

House District 5

Senate District 3

THE TWENTY-NINTH 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:
Habitat for Humanity West Hawaii

Dbas: same

Street Address:
73-4161 Ulu Wini Place, Kailua Kona Hawaii 96745

Mailing Address:
PO Box 4619 Kailua Kona Hawaii, 96745

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name ISOBEL DONOVAN

Title Deputy Director

Phone # 808-938-1328

Fax # 808-331-8020

E-mail isobel@habitatwesthawaii.org

3. TYPE OF BUSINESS ENTITY:

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

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

As homelessness and poverty housing increase on our island, Habitat West Hawaii has made a commitment to significantly increase its impact.

In FY 2018, it has committed to construct 14 new homes. Building 14 new homes in West Hawaii will take 14 families out of the cycle of poverty, give them an asset they can pass on to their children, and also lessen the burden put on all levels of government by the current affordable housing crisis.

A monetary commitment from the State will signify the importance of affordable housing and the State's commitment to working in partnership with the non-profit community to alleviate the current crisis situation.

4. FEDERAL TAX ID #:

5. STATE TAX ID #:

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2018: \$ 515,200

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
- EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$ 0

FEDERAL \$ 0

COUNTY \$ 0

PRIVATE/OTHER \$ 0

PATRICK F HURNEY, EXECUTIVE DIRECTOR 1/16/17

RECEIVED

1/19/17 *me*

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;

Habitat for Humanity West Hawai'i is a non-profit, faith-based organization seeking to break the cycle of poverty by providing affordable home ownership opportunities to low-income families. In the last 15 years, Habitat West Hawaii has served a total of 60 families by building 32 new homes and completing 28 critical home repairs to alleviate health and safety concerns.

The Habitat model allows for the family to have a low monthly mortgage payment (between \$350.00 and \$450.00) and to use the remainder of their income for reliable transportation, quality food, adequate health care, education and recreation. The model is designed so that all mortgage payments go into a revolving Fund for Humanity, which is then used to build more houses. This allows Habitat homeowners to "pay it forward", creating more affordable housing opportunities for additional needy families.

Habitat's mission is forward-looking and concise: "seeking to put God's love into action, Habitat for Humanity brings people together to build homes, communities and hope". Granted affiliate status from Habitat International in 2002, Habitat West Hawaii strives to empower and strengthen families by providing them with a solid foundation from which to build a better life. Our vision is that all residents will achieve that through our affordable homebuilding and home repair efforts.

2. The goals and objectives related to the request;

Habitat for Humanity's main tenet is that of homeownership; building a new home with a family, and then setting them up for success with an affordable mortgage and support through homeownership classes and financial literacy education. The services provided build on evidence-based best practices for affordable home ownership.

Habitat West Hawaii's goal for this project is to help 14 families become homeowners. Building 14 new homes in West Hawaii will take 14 families out of the cycle of poverty, give them an asset they can pass on to their children, and also lessen the burden put on all levels of government by the current affordable housing crisis.

A monetary commitment from the State will signify the importance of affordable housing and the State's commitment to working in partnership with the non-profit community to alleviate the current crisis situation.

The State's commitment will also inspire and encourage other levels of government, as well as the business community, to provide increased support.

3. The public purpose and need to be served;

The public purpose to be served by this request is help families who would otherwise not be able to own a home create a strong foundation for a better life for themselves and their children.

Hawaii as a state is experiencing a housing crisis. #1 in rate of homelessness in the entire country, Hawaii is also always one of the highest in the country for cost of living, costliest housing market, and rate of poverty. Due to depressed wages, heavy taxes, and the high cost of food and necessities, homeownership is a distant dream for many residents of the Big Island.

Even the average salary of workers critical to Hawaii's economy, like teachers, emergency responders, and construction workers are unable to afford fair-market rent for just a two- bedroom apartment. 54% of the population of Hawaii is cost-burdened, meaning that more than 30% of their income is spent on accommodation. When families pay too much for accommodation, it means sacrifices in other areas of their lives; things like healthy and nutritious food for themselves and their children, proper healthcare, and having to forgo proximity to work for affordable housing.

All of these factors create a cycle of poverty that is inescapable, no matter how hard a family works. One in five households in Hawaii are at risk of homelessness, and over half of the families that are homeless or in transitional housing are employed. High cost of living and homelessness is not only felt by those it directly affects – each year the public cost for someone who is homeless starts at \$35,000 and can go up to \$150,000.

