

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

ALTERNATIVE STRUCTURES INTERNATIONAL

was incorporated under the laws of Hawaii on 11/18/1974 ; 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: January 17, 2019

Director of Commerce and Consumer Affairs

Application for Grants

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Certification – Please attach immediately after cover page

1. 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, 2018.

A Certificate of Good Standing is attached after the cover page.

2. Declaration Statement

The applicant shall submit a declaration statement affirming its compliance with Section 42F-103, Hawaii Revised Statutes.

A Declaration Statement is attached.

3. Public Purpose

The applicant shall specify whether the grant will be used for a public purpose pursuant to Section 42F-102, Hawaii Revised Statutes. ([Link](#))

The grant will be used for a public purpose pursuant to Section 42F-102, Hawai'i Revised Statutes. The purpose is explained in Section II. #3 below.

II. 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;

Alternative Structures International (dba Kahumana) is a 501(c)(3) nonprofit based in Waianae on the island of Oahu. Since its establishment in 1974, Kahumana has integrated social services with training venues and social ventures that work toward three goals:

A. ENDING LOCAL FAMILY HOMELESSNESS – Kahumana provides several kinds of services to address homelessness on different levels. Together, these services assist approximately 1,000 individuals per year along Oahu's Leeward Coast.

1. Ohana Ola O Kahumana (Ohana Ola) Transitional Shelter Program– Kahumana operates a 48-unit transitional shelter in Waianae for families that were homeless or at-risk of homelessness. The Program provides shelter and support services to help clients secure employment and permanent housing in three-or-more months.

2. Homelessness Prevention & Rapid Re-Housing Program (HPRP) – Kahumana is one of the agencies that works with this City program to provide people with temporary financial assistance (to prevent homelessness) and housing relocation and stabilization services (Rapid Re-Housing).

3. Permanent Housing at Kauhale Kamaile – Kahumana manages this 16-unit complex for low-income families in Waianae. Families must have at least one child in a Leeward Oahu school and have at least one employed adult.

2) PROVIDING SERVICES FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES AND/OR AUTISM - Kahumana’s Medicaid-funded services include day programs and community-based personal assistance.

3) LOWERING HAWAII’S DEPENDENCE ON IMPORTED FOOD - Kahumana Organic Farm harvests over 20 tons of produce per year for a Community Supported Agriculture Program, café, farm stand, local restaurants, and Waianae Farmers’ Market. It also supplies produce for Kahumana’s Kitchen Training Program, which delivers over 1,100 meals per school day to underprivileged children at 26 Leeward Oahu schools and programs.

Kahumana has received several honors for its work. In March 2018, the State Senate recognized Kahumana for its outstanding contributions to the community. In November 2016, the Honolulu City Council presented a certificate to one of Kahumana’s founders, Father Philip Harmon, for his service to the poor and vulnerable and for improving the quality of life in Leeward Oahu. In 2015, Kahumana was selected by the Hawaii Community Foundation as one of eight nonprofit organizations to participate in its HousingASAP program. The previous year, Cades Schutte presented Kahumana with the Cades Foundation Nonprofit Leadership Award. Kahumana also received the Best Non-Profit of the Year Award at the 2006 Annual Convention of the Council for Native Hawaiian Advancement, and was named the “Best of the Best” by the U.S. Department of Housing and Urban Development (HUD) in 2000.

2. The goals and objectives related to the request;

The overall goals of this project are to retain and expand Kahumana’s Kitchen Training Program, which recently moved into an existing commercial kitchen in Waianae.

By way of background, plans have changed since Kahumana submitted its 2018 State Grant-in-Aid (GIA) application. That application requested funds to build a new commercial kitchen. New construction, however, is no longer needed because an existing commercial kitchen in Waianae became available last fall. (See attached Letter to Mr. Curt T. Otaguro, Office of the Comptroller re: Intent to let lapse the \$500,000.00 State GIA appropriated by the 2018 legislature.)

The existing kitchen is part of the Hawaii Housing Finance and Development Corporation's (HHFDC) Kulia I Ka Nu'u Affordable Rental Housing Project located at 85-296 Ala Hema Street in Waianae. The 3,000 square-foot kitchen, which sits within an 11,000 square-foot Resource Center, had not been used for several years; HHFDC's most recent plan to let a State agency utilize it had fallen through. Kahumana was thus able to move into the kitchen in October 2018 under a one-year lease, with plans to seek a long-term lease.

This January, HHFDC issued a letter of intent to offer Kahumana leasehold interest in the Kulia I Ka Nu'u Resource Center. The initial term will be for twenty years, with three successive options to extend the lease for a ten-year period. The lease will specify that Kahumana will pay nominal rent in exchange for assuming responsibility for everything above ground on the property. (See attached HHFDC Letter of Intent.)

After several years of sitting idle, the kitchen and other parts of the Kulia I Ka Nu'u Resource Center need restoration. Kahumana has already invested much time and money to bring the kitchen into compliance with Department of Health standards in order for the Kitchen Training Program to operate. Nevertheless, the building needs roof repairs and re-painting and some of the kitchen equipment/fixtures need repair or replacement. These improvements will help extend the facility's lifespan, thus enabling the Kitchen Training Program to not only continue, but also increase the number of homeless, unemployed, and low-income people that it prepares for the workforce.

Once refurbished, the Kulia I Ka Nu'u kitchen will be able to accommodate more Trainees, both physically and financially. Physically, the kitchen is twice the size of the Program's original facility and more efficiently designed. Thus, when it becomes fully operational, the kitchen will have the capacity to accommodate more Trainees per shift and produce more meals per day. More meal contracts, in turn, will fund more paid Trainee positions. In fact, based on previous contract requests, the Kitchen Training Program is expected to double production in four years, from the current 1,100 meals/day to 2,200 meals/day. This increased income stream will support additional Trainees along with the kitchen's operating budget.

