

**THE THIRTIETH LEGISLATURE
APPLICATION FOR GRANTS
CHAPTER 42F, HAWAII REVISED STATUTES**

Type of Grant Request:

Operating Capital

Legal Name of Requesting Organization or Individual: DbA:

The Mediation Center of the Pacific, Inc.

Amount of State Funds Requested: \$ 500,000.00

Brief Description of Request (Please attach word document to back of page if extra space is needed):

The Mediation Center of the Pacific (MCP) is purchasing a building to serve as its permanent home. MCP is requesting the grant to support the purchase of the building. The new building will enable MCP to schedule mediations in a timely manner, conduct more mediations simultaneously, provide more training in conflict resolution and mediation for people young and old, and serve more people in the low income population.

Amount of Other Funds Available:

State: \$ 450,000

Federal: \$ _____

County: \$ 55,059

Private/Other: \$ 1,519,353

Total amount of State Grants Received in the Past 5 Fiscal Years:

\$ 450,000.

Unrestricted Assets:

\$ 402,830

New Service (Presently Does Not Exist): Existing Service (Presently in Operation):

Type of Business Entity:

- 501(C)(3) Non Profit Corporation
- Other Non Profit
- Other

Mailing Address:

245 N. Kukui Street Suite 206

City: Honolulu State: HI Zip: 96817

Contact Person for Matters Involving this Application

Name:
Tracey S. Wiltgen

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Federal Tax ID#:
[REDACTED]

State Tax ID#


Authorized Signature

Tracey S. Wiltgen Executive Director

1/16/20

Name and Title

Date Signed

received
1/17/20 20 11:36 am

Application Submittal Checklist

The following items are required for submittal of the grant application. Please verify and check off that the items have been included in the application packet.

- 1) Certificate of Good Standing (If the Applicant is an Organization)
- 2) Declaration Statement
- 3) Verify that grant shall be used for a public purpose
- 4) Background and Summary
- 5) Service Summary and Outcomes
- 6) Budget
 - 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](#))
- 7) Experience and Capability
- 8) Personnel: Project Organization and Staffing



AUTHORIZED SIGNATURE

TRACEY WILTGEN, EXECUTIVE DIRECTOR

PRINT NAME AND TITLE

1/16/20

DATE

2020 GRANT APPLICATION
THE MEDIATION CENTER OF THE PACIFIC, INC.

I. CERTIFICATION OF GOOD STANDING

- 1. Certification of Good Standing is Attached**
- 2. Declaration Statement is Attached**
- 3. Public Purpose**

The grant will be used for a public purpose pursuant to Section 42F-102, Hawaii Revised Statutes.

II. BACKGROUND & SUMMARY

1. Background

The Mediation Center of the Pacific (MCP) was founded in 1979 through a grass roots effort to provide a people-centered approach to resolving conflict among neighbors and others in Hawaii with ongoing relationships. MCP was the first mediation program in the State of Hawaii. And while it was modeled after community mediation centers developed across the country, the founders of MCP created a "Hawaii" model of mediation that is culturally sensitive and grounded in the core value of empowering people to find their own creative solutions to the conflicts. The concept and the organization was quickly embraced by Hawaii's communities and replicated on every island. Simultaneously the courts recognized that providing alternate processes to resolving conflict would benefit everyone in Hawaii. Thus, in a very short time, the courts began relying on MCP to address a broad array of issues from small claims matters, landlord-tenant disputes, divorce, custody and more.

Over the past 41 years, MCP has steadily grown and developed processes that help participants work through disputes of all types and meet the unique needs of Hawaii's culturally diverse populations. Parties in conflict are assisted in resolving their immediate dispute, as well as in improving communication and strengthening their relationships for the future. Guided by its mission of providing high quality mediation and dispute resolution services that are affordable and accessible, today MCP assists thousands of people annually.

Last year MCP served 8,501 individuals through its mediation, dispute resolution and training programs. More than half of the people who participated in the 1,259 mediations that were conducted, were in the low-income population. The cases involved divorcing couples, unmarried couples with children, landlords and tenants, consumers and merchants, families caring for elders, parents of children with special needs and schools, employees and employers, and more. By participating in mediation, the individuals in dispute were empowered to resolve their differences by talking it out and negotiating customized agreements that met their specific needs and circumstances. As a result, they stopped fighting and moved on in their lives.