Owning a home provides the foundation for families to realize their true potential. Studies show that students with a stable home environment have higher grades in school, and increased participation in social activities. Children are healthier and safer. Communities are improved, because homeowners tend to be more active in their communities, and pay into the tax base. Ultimately, home ownership means that families will be less likely to rely on State and Federal benefits.

4. Describe the target population to be served; and

Habitat West Hawaii builds homes for families earning between 30% and 80% of the median income for the County on a no-interest, no-profit basis and requiring only a 1% down payment. Every Habitat homeowner is chosen based on their income level, their level of need (current living situation is either unsafe, unsanitary, overcrowded and/or hazardous to resident health) and their willingness to partner with Habitat (this includes making monthly mortgage payments as well as performing 500 volunteer hours of 'sweat equity' construction on their home).

Typically, these families have been living in expensive rental accommodation or in overcrowded conditions with family members. Some are the "hidden homeless", living in vans, caves, or on the beach. In both of the first cases, the families are paying too large a percentage of their income on accommodation, with little left over for other life necessities.

Native Hawaiian families are particularly vulnerable to this cycle of poverty, and much of Habitat West Hawaii's work over the last 15 years has focused on this target population. The 10-day Blitz Build in partnership with Department of Hawaiian Homelands will provide homes specifically for families of native Hawaiian heritage.

5. Describe the geographic coverage.

Habitat West Hawaii serves the entire west side of the Big Island, from Hawi to South Point. In 2015, as a result of the devastation caused by Hurricane Iselle, the geographic service area was expanded to include Puna. In FY 2018, Habitat West Hawaii will expand its service area to include Hilo and the east side of the Big Island.

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;

Each year the affiliate grows and strives to increase its building capacity. As homelessness and poverty housing increase on our island, Habitat West Hawaii has made a commitment to significantly increase its impact.

In FY 2018, we have committed to construct 14 new homes. Ten of these homes will be completed during a 10-day Blitz Build from September 13-23, 2017. The additional four homes will be completed between October 2017 and June 2018.

Applicant _Habitat for Humanity West Hawaii

Working in partnership with the Department of Hawaiian Homelands, (through which leasehold property and construction loans are provided on behalf of native Hawaiians), Blitz Homebuilders Association, and our corporate and community partners, the first ten homes will be built in the Kona area neighborhood of La'i' Opuu.

The additional four homes will be constructed across the service area, from Waimea to Ocean View, in partnership with local and international volunteers and families who have qualified, but have been waiting for up to two years to see their dream come true.

Tasks and Responsibilities: Orientations for prospective Habitat homeowners are delivered in several locations across the service area by Family Services staff. Applicant families are then selected on the basis of need, ability to pay a mortgage, and willingness to partner with Habitat to provide 500 hours of sweat equity.

A new Habitat home begins through fundraising by the Development Department for 100% of the costs associated with construction. Once the affiliate leadership is sure that adequate funding will be available, plans are drawn up and the Construction Manager puts a construction schedule together. The schedule will include site preparation, installation of foundations, acquiring building materials, framing, roofing and finishing. The Construction Manager and the Board Building Committee oversee the schedule and tasks.

Volunteers and subcontractors are recruited by the Community Relations Coordinator in advance to ensure an efficient and effective timeline for the construction

These tasks have already been assigned for the 14 homes that will be built in FY 2018. Although it is sometimes challenging to raise sufficient funds, staff and Board members are committed to providing home ownership opportunities to 14 low-income families during FY 2018. These opportunities will be sustainable due to the low, no interest mortgage and through the service delivery model, which emphasizes home ownership development and training, and includes ongoing case management, life and soft skills training, and financial literacy training.

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

The outcome of this request will be 14 newly constructed homes. Ten of the homes will be completed during the Blitz Build, taking place between September 13 and September 23, 2017.

Two additional homes will be completed between October 1, 2017 and March 1, 2018. The final two homes will be completed between March 1 and June 30, 2018.

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 end result of this project will be 14 newly constructed homes for qualified low-income families.

Quality Assurance:

Quality Assurance is one of the major building blocks of the Habitat for Humanity Risk Prevention and Response Program. This program includes the annual Affiliate Agreement to conduct business according to the principle established by Habitat International for all facets of the organization, ranging from family selection, service delivery, governance, human resources, and financial and legal practices.

Additionally, each affiliate is required to report quarterly to Habitat International on progress towards approved targets for number of homes built, outputs/outcomes for homeowners, HR practices, and Board governance.

For this project, quality assurance will be accomplished by regular inspections of each phase of the construction work. Habitat International specifies house design criteria, which must be adhered to. The work of untrained volunteers is closely monitored by site supervisors, and where appropriate, volunteers are enrolled in 'clinics' at Home Depot or Lowes to learn additional construction skills. Each person working on the site must also complete an online safety course.