The objectives for the Kitchen Training Program in the fully refurbished kitchen will be two-fold:

1. Increase the number of participants to 40 paid, part-time (19 hours/week), temporary Kitchen Trainees per year. This target is approximately twice the highest number of

Trainees in previous years (the numbers have fluctuated depending on the availability of funds to pay for Trainees' wages). Kahumana's Employment Specialist and Job Coordinator will recruit and coach Trainees as described below. Additionally, a full-time Clerk position will be created to assist the Kitchen Manager with record-keeping and scheduling Trainees for two-to-three shifts per day.

2. Prepare Kitchen Trainees to secure jobs in the larger community in 3-to-6 months. Trainees will learn the basics of food safety and sanitation, housekeeping and janitorial duties, dishwashing, and food preparation and processing. Successful Trainees will be qualified to work at small restaurants or fast-food establishments, or in housekeeping or janitorial positions. They may also decide to pursue further culinary education in order to secure higher-paying jobs in up-scale restaurants. When they are ready to move on, the Employment Specialist will help Trainees prepare for job interviews and create resumes that list their newly acquired skills, work experiences, and references. Trainees also will be assisted by Kahumana's Job Coordinator, who is developing relationships with employers that are seeking entry-level workers. (See attached Kitchen Training Program.)

3. The public purpose and need to be served;

This project is needed to address Oahu's homeless crisis, which is particularly acute in Leeward Oahu. According to the *2018 Hawaii Homeless Point-in-Time Count*, the Waianae Coast experienced a 17.6% increase in unsheltered persons experiencing homelessness, despite Oahu's 9.4% overall decrease in homeless individuals.

Kahumana helps Waianae's vulnerable residents secure permanent housing as quickly as possible. Permanent housing, however, requires steady employment, which is often a client's biggest hurdle.

Unemployment is very high among able-bodied adults in Ohana Ola Transitional Shelter (34%) and clients helped through the Rapid Re-Housing Program (56%). These individuals may have low academic achievement, few job skills, or little or no work experience. Other obstacles may include difficulty adjusting to structured work environments or reluctance to take on new responsibilities.

Fortunately, Kahumana's Kitchen Training Program is proving effective in getting clients job-ready. The Kitchen Manager, Patricia York, has trained over a hundred unemployed or extremely low-income adults since 2009. She has seen people without job skills and little or no work experience make remarkable progress, given the right environment and support. In the last three years, the Program has had 25 Trainees, 22 of whom have thus far found permanent jobs. They hold various positions, from kitchen help to cashier, at Longs, Lahaina Chicken Company, Korean BBQ, Home Depot, Goodwill, Walmart, and the Kitchen Training Program itself.

Homeless and unemployed people in Leeward Oahu cannot afford to lose this job-training resource. Refurbishing the kitchen at Kulia I Ka Nu'u e will ensure the continuation, and expansion, of a program that prepares unemployed adults to become income-earners.

4. Describe the target population to be served; and

The PRIMARY TARGET POPULATION for this project will be the adults living at Ohana Ola Transitional Shelter and the clients whom Kahumana serves through the City's Rapid Re-Housing Program.

Ohana Ola's Population: At any given time, 48 families who were homeless or at-risk of homelessness live at Ohana Ola. Entry qualifications include having at least one dependent child under age 19 and a median family income that does not exceed 50% of the Area Median Income as defined by HUD. Families at Ohana Ola agree to develop and follow a Service Plan that will lead to self-sufficiency and permanent housing in three-or-more months. They are assisted by Case Managers, an Employment Specialist, a Job Coordinator, and a Housing Specialist. Adults are encouraged to participate in job-training opportunities at Kahumana's commercial kitchen, farm, café, and retreat center.

Rapid Re-Housing Population: These households must be at or below 50% of the Area Median Income and homeless. They must also demonstrate that they lack the financial resources and support networks needed to obtain immediate housing. This population is generally considered one level above the chronically homeless population. Services for clients include financial assistance, case management, outreach, housing search and placement, and referrals for legal assistance and credit repair.

The SECONDARY TARGET POPULATION will be clients from other programs for people-in-need, including:

- State of Hawaii Supporting Employment Empowerment Program (a welfare-to-work service)
- U.S. Vets Waianae Civic Center Pai'olu Hai'aulu transitional housing
- Kahumana Learning Center (a Medicaid-funded program for people with developmental disabilities and autism)

Finally, ANY REMAINING TRAINEE OPENINGS will be offered to unemployed or low-income individuals from Leeward Oahu's general population. The Leeward Coast is a depressed area with high unemployment among its estimated population of 48,300. According to a recent U. S. Census report, Leeward Oahu contained 7 of the state's top 20 Census tracts with the highest civilian unemployment rates. (Hawaii State Data Center, *Highlights of the 2012-2016 American Community Survey 5-Year Data for Hawaii*, Table 3, December 7, 2017.)

Kahumana's Employment Specialist and Job Coordinator will be responsible for recruiting Trainees. They will also ensure that individuals coming from other programs or the

general population qualify under HUD's definition of "low- and moderate-income persons."

5. Describe the geographic coverage.

KAHUMANA COMMUNITY TRAINING KITCHEN will serve Leeward Oahu, which the U. S. Census identifies as the "Waianae Census County Division." It includes the Census Designated Places of Nanakuli, Maili, Waianae, Makaha and Makaha Valley.

