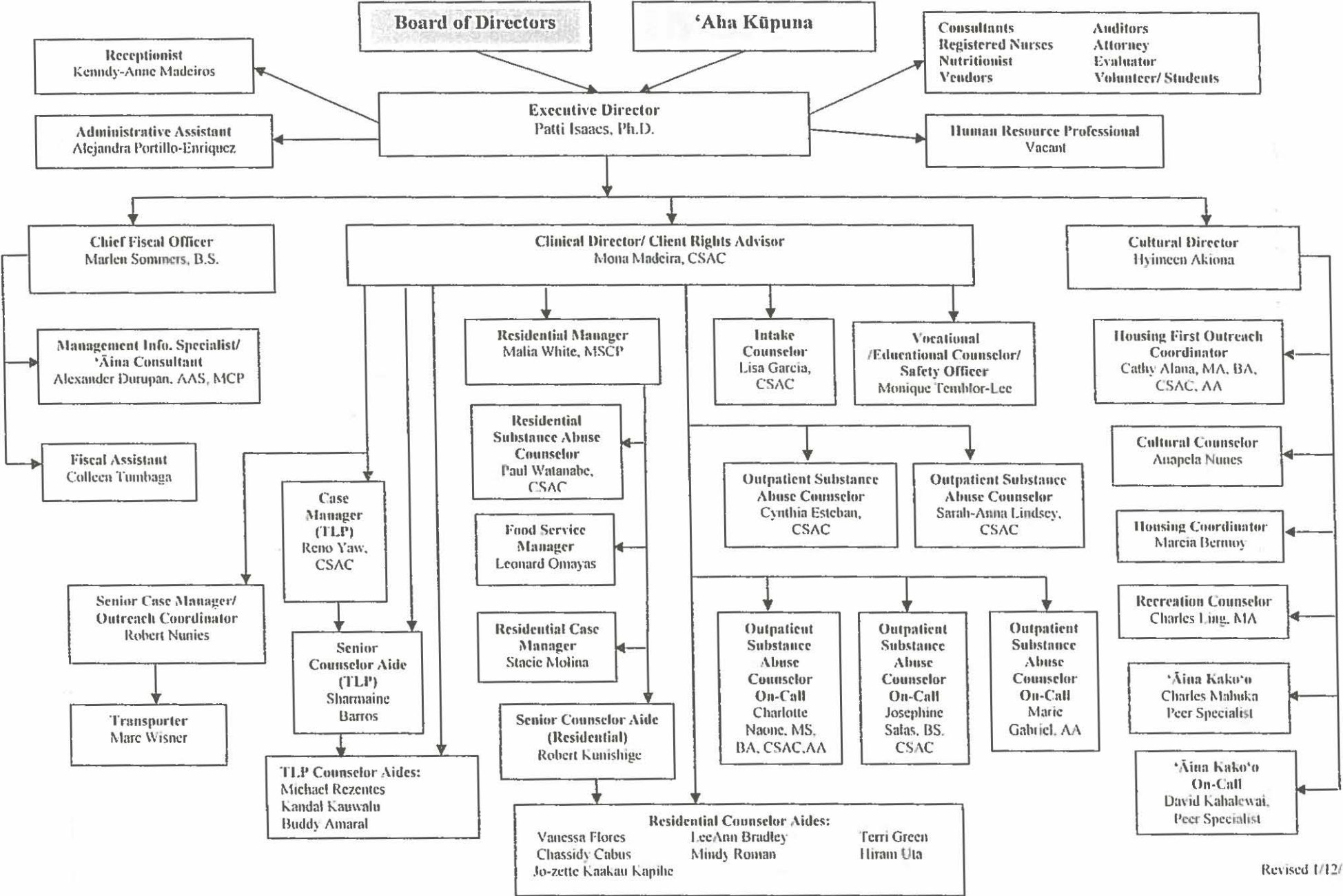
January 30, 2015

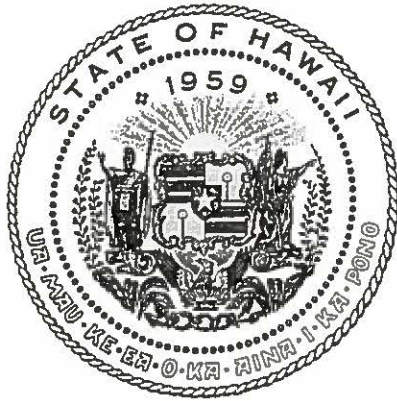
(Date)

Patti M. Isaacs
(Typed Name)

Executive Director
(Title)

Ho'omau Ke Ola Organizational Chart





Department of Commerce and Consumer Affairs

CERTIFICATE OF GOOD STANDING

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

HO'OMAU KE OLA

was incorporated under the laws of Hawaii on 09/15/1993 ; that it is an existing nonprofit corporation; and that, as far as the records of this Department reveal, has complied with all of the provisions of the Hawaii Nonprofit Corporations Act, regulating domestic nonprofit corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, Hawaii.

Dated: December 12, 2014

Director of Commerce and Consumer Affairs