Once a home is completed, the homeowner must fill out a "buyer's checklist" for each room of the interior and general exterior. All deficiencies are noted and a plan made to rectify them.

Evaluation:

Habitat West Hawaii considers early and robust evaluation as a key aspect of its homebuilding program, and has adopted several planning, monitoring and evaluation tools. The process starts with setting the vision of what is to be achieved, defining the results, selecting the tools, implementing the monitoring activities, and then using the resulting data to determine whether the right approach is being taken, or what adjustments might be necessary because of what is learned.

Several tools are used, contributing to both quantitative and qualitative data collection. First, we measure the number of low-income families that respond to our outreach efforts, to ascertain our effectiveness in penetrating the target population. Secondly, we monitor the number of families that qualify as Habitat homeowners, according to program criteria. We also consider the number of families who may not qualify in the short term, but who may benefit from a plan to qualify in the future, such as starting a savings account, or becoming part of an "incubator" program set up to assist families qualify and become homeowners. In the longer term, we monitor and evaluate the

family's responsiveness to the mandatory financial literacy training, and the Family Support representative's assessment of their progress as sustainable homeowners. This allows us to take timely action to remedy any problems that might arise.

Habitat West Hawaii also administers an annual partner family survey in order to track each family's overall satisfaction with the process of becoming a homeowner, what they learned about maintaining their homes and how they compare the quality, affordability, and size of their new space with that of prior housing. The survey also asks questions that gauge the experience each family had with Habitat for Humanity West Hawaii staff and volunteers.

Most recently, Habitat West Hawaii has started using a sophisticated system of evaluation known as 'Success Measures' provided by Habitat for Humanity International to evaluate its new home construction program. Success Measures is the only national effort of its kind to support the collection of outcome and impact data from the community development field, and consists of various survey tools, focus groups and observation formats that can be used to determine the impact of the affiliate's action, allowing Habitat West Hawaii to then act on the findings.

Finally, in addition to local data collection, analysis and evaluation programs, Habitat International has aggregated research that shows that affordable housing brings great benefits to communities and to individuals in the areas of wealth accumulation, safety, health, education and civic participation. This is used as a template for longitudinal evaluation of each affiliate's home building and repair programs.

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.

of homes completed within allotted timeframe (14)
of families responding to orientation sessions (up to 120 families)
of families who qualify as Habitat homeowners (14)
of families who complete homeownership training (14)
of families who report an improved quality of life as a result of homeownership opportunity (14)

III. Financial

Budget

Applicant _Habitat for Humanity West Hawaii

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

Budget Form attached, Also see Exhibit 1 – schedule of costs and revenue

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2018.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
128,800	128,800	128,800	128,800	515,200

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2018.

County of Hawaii: \$50,000 (pending request)

Various private foundations

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 a listing of all federal, state, and county government contracts and grants it has been and will be receiving for program funding.

Request to County of Hawaii - \$50,000 (pending)

Memorandum of Understanding with DHHL for construction loans – NHHBG funds: \$1,413,000

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2016.

See attached.

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.

Applicant _Habitat for Humanity West Hawaii

Habitat for Humanity International has a 40 - year history of building safe and affordable housing for families all over the world, with a well-documented track record of positive impact.

Habitat for Humanity West Hawaii has served the West Hawaii community since 2002 and has gained recognition as the only affordable homebuilder that addresses the holistic needs of the low- income population in such a way as to create actual housing stability.

To date, 32 new homes have been completed. In 2012 the affiliate conducted a successful 5- home Blitz Build in the same area as the first 10 homes of this project are going to be built. Again, it was in partnership with the Department of Hawaiian Homelands. Through this partnership, Habitat and the DHHL coordinate the leasing of land and the construction of affordable homes for low-income native Hawaiians.

Another successful collaboration in the last three years is with the County of Hawaii, who has partnered with Habitat to construct affordable homes in the Kamakoa Nui Affordable Housing project in Waikaloa Village. Habitat West Hawaii will complete 6 homes for families who now have to travel in excess of 30 miles from their home to their place of work.

Habitat West Hawaii is also a major partner in the County's Continuum of Care Network, and the Mayor's task force on Homelessness.

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.

Habitat West Hawaii operates out of an office at 73-4161 Ulu Wini Place, Kailua-Kona, HI 96740. The office is collocated with the Kona ReStore, which operates in a warehouse beneath of the office.