III. 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;

Our original plan was to construct a new training kitchen from scratch and use Grant In Aid funding for part of the construction costs. Now that we have found an existing underutilized building with an existing commercial kitchen, we have changed our scope to focus on the necessary repair, maintenance and equipment needs of the existing building focusing on 4 critical areas:

1. **Repair Leaky Roof: Wash, patch, repair and re-coat with elastomeric coating and embedded fiberglass mesh with a top coat of silicone.**
2. **Repaint faded and cracked exterior: Paint all the exposed exterior walls and trim equaling a total of 6400 sq ft of wall area plus trim.**
3. **Repair bathroom plumbing to eliminate sewer discharge and smell.**
4. **Kitchen equipment repair and upgrades to expand meal service for needy children.**

The tasks and responsibilities of the Project Team will be to write up detailed requests for proposals, evaluate proposals and pricing, select vendors, oversee work and report on expenditures and results to the Grant In Aid authorities.

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

The project will be completed within 6 months of grant award:

1. **Roof, Paint, Plumbing and Equipment Purchase Request for Proposals will be completed in Month 1 of the award.**
2. **Negotiation and selection of vendors will be done within Month 2 of the award.**
3. **Work will be completed by Month 4 of the award.**
4. **Invoicing and Reporting will be completed by Month 6 of the award.**

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

Kahumana's Development Officer will be responsible for the Project Administration and oversight to ensure that the projects are completed according the specification and plans in the contract agreements with selected vendors. The Officer will meet with Vendors to discuss detailed schedules, inspections, payment requests and change orders. These meetings will help identify and resolve potential conflicts. The Executive Director and Development Officer will complete the final inspections together to insure that the work has fulfilled the terms of each contract.

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.

During the GIA period of performance, Kahumana will submit reports to the State regarding project progress (percentage of completion as detailed in the timeline above), inspections and grant expenditures. The reports will include photos of the project site and the projected completion dates for each section of the projects.

Upon completion of the projects, Kahumana will forward a copy of the final inspection report and invite representatives to tour the renovated facility.

Kahumana will also provide the State with data on the Kitchen Training Program's progress toward reaching the objectives described in Section 1.2 above.

IV. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
 - a. Budget request by source of funds ([Link](#))
 - b. Personnel salaries and wages ([Link](#))
 - c. Equipment and motor vehicles ([Link](#))
 - d. Capital project details ([Link](#))
 - e. Government contracts, grants, and grants in aid ([Link](#))

See attached

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2020.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$50,000	\$50,000	\$12,013		\$112,013

- The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2020.

Hawaii Community Foundation FLEX Grant - \$25,000

- 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

- The applicant shall provide a listing of all federal, state, and county government contracts, grants, and grants in aid it has been granted within the prior three years and will be receiving for fiscal year 2020 for program funding.

See Attachment

- The applicant shall provide the balance of its unrestricted current assets as of December 31, 2018.

\$224,912.00

V. Experience and Capability

1. 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.

Kahumana had, for a number of years, successfully ran a commercial kitchen operation out of a facility at Ulu Ke Kukui in Maile. Contracts with HCAP, the YMCA and other pre-schools were held, and our operations fed approximately 1,200 young children per day. In addition, the kitchen had nine trainee/full time staff. That facility was slated to close in October 2018 as the lease between the State and the Department of Hawaiian Homelands was expiring and the site returned to the beneficiaries. We were previously planning to build a new commercial kitchen, and had secured a \$500,000 State Grant In Aid last year to assist with that effort. However, when the opportunity to lease an existing kitchen in Waianae arose we realized it would be more cost effective to change our plans. We are grateful to the Hawaii Housing Finance and Development Corporation for granting us a 20 year lease (with options to renew) at a nominal

rent, but now need to request funding to make repairs and renovations to the property. We have already taken steps to inform the State that we will not be drawing on the prior GIA.

Our Kitchen Manager, Patricia York, has run our kitchen operation since 2009 and has been instrumental in assessing the repairs, maintenance and other needs of this new kitchen. The kitchen is approximately twice the size of our previous facility, and in order to stay in compliance with the State Health Department and increase the number of trainees, we need to make some repairs and improvements. These repairs include roof repairs, painting of the exterior of the building, some plumbing repairs and additional equipment. Details are listed in the attachments.

Verifiable Experience of Related Projects:

- 1. Community Development Block Grant (CDBG) for \$680,400.00**
Contract No. CT-DCS-1400207
Ohana Ola O Kahumana, Phase I Renovation Project
Completed April 15, 2017
This project involved plumbing and septic system renovations for the 14 units that comprise Phase I of Ohana Ola Transitional Shelter. The new septic system required the installation of two 4,000 gallon septic tanks and two 24 feet by 90 feet leach fields. The project was successfully completed within the project budget by the amended deadline.

- 2. Kahumana Solar Project – A collaboration with Norm Gentry, Ted Peck & Kama’aina Solar**
Completed November 30, 2017
This innovative project is providing solar power for Ohana Ola and Kahumana’s main campus (located at 86-660 Lualualei Homestead Road, Waianae, HI 96792). Kahumana is purchasing solar energy from Kuwale PNL, LLC, which installed photo-voltaic systems at both sites. The new systems are expected to save more than \$60,000 in electricity costs annually.

Further, Kahumana is highly qualified to run and expand the Kitchen Training Program in this larger facility. The program has proved successful in preparing Trainees to join the workforce as well as in producing a reliable income stream from meal contracts. It plays a major role in Kahumana’s overall mission to help end local family homelessness.