In addition to providing direct mediation and dispute resolution services, MCP has also developed an excellent training program. In addition to training volunteer mediators to provide the direct services, MCP offers people of every age and from all backgrounds, the opportunity to learn conflict resolution and mediation skills to prevent and resolve conflict quickly, civilly and creatively. While the trainings were initially designed and created to ensure an adequate number of skilled mediators and neutrals were available to support MCP's programs, requests for the trainings have grown to help managers, employees, caregivers, youth and more. Last year, MCP conducted 232 hours of trainings and workshops for a variety of people and organizations including: 75 Vice-principals in the Honolulu School District, 72 Police Captains and Majors with the Honolulu Police Department, 24 members of the Department of Labor staff, 65 members of the Plaza Assisted Living staff, 24 Girl Scouts, and 20 members of the John A. Burns School of Medicine leadership. Learning conflict resolution and mediation skills empowers individuals to address their own conflicts before they escalate. As a result, self-esteem is increased, families are strengthened, workplace productivity is improved, and community collaboration is reinforced.

2. Goals and objectives

MCP is requesting a grant to pay for the building it is purchasing in February 2020. Having a permanent home will solidify MCP's position as a central resource for Oahu's communities, particularly for individuals in the low-income populations, and will provide it with the needed space to: assist more clients simultaneously and expeditiously; recruit and train more mediators; provide continuing education and mentoring for the volunteers; and serve as a training institute for all members of the community.

MCP provides critical services in Hawaii's communities, helping people to prevent and resolve conflict without fighting or going to court. While people with financial resources can hire private mediators and attorneys to assist them, MCP is the only dispute resolution option for individuals in the low-income and vulnerable populations. The informality and flexibility provided by MCP offers unrepresented litigants a more comfortable approach to resolving their issues. Unlike the adversarial legal process which can be confusing, overwhelming, and alienating, MCP offers a non-threatening setting that encourages creative problem-solving.

In a study that was conducted to assess the legal needs of Hawaii's people, it was learned that many people feel confused, overwhelmed, and in many instances, hopeless. Therefore, they will not attempt to get help, much less appear in court even if it means being evicted from their homes. Because MCP offers a more comfortable, less threatening option to court, people are more likely to participate in mediation. Currently more than 97% of MCP's mediation participants report that they would use the process again, irrespective of whether an agreement was reached because it helped them start talking and access the resources needed to move forward in addressing their issue. Equally important, the customized agreements that are the outcome of many mediations, allow the parties to move beyond conflicts that create strain on their families and drain their finances, eliminating the need for additional services generally subsidized partially or fully by the State.

For all these reasons, more people are using MCP's services and MCP has assumed a key role in helping to increase access to justice for individuals in the low-income and vulnerable populations. As result of the increased requests for mediation (the number of cases managed in 2019 increased by 12%), and scheduling mediation sessions is taking longer (nearly two months) because of the space limitations at MCP's current location. Equally important, even more people will benefit from MCP's services in its new building because it is centrally located, with more mediation rooms outfitted for virtual as well as face-to-face sessions, space to separate high emotion parties, and enough office space for a growing staff.

To ensure MCP continues to provide quality services for the growing number of requested mediations and positions itself to assist even more members of Oahu's communities, particularly in the lower-income and vulnerable populations, the Board of Directors conducted an analysis of MCP's finances and operations, as well as the current and future needs of Oahu's communities. Based on MCP's solid financial base, strong leadership, and the fact that a generous supporter of MCP had already created a building fund, it was determined that the most cost-effective solution to ensure the future of MCP, would be to purchase a permanent home where the space could be designed to deliver services quickly, safely and comfortably to a greater number of people than presently served at MCP's current location, as well as provide a dedicated training room where the mediators and members of the community can learn and hone their skills.