The Construction office is located at 65-1259 Kawaihae Road in Waimea, and is co-located with the Waimea ReStore.

Both offices and ReStores are equipped with office equipment, Internet, phone and fax service and private boardrooms. They are all ADA compliant.

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

In general, staff is chosen for their experience, skills, and "passion for the mission". Each staff person is enrolled in Habitat International - designed training aligned with his or her particular responsibility.

For this particular project, the key personnel will include:

***Construction Manager:** This position oversees all aspects of the construction process in a way that utilizes staff, sub-contractors, Site Supervisors, volunteer labor and materials to produce quality homes in a safe and affordable manner. Duties include managing construction staff and volunteers, overseeing residential construction sites, training volunteers, assisting with plan and site development, and developing construction quality assurance methods to improve long-term product.*

***Incumbent: Mark Saito:** Mark has 14 years experience as a construction professional and consultant, following a 10-year career as a carpenter. He has worked for several Habitat affiliates as construction manager and has been with Habitat West Hawaii for 3 years.*

***Site Supervisors/house leaders:** (10) Site Supervisors are responsible for organizing and managing the full volunteer construction team so that all goals are met at the end of each day. Site supervisors list tasks needed to be accomplished and match volunteer crew leaders (AmeriCorps members) with volunteer members to do each task, assuring job safety and quality workmanship.*

***Incumbents:** Currently, the affiliate has two site supervisors, each with 20+ years' experience in construction trades. In addition, AmeriCorps Construction Crew Leaders are utilized to lead groups of volunteers.*

During the 10-home Blitz Build, the Home Blitz Builders Association will send 60 -70 professional homebuilders to work on the project, many of them used to acting as site supervisors and house leads. This will provide the additional expertise to manage a multi-home project.

***Project Manager:** (10-home Blitz Build) This position will oversee the logistics of the Blitz Build, including organizing subcontractors and suppliers, scheduling delivery of materials and supplies and engaging inspectors for each aspect of the construction.*

***Incumbent: Kaleo Perreira:** Kaleo has a degree in Business Management, and 10 years' experience as a general contractor, overseeing and managing multiple residential and*

commercial projects in Hawaii. As a participant in the 2012 Blitz Build, Kaleo has a firm understanding of the process.

Support Services:

Board Building Committee:

The Building Committee will have oversight of all aspects of planning, scheduling, and evaluating the completion of the 14 homes.

Finance Manager/Bookkeeper: - *will manage the financial and administrative aspects of the construction process.*

Development Director: - *will manage the fundraising and reporting aspects of the completion of the 14 homes.*

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.

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: \$78,000

Deputy Director: \$65,000

Finance Manager \$50,000

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.

Habitat for Humanity West Hawaii is not party to any litigation.

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.

Habitat for Humanity West Hawaii is a registered non-profit 501 (c) (3) in the State of Hawaii.

C. 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.

Not applicable

D. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2017-18 the activity funded by the grant if the grant of this application is:

- (1) Received by the applicant for fiscal year 2017-18, but
- (2) Not received by the applicant thereafter.

This is a funding request for a one-year project to make a very visible and significant impact on affordable housing in a short period of time, thereby inspiring and encouraging support from other sectors.

If State GIA funds are not received in future, ongoing fundraising efforts will continue, and sustainability for Habitat West Hawaii's future construction program will come from a variety of income sources, including the two ReStores, which generate income by accepting donated building materials and home furnishings and selling these items back to the general public at a drastically reduced cost.

Another key source of revenue for Habitat West Hawaii programs is the Development Team's solicitation of foundation, individual, and corporate grants.

Habitat West Hawaii also receives funds in the form of direct individual and corporate donations solicited through the Board and Development Team's individual and corporate giving program.

The Global Village program brings international volunteers, who provide their time and skills, an annual income of approximately \$100,000 per year.

Our "Fund for Humanity", an account into which all mortgage and repair recovery payments go, is also used to build or repair more houses. The more houses we build or repair, the larger this fund will become, allowing us to create more affordable housing opportunities on Hawaii Island.