2. 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 kitchen is part of the Kulia I Ka Nuu Resource Center located at 85-296 Ala Hema Street, Waianae, HI 96792. The lease was discussed at a HHFDC Board of Director's meeting on January 10, 2019. A Letter of Intent (attached) was received and is due to be ratified at HHFDC's Board Meeting on February 14, 2019. We are truly grateful for this opportunity, and believe it will be both for the State of Hawaii and ourselves the most cost effective way of continuing our mission of feeding low-income children and assisting previously homeless persons to obtain education and training in the culinary field.

VI. Personnel: Project Organization and Staffing

1. 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.

Proposed Staffing Pattern:

Overall responsibility for this project lies with Kahumana's Executive Director, Tom McDonald. He will meet regularly with the Project Coordinator, Kitchen Manager and Accounting Manager to assess progress and resolve potential issues. He will also keep the Chief Executive Officer, Father Philip Harmon, and the Board of Directors informed of the project's progress. His approval will be required for all payment requests.

The Project Coordinator's responsibilities will be assumed by Kahumana's Development Officer, Susan Austin. Ms Austin will manage the project and coordinate obtaining quotes for required work. She will work closely with subcontractors, the State and Kahumana's personnel to ensure the timely processing of payments, reports and other documents.

Accounting Manager, Jan Cabansag, will ensure the proper handling and recording of all project-related funds. She will provide Mr. McDonald and Ms Austin will regular reports on the status of the budget.

Staff Qualifications:

TOM MCDONALD, EXECUTIVE DIRECTOR, has been at the helm of Kahumana since 2012. During this time, he has overseen the CDBG-funded septic/plumbing

renovation at Ohana Ola Phase I and the Kahumana Solar Project. Mr. McDonald is very knowledgeable about Oahu's homeless crisis and the need for job-training opportunities among homeless and other disadvantaged adults. He has been a long-time member of Partners In Care, which is a planning, coordinating and advocacy alliance of public, private, and nonprofit organizations and homeless/formerly homeless persons working to fill the needs of homeless persons on Oahu. As Kahumana's Executive Director, he is responsible for 100 employees and a \$5.4 million annual budget.

SUSAN AUSTIN, DEVELOPMENT OFFICER/PROJECT COORDINATOR, provided administrative coordination for both the CBDG-funded septic/plumbing renovation at Ohana Ola Phase I and the Kahumana Solar project. She is experienced in accounting, selecting contractors and working with City, State and Federal governments in ensuring contract compliance. Her day-to-day responsibilities include fund-raising, writing grant proposals and reports, managing the Kauhale Kamaile affordable housing project, and providing administrative support to the Executive Director, Department Managers and Board of Directors.

PATRICIA YORK, KITCHEN MANAGER, worked her way up from volunteering for the kitchen at Ulu Ke Kukui to becoming the Kitchen Manager in 2009. She is credited with building the kitchen's reputation and increasing its meal contracts. Ms York holds several certifications: she is annually certified as a Hawaii Food Handler by the State of Hawaii, certified by Serv Safe (a well-respected company in the food industry), and certified in first aid/CPR. She has also received training from the USDA Child Nutrition Programs and the Hawaii Child Nutrition Programs, and is a member of the National Child and Adult Care Food Program (CACFP) Association

JAN CABANSAG, ACCOUNTING MANAGER, is a highly qualified accountant. Her previous experience included working with a construction company and she currently oversees all of Kahumana's finances, including multiple grants and contract-related funds.

2. 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

3. Compensation

The applicant shall provide an annual salary range paid by the applicant to the three highest paid officers, directors, or employees of the organization by position title, not employee name.

Kahumana Learning Center Manager - \$55,000

Executive Director - \$49,200

Development Officer - \$45,000

VII. Other

1. 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 pending litigation

2. 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.

The Kitchen is certified by the Department of Health Food Safety Program. The Kitchen is also in compliance with USDA and CACFP rules.

3. 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.

4. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2019-20 the activity funded by the grant if the grant of this application is:

- (a) Received by the applicant for fiscal year 2019-20, but
- (b) Not received by the applicant thereafter.

This request is to fund needed renovations and improvements to an existing operation. If the full request is approved, Kahumana will be able to complete the renovations without additional fund-raising efforts.

Once renovations are completed, the Kitchen Training Program will be able to look for additional contracts to increase meal production. We anticipate that within four years, the Kitchen will double its income from meal contracts and become financially self-sustaining.

Applicant – Alternative Structures International

STATE GIA

Period: July 1, 2019 to June 30, 2020

ATTACHMENTS

- 1. Declaration Statement**
- 2. Letter to Mr. Curt Otaguru re intent to let lapse the 2018 GIA**
- 3. Letter of Intent from Mr. Craig Hirai, ED of HHFDC**
- 4. Kitchen Training Program**
- 5. Organization Chart**
- 6. Form: Budget Request By Source of Funds**
- 7. Form: Budget Justification-Personnel Salaries and Wages**
- 8. Form: Budget Justification-Equipment and Motor Vehicles**
- 9. Form: Government Contracts, Grants, and/or Grants In Aid**
- 10. Quote from Rainbow Roofing**

**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.

Alternative Structures International _____
(Typed Name of Individual or Organization)

 _____ 1-17-2019 _____
(Signature) (Date)

Tom McDonald – Executive Director _____
(Typed Name) (Title)



January 15, 2019

Mr. Curt T. Otaguro
Office of the Comptroller
Kalanimoku Building
1151 Punchbowl St.
Honolulu, HI 96813

Attention: Dennis Chen, Division of Public Works, Planning Branch

Dear Mr. Otaguro:

RE: Intent to let lapse the \$500,000.00 State Grant-in-Aid appropriated by the 2018 legislature to Alternative Structures International (Program ID AGS221)

This letter is to inform the State that Alternative Structures International (ASI) intends to let lapse the \$500,000.00 Grant-in-Aid (GIA) appropriated in 2018 for a construction project to build Kahumana Community Training Kitchen for homeless, unemployed, and low-income adults in Leeward O'ahu.