After searching for more than a year for a building that would serve as its permanent home, MCP currently has a valuable opportunity to purchase the perfect building that will solidify its position as a central resource for Oahu's communities. MCP is extremely fortunate that a building owner has offered MCP the opportunity to purchase the building at 1301 Young Street for \$4.5 million dollars. After looking at multiple buildings over the past year, the MCP board of directors agreed that the Young Street building would meet the needs of MCP. In addition to providing space for multiple mediations, training and staffing, the building is equipped with PV panels that will help to minimize operating costs. Based on the current maintenance costs of the building, it is estimated that MCP will be able to cover the annual operating costs under its current budget. Equally important, with more space and a training institute, MCP will save on the cost of room rentals for training and storage, as well as generate more revenue through training to support operations.

With a larger space to conduct more mediations, accommodate more clients comfortably in the waiting room and have a designated space to conduct training and continuing education for the mediators who volunteer their services, MCP will be able to meet the needs of more individuals in the low-income and vulnerable populations. More specifically, MCP will be able to promptly assist more divorcing couples with children, more unmarried couples with children, more families caring for an elder family member and more tenants and landlords, as well as many others. With a permanent home and the increased space and resources to meet these needs, MCP will serve an increased number of people in a timely and efficient manner.

With a dedicated training room, MCP will be able to conduct more trainings simultaneously while providing mediation services. More volunteers will be recruited and trained to provide direct services, increasing MCP's capacity to serve more people and provide more mediation sessions in the areas of divorce, custody, landlord-tenant and family, as well as other areas that involve vulnerable populations such as newly housed homeless and elders. And finally, regular trainings and workshops will be offered for youth, managers, caregivers, non-profit organizations and other members of the community to enable them to be more effective in their respective roles. By providing more people with skills to manage conflict, individuals and communities will ultimately be strengthened.

The goal of MCP's capital campaign is to pay for the building, needed renovations, furnishings, and program expansion, once located in the new building. The purchase and move into a building of its own will enable MCP to establish a solid presence within Oahu's communities as the key community resource for the prevention and resolution of conflict of all types. Approximately 9,351 people will benefit from MCP's increased capacity to provide services in the first year following the relocation. The following additional outcomes will be also be achieved: 1) the number of mediators will increase by 20% (from the current 125 to 150); 2) the number of mediators who participate in continuing education workshops and trainings will increase by 50% (from the current 42 to 84); 3) the number of mediations managed will increase by 10% (from 1,918 to 2,109); 4) the number of people served through mediation and dispute resolution will increase by 10% (from 8,501 to 9,351); and 5) the number of people who participate in trainings, workshops and educational presentation will increase by 30% (from 1,314 to 1,708).

3. Public purpose and need to be served

Conflict is a fact of life that impacts everyone. The severity of the impact depends on how quickly the conflict is addressed and the approach for resolving it. When conflicts escalate, the damage can be great. For example, the children of divorcing couples who continue to fight are shown to have difficulty in school, suffer from behavior and health issues and more. MCP is a critical resource on Oahu for helping people, particularly those in the low-income populations, to address conflicts quickly and creatively. Through its services, people stop fighting and start talking. As a result, families and communities are strengthened. Strong families and communities enable the children and adults within those families and communities to live healthy successful lives, as well as require fewer social services or other types of support. To effectively serve the many people who would benefit from participating in mediation or other dispute resolution process, MCP needs a permanent home that stands out in Oahu's communities and is a reflection of MCP's important role in preventing and resolving conflict of all types, particularly in the areas of divorce, custody, family and landlord-tenant matters.

Currently there are more than 4,000 divorces and over 2,500 paternity cases involving custody and visitation issues between unmarried couples, filed at Family Court on Oahu annually. Studies show that children of couples who stop fighting and reach agreements that focus on the needs of the children, successfully adapt to their new living situation. In contrast, children of couples who continue to fight perform poorly in school, are more likely to turn to drugs or become suicidal and have a multitude of other issues. Mediation helps divorcing and unmarried couples stop fighting and reach agreements.

Over the past ten years, the number of divorce mediations managed by MCP has increased by more than 50% and the number of custody cases has increased by 60%. In calendar year 2019, MCP opened 738 new domestic cases. Due to the high volume of cases, the time frame for scheduling increased from two weeks to nearly two months. The expedient scheduling of cases is critical to help couples work through their issues and focus on their children.