E. 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, 2016.

See attached

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2017 to June 30, 2018

Applicant: Habitat for Humanity West Hawaii

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. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	515,200	1,413,000	50,000	
TOTAL (A+B+C+D+E)	515,200	1,413,000	50,000	
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	515,200	Isobel Donovan	808-938-1328	
(b) Total Federal Funds Requested	1,413,000	Name (Please type or print)	Phone	
(c) Total County Funds Requested	50,000		1/16/17	
(d) Total Private/Other Funds Requested	0	Signature of Authorized Official	Date	
TOTAL BUDGET	1,978,200	Patrick Hurney, Executive Director		
		Name and Title (Please type or print)		

Exhibit 1

Habitat for Humanity West Hawaii

Schedule of Costs and Revenues

Costs: (based on known costs from previous builds)

• General Requirements	\$151,200
• Site Work	\$ 70,000
• Grading and Excavation	\$ 70,000
• Concrete (incl. foundation Accessories)	\$210,000
• Woods and Carpentry	\$413,000
• Roofing	\$ 93,800
• Doors and Windows	\$ 91,000
• Finishes	\$308,000
• Cabinets, Countertops	\$238,000
• Plumbing	\$196,000
• Electrical	\$137,200

Total: **\$1,978,200**

Revenue:

*Construction funds from DHHL (NHHBG) \$1,413,000

County of Hawaii (pending request) \$ 50,000

State Grant in Aid \$ 515,200

Total: \$1,978,200

***Through a Memorandum of Understanding, Habitat for Humanity receives construction loans from DHHL (via a federal NHHBG Grant) for homes built on Hawaiian home lands for qualified families. Once the homes are constructed by Habitat, the mortgages are held by DHHL, and the loans are therefore not repayable by Habitat.**

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2017 to June 30, 2018

Applicant: _____

NOT APPLICABLE

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

JUSTIFICATION/COMMENTS:

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

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2017 to June 30, 2018

Habitat for Humanity West Hawaii

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: 2015-2016	FY: 2016-2017	FY:2017-2018	FY:2017-2018	FY:2018-2019	FY:2019-2020
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION			515200	1413000	n/a	n/a
EQUIPMENT						
TOTAL:			515,200	1,453,000	n/a	n/a
JUSTIFICATION/COMMENTS:						
See Exhibit 1 - <u>schedule of costs and revenue</u>						

GOVERNMENT CONTRACTS AND / OR GRANTS

App:

Habitat for Humanity West Hawaii

NOT APPLICABLE

Contracts Total:

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)
1				
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**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS 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 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 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.

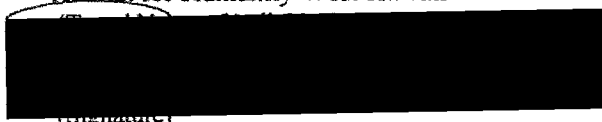
- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
 - a) Is incorporated under the laws of the State; and
 - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant 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 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.

Habitat for Humanity West Hawaii



(Signature)

(Date)

1/16/17

Patrick F. Hurney
(Typed Name)

EXECUTIVE DIRECTOR
(Title)



Habitat for Humanity West Hawaii Organizational Chart

BOARD OF DIRECTORS

President: Steve Machesky
Vice President:
Secretary: Dee James
Treasurer: Mike Medina

Executive
Committee
Chair:
Steve Machesky

Execu
Pat

Deputy Director
Isobel Donovan

HR Comm.

Nominating Comm.

Finance Manager
Chad Unrein
Bookkeeper/Office
Manager
Kennocha Berhane

Resource
Development
Coordinator
Vacant

Community
Relations
Coordinator
Vacant

Family Services
Manager
Margo Takata
Kona Facilities
Manager

Construction
Manager
Mark Saito
Waimea Facilities
Manger

Grants &
Fundraising

AmeriCorps/
Interns

Global
Village

Volunteer Coordinator
Pili Kalele

Construction Coordinat
Tony Vidana

Committee
Level:

Finance
Committee
Chair:
Mike Medina

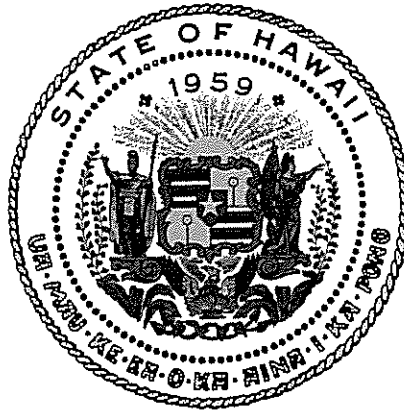
Development
Committee
Chair:
Isobel Donovan

Faith Relations
Committee
Chair:
Tony Vidana

Enterprise
Committee
Chair:

Family Services
Selection &
Support Com.
Chair
Jim Skibby

Building/
Construction
Committee
Chair:
Steve Machesky



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

HABITAT FOR HUMANITY WEST HAWAII, INC.

was incorporated under the laws of Hawaii on 07/02/2001 ; 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 20, 2016