This decision is based on events that transpired in the fall of 2018: An existing commercial kitchen in Wai'anae became available just as ASI's Kitchen Training Program needed to vacate its facility at Ulu Ke Kukui Transitional Shelter (which reverted back to the Department of Hawaiian Homelands). The kitchen that became available is part of the Hawaii Housing Finance and Development Corporation's (HHFDC) Kulia I Ka Nu'u Affordable Rental Housing Project located at 85-296 Ala Hema Street. This kitchen had not been used for several years; HHFDC's most recent plan to let a State agency utilize it had fallen through. ASI was thus able to quickly secure a one-year lease from HHFDC and move into the kitchen in October 2018, with the intention of seeking a long-term lease.

On January 10, 2019, HHFDC's Board of Directors agreed to draw up a long-term ground lease for the two-story Resource Center at Kulia I Ka Nu'u that includes the commercial kitchen. The lease will specify that ASI will pay nominal rent in exchange for assuming responsibility for everything above ground on the property. ASI intends to sign this lease and terminate the project to build Kahumana Community Training Kitchen as described in its 2018 GIA application.

Continued

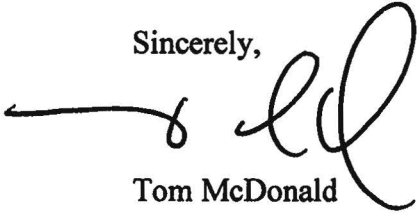
Alternative Structures International dba **Kahumana**
Housing • Learning Center • Farm/Café • Kitchen • Retreats
Business Office: 86-660 Lualualei Homestead Road, Waianae 96792
(808) 696-2655 Fax (808) 696-6608

Mr. Curt T. Otaguro
January 15, 2019
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In light of these events, ASI plans to submit a new State GIA application for funds to repair the Kulia I Ka Nu'u kitchen and the Resource Center in which it is situated. ASI has already invested much time and money to bring the kitchen into compliance with Department of Health standards, but more needs to be done. The building needs roof repairs and re-painting. Also, compressors in the kitchen's walk-in coolers need repair and some of the kitchen fixtures need to be replaced. These improvements will help extend the facility's lifespan and enable the Kitchen Training Program to serve greater numbers of homeless, unemployed, and low-income adults in Leeward O'ahu.

We believe this course of action will be in everyone's best interest. If you have any questions regarding this letter, please feel free to contact me at (808) 696-2655 or TMcdonald@asi-hawaii.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom McDonald', with a long horizontal flourish extending to the left.

Tom McDonald
Executive Director

Cc: Senator Maile Shimabukuro
Representative Cedric Gates
Stephen G. Karel, City & County of Honolulu, Dept. of Community Services

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813
FAX: (808) 687-0600

IN REPLY REFER TO:
19:REC/012

January 14, 2019

Mr. Tom McDonald
Executive Director
Alternative Structures International
86-660 Luualalei Homestead Road
Waianae, Hawaii 96792

Re: **Kulia I Ka Nuu Resource Center**
85-296 Ala Hema Street, Waianae, Hawaii 96792
Tax Map Key No. (1) 8-5-027: 073

Dear Mr. McDonald:

Thank you for your letter dated December 31, 2018 expressing Alternative Structures International's interest to acquire a long-term leasehold interest in the Kulia I Ka Nuu Resource Center, which is owned in fee simple by Hawaii Housing Finance and Development Corporation ("HHFDC"). As you know, the matter was discussed by the HHFDC Board of Directors at its January 10, 2019 regular meeting.

Pursuant to Section 201H-52(b)(2), Hawaii Revised Statutes, HHFDC may "[d]evelop... community facilities and then sell, lease, rent, or otherwise transfer or make available these facilities to nonprofit organizations or government agencies." On behalf of HHFDC, I am pleased to present this nonbinding Letter of Intent outlining the following terms and conditions upon which we would consider selling a leasehold interest in the Kulia I Ka Nuu Resource Center.

Seller: HHFDC, a public body and a body corporate and politic of the State of Hawaii ("Seller" or "Lessor")

Buyer: Alternative Structures International, a Hawaii nonprofit corporation ("Lessee")

Property: A leasehold interest in the land and other real property interests of the Kulia I Ka Nuu Resource Center located at 85-296 Ala Hema Street, Waianae, Hawaii 96792 (Tax Map Key No. (1) 8-5-027: 073) (the "Property")

- Condition of Property:** Seller shall convey the Property "as-is", "where-is", with all faults, and subject to all encumbrances of record.
- Purchase Price:** ONE AND NO/100 U.S. DOLLARS (U.S. \$1.00) (the "Purchase Price")
- Payment Terms:** The Purchase Price shall be payable in cash at closing.
- Initial Lease Term:** Twenty (20) years (the "Initial Term")
- Lessee Extension Options:** Lessee shall have three (3) successive options to extend the lease for a ten (10)-year period (each an "Extension Term") provided that: 1) the lease is in force and effect on the last day of the Initial Term (or the Extension Term, as the case may be); and 2) Lessee is not or will not be in default under any provision of the lease.
- Annual Lease Rent:** ONE AND NO/100 U.S. DOLLARS (U.S. \$1.00) (the "Annual Lease Rent") payable upfront in advance at the beginning of the Initial Term and each Extension Term
- Uses:** The Property shall be used for the following purposes:
- 1) The operation of a commercial kitchen providing vocational training in culinary arts for unemployed or underemployed adults transitioning from homelessness;
 - 2) Comprehensive early childhood education, health, nutrition, and parent involvement services to low-income children and their families; and
 - 3) Offices for administrative, job coaching/job placement, and permanent supportive housing/rapid rehousing staff.