Another important area of need is the prevention and resolution of family conflicts involving the care of an elder family member. The Hawaii life expectancy is longer than any other states. According to AARP Hawaii, private nursing homes in the state charge almost 50 percent more than those in the continental U.S., and home health care costs thousands of dollars more than the U.S. average. Given those major potential costs, most of Hawaii's elders rely on family members as caregivers. When Caring Across Generations polled Hawaiian adults between the ages of 45 and 70, one-third reported that they currently help care for an aging person in their home.¹ A majority of caregivers are women.²

Caregiving can be extremely stressful, resulting in healthcare problems for the caregiver as well as potential abuse of the elder. Studies show that family conflict is generally a component of the caregiving experience. The conflicts result in poorer physical and mental health of the caregiver, as well as reduced quality of care for the elder family member.³ To address these issues, MCP created the Kupuna Pono Program (KPP) to provide elders and their families with mediation to resolve conflicts, as well as a family conferencing process to prevent conflict and create a shared caregiving experience that reduces the burden on the primary caregiver and more effectively meet the needs and desires of the elder person. Through the KPP, families and the elder member engage in difficult conversations and create plans that support the elder member, as well as the caregiver.

Finally, according to federal statistics, Hawaii has the highest homeless per capita rate in the nation. This is the result of high costs, limited land and low wages. As a result, approximately 42% of Hawaii's population are tenants, many of whom struggle to make ends meet. According to the 2019 report produced by the National Low-Income Housing Coalition, Hawaii has the greatest gap between what the average renter makes and what a tenant needs to occupy a two-bedroom unit at fair-market rent. A renter in Hawaii needs to make at least \$36.82 per hour, or \$76,577 annually, to afford a two-bedroom residence at \$1,914 a month. The average renter in the state only makes \$16.68 per hour, a gap of \$20 an hour.

Due to Hawaii's high cost of living, a large percentage of people must also share living space with friends and family members. When a problem arises, tenants and families are frequently reluctant or unable to talk with their landlord. Therefore, the situation escalates and/or the tenant, roommate or family member, gets further behind in their rental payments, and the landlord resorts to the legal system and the eviction process. During fiscal year 2019, there were a total of 4,599 eviction cases in Oahu's District Courts. Many of the cases involved elderly, veterans, and/or individuals and families in the low-income population.

¹ Cauterucci, Christina, Elder Care is a Looming Crisis. Hawaii is Facing it Head-On. June 2017

² Rabin Roni Caryn, Healthcare? Daughters Know All About It, New York Times May 2017

³ Pinquart & Sorensen, 2007; Schulz & Beach, 1999; Schulz & Martire, 2004; Schulz, O'Brien, Bookwala, & Fleissner, 1995

MCP's Dispute Resolution in Housing (DRH) program provides landlords, tenants, roommates and families sharing their home with another adult member, the opportunity to mediate as soon as there is a problem. By accessing mediation early, before the tenant or roommate is too far behind on rental payments and before emotions are too high, agreements are reached allowing the renter to remain in the residence or, if they are not able to keep up with the rental payments, an agreement that provides enough time for the renter to find a new residence.

While the number of mediations conducted at MCP continues to grow, the above statistics show that even more people in the low-income and vulnerable populations will benefit from the services when MCP is prominently situated as the first step in addressing conflicts. A permanent home will establish an independent identity for MCP as a safe haven that offers a respite from conflict of all types. Hale O Pono will be known as the place to go to engage in difficult conversations with family, friends, landlords, tenants and more. It will also offer training to teach people of all ages skills to prevent conflict or resolve it themselves, before it escalates. Creating a strong presence in the community will remind and encourage people to use the services instead of fighting, going to court or worse, doing nothing and allowing a problem to cause even more damage in the long term.

Finally, it is significant that when more people have the opportunity to use MCP's services in its permanent home, not only will families and communities be strengthened, the State will also benefit from the savings in community supports costs, reductions in community medical care expenses, additional community income and taxation revenues from benefit programs, savings in housing and support costs for homeless families, and savings in community law enforcement, court systems, and other government agency costs. These benefits were shown through a Social Return on Investment analysis conducted for MCP by Community Services Analysis LLC in 2017.⁴ A permanent home that encourages more people to use MCP's services will ultimately increase these related savings to the State overall.