Director of Commerce and Consumer Affairs

Habitat For Humanity West Hawaii

STATEMENT OF FINANCIAL POSITION

As of December 31, 2016

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Cash & Equivalents	-310.00
1100 Banking	
1110 Unrestricted Banking	0.00
FHB Operating**6130	-32,157.53
Total 1110 Unrestricted Banking	-32,157.53
1120 Restricted Banking	
1120.2 FHB Escrow**6730	-884.02
FHB Restricted**6749	9,866.64
Total 1120 Restricted Banking	8,982.62
1130 Restore	
1130.2 Cash on Hand-Register	250.00
1130.3 Cash on Hand Register 2 Kona	250.00
1130.4 Cash on Hand Register Waimea	250.00
1130.9 Change-for Drawer ReStore	90.00
Kona Re-Store Checking HICFCU	-15,295.78
Waimea ReStore Checking BOH*0544	-36,980.74
Total 1130 Restore	-51,436.52
1140 Petty Cash-Office	7,621.71
1145 Petty Cash-ReStore 2	1,750.00
1155 Lowe's Accounts	
1155.2 Lowes 2015 LAR Account	833.98
1155.3 Lowe's Women's Build 2015	2,674.31
1155.4 2016 Lowe's LAR Account *2943	31,642.81
Total 1155 Lowe's Accounts	35,151.10
1160 Costco Cash Card	5,508.00
1160.1 Costco Cash Card-Global Village	1,586.59
Total 1160 Costco Cash Card	7,094.59
1170 Home Depot Gift Cards	
1170.1 Home Depot Gift Cards	0.00
Total 1170 Home Depot Gift Cards	0.00
1185 Foodland Gift Card	0.00
1190 Gift Cards	
1190.1 Walmart Gift Card	0.00
1190.2 KTA Gift Card	0.00
Total 1190 Gift Cards	0.00
Total 1100 Banking	-22,994.03
Total 1000 Cash & Equivalents	-23,304.03
1000P POB US Bank *3179	0.00
1025 US Bank *3138	-6,489.42

	TOTAL
POB Const*0843 BOH	19,922.46
Total Bank Accounts	\$ -9,870.99
Accounts Receivable	
1200 Receivables	546.88
1205 Operating Grants Receivable	0.00
1210 Grants Receivable	
1210.1 Capacity Building Grant-HFHI	-1,915.49
1210.2 HOME Funds Receivable	0.00
1210.20 Other Restricted Grants Rec.	-731.15
1210.3 CDBG Funds Receivable	0.00
1210.4 County of Hawaii Receivable	20,625.00
1210.5 OHA Funds Receivable	-183,731.76
1210.6 NRI Grants Receivable	0.00
1210.7 Americorps Grants Receivable	0.00
Total 1210 Grants Receivable	-165,753.40
1220 Pledges Receivable	
1220.2 Golf Tournament Pledges	0.00
Total 1220 Pledges Receivable	0.00
1230 NRI Receivables (Homeowners)	
1230.1 Critical Home Repair	20,771.11
1230.2 A Brush with Kindness Rec.	0.00
1230.4 New Construction (NRI) Rec.	65,370.82
Total 1230 NRI Receivables (Homeowners)	86,141.93
Total 1200 Receivables	-79,064.59
Total Accounts Receivable	\$ -79,064.59
Other Current Assets	
1240 Other Receivables	
1240.1 Employee Receivable-	517.00
1240.2 Homeowner Receivable	8,841.80
1240.9 Other Receivable	-1,429.07
Total 1240 Other Receivables	7,929.73
1290 Due To/From Affiliate	796,444.97
1290P Due To/From Affiliate-POB/NMTC	-866,160.97
1299 *Undeposited Funds	3,207.98
1300 Current Assets	
1310 Prepaid Expenses	1,885.97
1310.1 Prepaid Expenses-GL/Bus. Ins.	29,255.48
1310.2 Prepaid Expense-WC Ins	10,605.96
1310.3 Prepaid Expenses-Auto Insurance	2,602.36
1310.4 Prepaid Expenses-Health Ins.	12,416.14
1310.5 Prepaid Expenses-Rent	-1,114.68
1310.9 Prepaid Expenses-Other	8,942.50
Total 1310 Prepaid Expenses	64,593.73
1320 Security/Refundable Deposits	8,324.40
1330 Inventory Assets	
1330.1 Restore Inventory	0.00
1330.2 Land & Lots	-290,147.10
1330.3 Restricted Land & Lots	334,144.17