Any excess space shall be offered to other nonprofit organizations at cost.

Any change in use shall be subject to the prior written consent of Lessor in its sole and absolute discretion. In the event of a change in use without the prior written consent of Lessor, the Annual Lease Rent shall increase to a market rent in the manner described in the lease.

Sublease and Assignment: Subject to the prior written consent of Lessor in its sole and absolute discretion

Insurance: Tenant shall carry and maintain insurance of the types and in the amounts required by the State of Hawaii and as specified in the lease.

Broker Commissions: None

HHFDC and Alternative Structures International (individually, a "Party" and collectively, the "Parties") acknowledge that this letter is not a Purchase and Sale Agreement or a Lease, but rather is intended to be the basis for a possible Purchase and Sale Agreement and a possible Lease between the Parties. It is expressly understood that the terms and conditions herein are not all inclusive but merely represent an outline of some of the basic business terms to be incorporated into a draft Purchase and Sale Agreement and a draft Lease. It is further expressed that neither Party will be under a legally binding obligation to the other until a Purchase and Sale Agreement, acceptable to both Parties, has been prepared, negotiated, and fully executed.

Execution of a Purchase and Sale Agreement and a Lease is subject to the prior approval of the HHFDC Board of Directors. Such approval is expected to be sought at its February 14, 2019 regular meeting.

Should you have any questions regarding this proposal, please call Chris Woodard, Real Estate Portfolio Manager, at 808-587-0588.

Sincerely,



Craig K. Hirai
Executive Director

AGREED AND ACCEPTED:

Alternative Structures International

By: Thomas McDermott

Its: Exec DIR

Date: 1/14/2019

KAHUMANA COMMUNITY TRAINING KITCHEN
at Ohana Ola `O Kahumana Transitional Shelter for Homeless Families
KITCHEN TRAINING PROGRAM

Updated January 17, 2019

PURPOSE

When completed, Kahumana Community Training Kitchen will provide approximately 40 paid, part-time, temporary Kitchen Trainee positions annually. The positions will be available to adult members of families staying at Ohana Ola `O Kahumana Transitional Shelter, clients that Kahumana assists through the City & County of Honolulu's Rapid Re-Housing Program, and others who are unemployed or low-income. The length of their training may range from 3-to-6 months, depending on their abilities and previous work experience.

ON-THE-JOB TRAINING

Trainees will learn the following tasks by observing staff demonstrations and working in the kitchen under staff supervision. Most of these practices are transferrable to other commercial kitchens.

A. FOOD SAFETY AND SANITATION

- Procedures for washing hands and putting on/changing gloves and aprons
- Safe food temperatures for holding, cooking, and cooling down
- Food labeling
- Maintaining a sanitizer chart, refrigerator and freezer logs, and food temperature logs
- Using color-coded rags and a 3-compartment sink

B. HOUSEKEEPING AND JANITORIAL DUTIES

- Procedures for using cleaning supplies, tools, and color-coded rags
- Cleaning bathrooms and reach-in/walk-in coolers
- Maintaining the storage room

C. DISHWASHING

- Procedures for stacking/organizing over 1,000 pieces returned by delivery vans
- Rinsing pieces before washing
- Washing, rinsing, and sanitizing in a 3-compartment sink
- Air drying and putting away pieces

D. FOOD PREPARATION AND PROCESSING

- Specific washing and cutting steps for each type of fruit and vegetable
- Preparation steps for meats and chicken
- Food portioning according to USDA recommendations
- Preparing food for transport in delivery vans

- Using kitchen equipment and tools

E. FIRST AID AND CPR

- First Aid and CPR classes are periodically scheduled for all Kitchen personnel.

F. OPTIONAL FOOD-SAFETY CLASSES

- Trainees will be encouraged to take free food-safety classes conducted by the Department of Health.

THE NEXT STEPS

Trainees who become proficient in these tasks and develop strong work habits will be qualified to work in fast food establishments and small restaurants, and in janitorial and housekeeping positions. They will be able to add their newly acquired skills and experiences to their resumes and list the Kitchen Manager as a reference. Additionally, if a Trainee shows strong potential, Kahumana may offer to pay for his/her enrollment in the ServSafe Food Safety Certification Program, and may hire the Trainee as a regular Kitchen employee.