	TOTAL
Total 1330 Inventory Assets	43,997.07
1340 Work in Progress (WIP)	430,466.27
Total 1300 Current Assets	547,381.47
1300P POB Work in Process	864,201.87
1330.2P Restricted Land and Lots	333,500.00
Payroll Corrections	-65.84
Repayment	
Employee Loan Repayment	0.00
Loan Repayment Ded	-1,050.00
Total Repayment	-1,050.00
Uncategorized Asset	5,875.00
Total Other Current Assets	\$1,691,264.21
Total Current Assets	\$1,602,328.63
Fixed Assets	
1400 Fixed Assets	
1430 Computers/Software/Electronics	10,897.04
1440 Tenant Improvements-New Space	269,460.97
1450 Tools & Equipment	
1450.1 Construction Equipment & Tools	15,053.95
1450.2 ReStore Equipment & Tools	9,320.00
1450.3 ReStore Forklifts	10,500.00
Total 1450 Tools & Equipment	34,873.95
1460 Vehicles	
1460.10 2013 Chevy Silverado (499HDX)	19,200.00
1460.12 2006 Dodge Ram (347HDK)	20,344.18
1460.13 2011 Ford 15 Pass Van (HMG 269)	22,000.00
1460.14 1999 Ford "Old Box Van" (599TPE)	10,000.00
1460.16 2015 Isuzu Box Truck (451HEB)	46,719.40
1460.3 2000 Toyota Van (HHJ001)	5,156.31
1460.4 2002 Chevy Box Truck (309TPW)	6,918.70
1460.8 Trailer	9,451.58
1460.9 2010 Nissan Frontier (900HDR)	21,000.00
Total 1460 Vehicles	160,790.17
1470 Warehouse/Office Kamuela	0.00
1490 Accumulated Depreciation	-40,518.38
Total 1400 Fixed Assets	435,503.75
Total Fixed Assets	\$435,503.75
Other Assets	
1200P Other Assets	
1230P POB HFHI Structuring Fee	22,466.00
1240P Accumulated Structuring Fee	-936.15
1250P POB Affiliate Expense Reserve	30,284.00
1260P Accumulated Affiliate Exp Rsvr	-6,489.42
1270P POB NMTC Closing Costs	19,575.00
1280P Accumulated Closing Costs Fee	-815.70
Total 1200P Other Assets	64,083.73
1500 Mortgage Loan Receivable	3,801.22
1510 Mortgage Loan Receivables-Notes	900,350.00

	TOTAL
1510P Mortgage Loan Receivables-POB	133,199.75
1520 Unamortized Mortgage Discount	-409,685.21
Total 1500 Mortgage Loan Receivable	627,665.76
1600 Invest in HFHI NMTC Lev Lender	510,538.20
1700 Intangible Assets	
1700.1 HFHI Structuring Fee	187.23
1700.2 NMTC Closing Costs	163.14
1700.3 Affiliate Expense Reserve	1,081.56
1700.9 POB Accumulated Amortization	-1,431.93
Total 1700 Intangible Assets	0.00
Total Other Assets	\$1,202,287.69
TOTAL ASSETS	\$3,240,120.07
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	6,933.61
2050 Accrued Liabilities	0.00
Total Accounts Payable	\$6,933.61
Credit Cards	
2300 FHB Credit Card	
2320 FHB New Credit Card **	
2320.1 Hurney, Patrick **6555	-4,924.91
2320.4 Saito, Mark **5243	687.69
2320.5 Horrell, Julie *5631	-2.42
2320.6 Vera Cruz, David **6837	0.00
Total 2320 FHB New Credit Card **	-4,239.64
Total 2300 FHB Credit Card	-4,239.64
2400 Hawaii Fuel Network (HFN)	
2400.2 HFN *99150 (Mark)	163.90
2400.6 HFN *99154 (Pat)	39.77
Total 2400 Hawaii Fuel Network (HFN)	-1,053.32
Total Credit Cards	\$-5,292.96
Other Current Liabilities	
2000P POB CURRENT LIABILITIES	
2010P Accrued Interest Payable	0.00
2030P POB Seller Financing Note	0.00
Total 2000P POB CURRENT LIABILITIES	0.00
2100 Current Liabilities	
2102 Employee Payable	12,908.88
2105 Accounts Payable From old QB	0.00
2110 Payroll Liabilities	
2110.1 Federal Withholding	-2,381.00
2110.10 Payroll Liabilities-Other	16,216.41
2110.2 Medicare	-806.92
2110.3 Social Security	-3,451.54
2110.4 940 Fed UI	63.57
2110.5 State Withholding	3,567.26

	TOTAL
2110.6 SUI-State Unemployment	1,311.56
2110.7 HI Training	15.95
2110.8 Vanguard Payable	-423.50
Total 2110 Payroll Liabilities	22,077.67
2115 Health Care Payable- Employee	-896.09
2130 Homeowner Liability	0.00
2130.1 Escrow Deposits	5,568.38
2130.1p Escrow Deposits POB	1,035.00
2130.2 Impound Deposits	0.00
Total 2130 Homeowner Liability	6,603.38
2140 Hale Ohana Aloha Program	1,613.60
2150 LOC First Hawaiian Bank	235,931.65
2160 Aunty Gwen Lunch Fund	50.00
Total 2100 Current Liabilities	278,289.09
9998 Direct Deposit Liabilities	-74.70
Direct Deposit Payable	0.00
Payroll Liabilities	
Administration Fee-CSEA	486.61
CSEA	486.61
Federal Taxes (941/944)	5,827.35
Health Insurance-Dependent	1,460.94
HI Income Tax	1,367.15
HI Quarterly Taxes	730.91
Simple IRA Co. Match	1,350.00
Simple IRA Employee	1,350.00
Wage Garnishment {2}	486.61
Wage Garnishment {3}	0.00
Total Payroll Liabilities	13,546.18
Total Other Current Liabilities	\$291,760.57
Total Current Liabilities	\$293,401.22
Long-Term Liabilities	
2100P POB LONG TERM LIABILITES	
2110P QLICI Due to HFHI NMTC	603,209.00
Total 2100P POB LONG TERM LIABILITES	603,209.00
2200 Long Term Liabilities	
2220 Grant in Aid Loans Payable	143,500.00
2230 OHA Funding Payable	170,953.49
2250 RCAC Loan	135,865.57
Total 2200 Long Term Liabilities	450,319.06
2290 Discount on Notes Payable	-134,573.00
Total Long-Term Liabilities	\$918,955.06
Total Liabilities	\$1,212,356.28
Equity	
3000 Opening Balance Equity	1,546,741.81
3100 Net Assets	-289,524.76
3200 *Unrestricted Net Assets	698,892.86
Net Revenue	71,653.88
Total Equity	\$2,027,763.79

	TOTAL
TOTAL LIABILITIES AND EQUITY	\$3,240,120.07



The Senate

STATE CAPITOL
HONOLULU, HAWAII 96813

OFFICE OF SENATOR JOSHUA BOOTH GREEN M.D.

January 12, 2017

Senator Jill Tokuda
Chair, Committee on Ways and Means
Hawaii State Senate

Senator Sylvia Luke
Chair, Committee on Finance
Hawaii State House of Representatives

Re: Support for Habitat for Humanity West Hawaii's application for Grant-in-Aid

Aloha Chairs Tokuda and Luke,

I am pleased to offer my strong support for Habitat for Humanity West Hawaii's Grant-in-Aid application. Access to affordable housing is one of the major disparities on the Big Island. Habitat for Humanity West Hawaii has and continues to work to alleviate this housing situation in our community. I understand that they are requesting financial support from the State to complete a project which will have a tremendous impact on the people of West of Hawaii.

Habitat for Humanity is the only affordable home builder that serves the lower end of the income spectrum, serving those who earn between 30% and 80% of the AMI on a no-interest, no profit basis. They have built 32 homes for low income families on the west side of the Big Island, and have been advocating and providing training and access to resources to help families improve their living situations.

Owning a home is a dream that every family hopes to attain, however, the cost of living in Hawaii makes it challenging for most people. For most families, especially with low-income, that dream has become impossible. Habitat for Humanity has brought hope to many families in our community by providing homes and the opportunity to build wealth equity, and financial stability for healthcare services and other important life necessities.

I implore you to help Habitat for Humanity West Hawaii provide our families with the opportunity to have a durable place to live in with dignity and providing safety for our children, by granting their request.

Senator Joshua Booth Green M.D.

3rd District – Kona, Kau

HAWAII STATE CAPITOL, Room 407 – HONOLULU, HAWAII 96813

PHONE: (808) 586-9385 • Cell: (808) 937-0991 • TOLL FREE HAWAII ISLAND: (808) 974-100 ext. 9385 • FAX: (808) 586-9391 •

E-MAIL: sengreen@capitol.hawaii.gov

OFFICE OF SENATOR JOSHUA BOOTH GREEN M.D.

Please contact me should you have any questions or if there is anything I can help with to provide support for the people of West Hawaii, at 586-9385.

Sincerely,



Josh Green, M.D.
State Senate

Senator Joshua Booth Green M.D.

3rd District – Kona, Kau

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