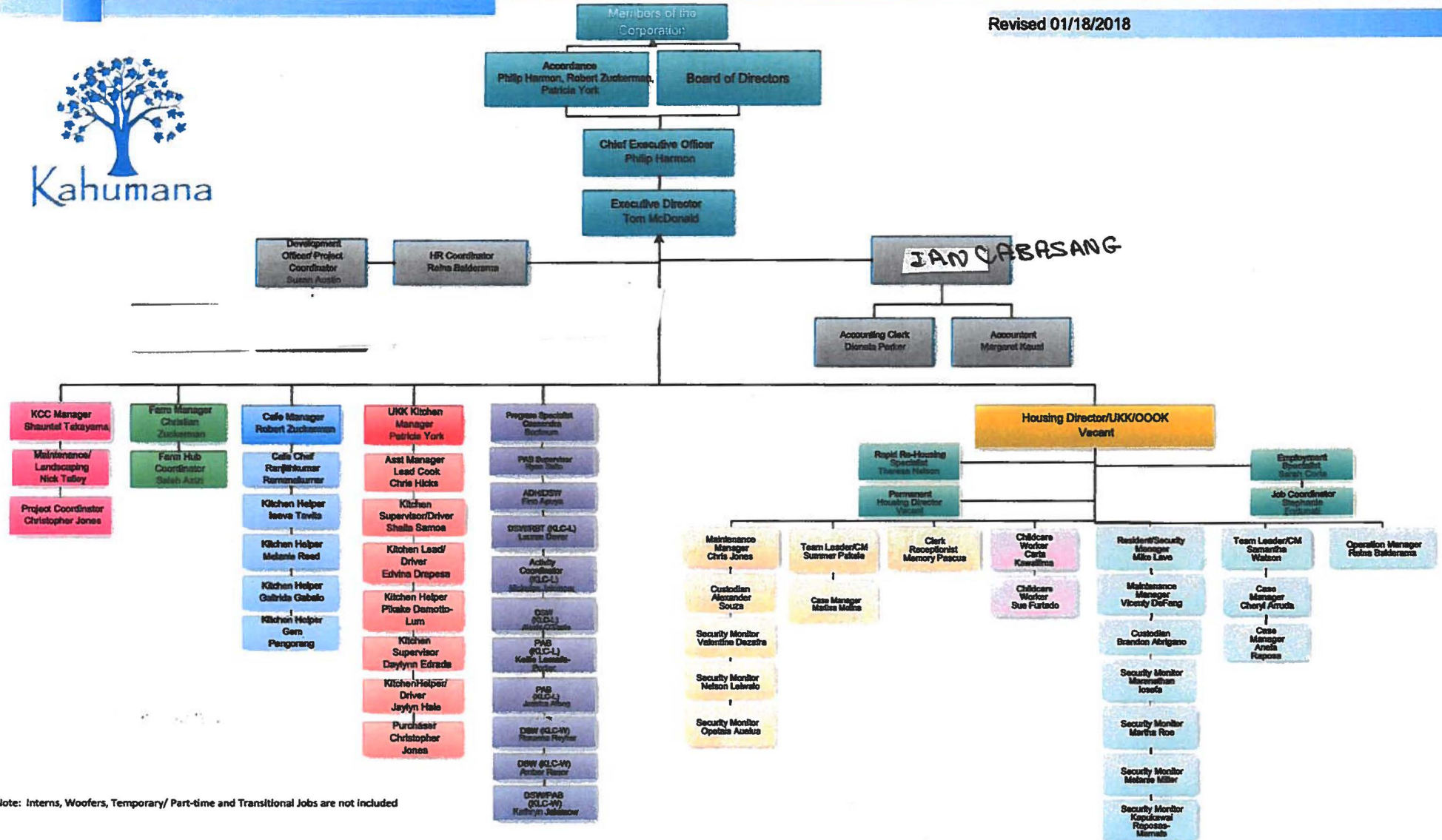
Completing the Kitchen Training Program will also help Trainees decide if they want to pursue careers in the food industry. If so, their basic kitchen training will help them succeed in culinary programs such as that offered by Kapiolani Community College. Eventually, after gaining more training and work experience, they could secure higher paying jobs as dishwashers, food prep workers, food expeditors, hostesses, or sous chefs in five-star restaurants.

SUPPORT AND GUIDANCE

Kitchen Trainees are supported by Kahumana's Employment Specialist and a Job Coordinator. Prior to starting in the Kitchen, the Employment Specialist gives Trainees a basic orientation to prepare them for job expectations. During their training, the Employment Specialist receives feedback from the Kitchen Manager regarding each Trainee's progress. The Employment Specialist uses this feedback to help Trainees assess and improve their job performance via one-on-one meetings at least monthly, or more often if needed. When they are ready to leave the training program, the Employment Specialist guides Trainees through the process of writing resumes and applying for jobs or enrolling in additional training programs. The Employment Specialist works with the Job Coordinator, who develops relationships with local employers and other training programs so that she can recommend the most appropriate placements for Trainees.

ASI-Kahumana Community Organizational Chart

Revised 01/18/2018

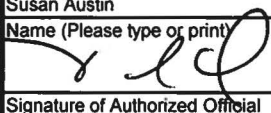


Note: Interns, Woofers, Temporary/ Part-time and Transitional Jobs are not included

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2019 to June 30, 2020

App Alternative Structures International

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	11,460			
2. Payroll Taxes & Assessments	1,604			
3. Fringe Benefits				
TOTAL PERSONNEL COST	13,064			
B. OTHER CURRENT EXPENSES				
1. Roofing Repairs	32,222			
2. Painting Exterior of Building	30,000			
3. Plumbing Repairs	10,000			
4. Other Repairs	10,000			
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9				
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20				
TOTAL OTHER CURRENT EXPENSES	82,222			
C. EQUIPMENT PURCHASES	16,727			
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	112,013			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	112,013	Susan Austin 380-2277		
(b) Total Federal Funds Requested	0	Name (Please type or print) Phone		
(c) Total County Funds Requested	0			
(d) Total Private/Other Funds Requested	0	Signature of Authorized Official 1/18/2019		
		Date		
TOTAL BUDGET	112,013	Tom McDonald-Executive Director		
		Name and Title (Please type or print)		

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2019 to June 30, 2020

Applicant: Alternative Structures International

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Convection Oven Racks	5.00	\$150.00	\$ 750.00	750
30 Cup Rice Cookers	8	\$140.00	\$ 1,120.00	\$ 1,120.00
Storage Room/Cold Room and Freezer Room Shelving	1	\$5,000.00	\$ 5,000.00	\$ 5,000.00
Can Opener (Tube)	1	\$225.00	\$ 225.00	\$ 225.00
Kitchen Utensils Set	1	\$3,236.00	\$ 3,236.00	\$ 3,236.00
Rolling Carts	10	\$130.00	\$ 1,300.00	\$ 1,300.00
Assorted Storage Bins	20	\$40.00	\$ 800.00	\$ 800.00
Rolling Delivery Coolers	20	\$48.00	\$ 960.00	\$ 960.00
Pots & Pans Set	1	\$3,236.00	\$ 3,236.00	\$ 3,236.00
Coffee Machine	1	\$100.00	\$ 100.00	\$ 100.00
TOTAL:	68		\$ 16,727.00	16,727
JUSTIFICATION/COMMENTS:				

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

We brought a lot of equipment from our old kitchen, but need to plan for further expansion. Some items some as shelving were missing from the new kitchen.

GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID

App: Alternative Structures International

Contracts Total: 2,927,248

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1	State Homeless Shelter Program	2/1/7-7/31/18	Dept. Human Services	State	660,744
2	Rapid Rehousing	5/1/17-6/30/18	Dept. Human Services	State	243,421
3	Permanent Supportive Housing	11/1/18-10/31/19	HUD	U.S.	320,041
4	ESG FY18-Rapid Rehousing	2/1/18-6/30/19	Dept. Human Services	City of Honolulu	184,064
5	ESG FY19-Rapid Rehousing	7/1/2019-6/30/20	Dept. Human Services	City of Honolulu	100,000
6	GIA 2018	7/1/18-6/30/19	Dept. Human Services	City of Honolulu	118,617
7	Farm Hub Creation	2/27/17-1/31/18	Dept. of Agriculture	State	39,522
8	Youth Rapid Rehousing	1/1/19-12/31/19	HUD	U.S.	260,839
9	Medicaid-Services for Learning Disabled Adults	Ongoing	Dept. Health	State	500,000
10	State Grant In Aid***	1/1/19-12/31/19	29th Legislature	State	500,000
11					
12					
13					
14					
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16	***We have notified the State of our intention to let these funds lapse. Those funds were given to assist us in building a new kitchen,				
17	but due to a change in our plans we are now leasing an existing kitchen.				
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Kulia I Ka Nu'u Coating Agreement

Main Roof

This agreement is made this 17th day of December 2018 between Rainbow Roof Maintenance Company, Inc., of Hawaii and Kulia I Ka Nu'u concerning the main roof located at 85-296 Ala Hema St, Waianae, HI 96792.

I. Rainbow Roof Maintenance Company agrees:

A. To coat said main roof as follows:

1. Wash entire roof surface free of dirt and loose granules
2. Relief cut any blisters in roof, seal down and patch with acrylic coating and 6 inch polyester fabric.
3. Apply water based epoxy primer at 1 gallon per 300 sq. ft.
4. Apply acrylic coating at 3.0-3.5 gallons per 100 sq. ft. and imbed polyester fabric to main roof and curbs of all mechanical units, 2 coat application, let dry overnight.
5. Apply acrylic coating top coat at 1.5 gallons per 100 sq. ft. in 2 applications, allowing drying time between coats.
6. Clean up and remove all work related material and debris.

Exclusions: leaks from mechanical units and ducts, mansard roof, replacement of any roofing and /or flashing, carpentry work, permit and fee, if applicable.

B. Coat said roof as specified, using quality materials and systems developed in Hawaii.

C. To provide a 3 year warranty against faulty workmanship.

D. Upon receipt of final and full payment, separate from this agreement the distributor will provide a 10 year joint labor and material warranty.

E. Property Manager: Leslie Young of Hawaii Affordable Properties Phone: 697-7300 / leslie@hawaii.affordable Maintenance contractor: Alfred Rita / 371-8615

II. Kulia I Ka Nu'u, agrees:

A. To pay Rainbow Roof Maintenance Company \$32,222.00, tax included. A 50% down-payment is due before commencement of work: \$16,111.00. Balance is due within 15 days after the initial work has been completed.

(1 ½ % per month will be charged on all balances 30 days or more delinquent.)

B. To pay any fees and expenses incurred by Rainbow Roof Maintenance Co. Inc. in the repair of damages to said roof incurred through:

1. The actions of any person or persons not employed by Rainbow Roof Maintenance Co., or one of its agents.

648 Laumaka St., Suite C, Honolulu, HI 96819 email: rrm@hawaiiantel.net
Oahu (808) 842-0488 Fax: (808) 845-3884 Maui (808)874-6800



RAINBOW ROOF

- 2. Extraordinary disasters resulting from occurrences commonly referred to as "Acts of God."
- 3. Rainbow Roof is not liable or responsible for interior damages, mold or mildew caused by leaks, and/or water infiltration of any sort, past the workmanship warranty expiration.

RIGHT TO CURE:

Chapter 672E of the Hawaii Revised Statutes contains important requirements you must follow before you may file a lawsuit or other action for defective construction against the contractor who designed, repaired, or constructed your home or facility. 90 days before you file your lawsuit or other action, you must serve on contractor a written notice of any construction conditions you allege are defective. Under the law, a contractor has the opportunity to make an offer to repair/and or pay for the defects. You are not obligated to accept any offer made by a contractor. There are strict deadlines and procedures under the law, and failure to follow them may negatively affect your ability to file a lawsuit or other action.

Henry Kahue, Estimator/Project Manager

Steven Maero, President
Rainbow roof Maintenance Co., Inc.

Lic. C16132 RME initial (*SM*)

Date: December 17, 2018

Quotes are valid for 60 days from contract date. Estimated start date _____ days from execution of contract.
Completion within _____ days from start, weather permitting. cb

Signed by _____

Print: _____

Date _____