4. Target population to be served

MCP's services are offered to everyone but are the only option for people in the low-income and vulnerable populations. Currently more than 50% of MCP's clients are in the low-income population and approximately 21% are indigent. The people directly served and impacted by MCP include keiki to kupuna: divorcing couples and unmarried couples with children, families, elders, landlords and tenants, victims of foreclosure, employees and employers, schools and parents of children with special needs and more.

⁴ In 2017, a Social Return on Investment analysis was conducted for a year-long period ending on 6/30/16. The analysis was based on the number of clients and the types of mediation and dispute resolution matters handled by MCP during the year. The analysis showed that the total net value for the people of Hawaii resulting from the immediate and long-term impacts from the services provided by MCP during the year was \$7,444,000. This value was determined by assessing the fair market replacement cost of the mediation and dispute resolution services provided by MCP for the cases that were mediated or facilitated. Thus, For Every \$1 invested in MCP programs, \$8.76 was delivered in immediate and long-term consequential financial benefits to the citizens of Hawaii.

Over the past few years, MCP has increased outreach to encourage people to access mediation first. These efforts have focused on unmarried couples with children, the elderly, and more recently, newly housed homeless, including Veterans, as well as other tenants and landlords. As a result, mediations involving these populations have increased. For example, the number of custody mediations (unmarried couples with children) and the number of mediations and family conferences involving elders and their families has doubled. MCP expects to serve even more individuals in these areas, once it is situated in its permanent home.

The trainings and workshops currently conducted by MCP include primarily the mediators who provide the direct services, as well as business professionals, managers, social workers, educators and others interested in developing the skills. Workshops for caregivers, youth and others are provided upon request. A permanent home with a training facility will enable MCP to offer regular trainings and workshops for caregivers, youth and other non-profit organizations working with the low-income population, as well as the volunteer mediators and others.

Geographic coverage

MCP currently offers mediation and dispute resolution services to every community throughout Oahu. Services are provided at MCP's office located in Honolulu, as well as on-site at the District and Family Courts in Honolulu, Ewa, Kaneohe, Kapolei, and Wahiawa. When accommodations are needed, MCP provides services at other locations such as schools, assisted living facilities, healthcare facilities, and community centers. Because many cases involve couples or families with one person living off-island, participation for the off-island person is available via Skype or phone at MCP's office.

MCP has been establishing a stronger presence in West Oahu for purposes of offering landlord-tenant mediations within the West Oahu communities. Currently MCP has a partnership with Hawaii Community Action Program to use their facility in Waianae when conducting landlord-tenant and roommate mediations that involved participants who live in Waianae. A similar partnership has also been established with Surfing the Nations in Wahiawa.

MCP's new home is located in the Kulaokahua area at 1301 Young Street. This central location will enable MCP to continue providing services with its current pool of mediators, most of whom live and work in Honolulu and Windward Oahu, while recruiting and training more mediators and strengthening collaborations with other organizations to better serve clients in the vulnerable and low-income populations throughout Oahu.

MCP is fortunate to maintain a pool of approximately 125 highly trained mediators who conduct over 1,250 mediations annually, that are referred primarily from the District and Family Courts, as well as the Hawaii Civil Rights Commission, various businesses and condominium associations. Many of the mediation participants benefit from services offered by other organizations such as Volunteer Legal Services, Legal Aid Society of Hawaii, Domestic Violence Action Center, Catholic Charities and others, before and/or between mediation sessions. Remaining in close proximity to these other services make it easier for clients to access all of the resources they need to achieve successful outcomes in mediation.

While MCP's new home is near bus lines to make accessing the facility easy, MCP has also expanded the use of technology to make mediation more accessible for all. All mediation rooms will be equipped with large screens for Skype or Zoom participation. In addition, MCP has a new online mediation program that enables parties involved in small business and/or landlord-tenant disputes, to participate electronically in mediation. These options increase access to justice for all and ensures that MCP keeps pace with the use of technology to serve the growing sector of the population who rely on technology as their primary mode of communication.

III. Service Summary and Outcomes

1. Scope of work, tasks and responsibilities;

To date MCP has raised approximately \$1,949,159 to support the purchase of the building and has secured a loan commitment for the remainder of the funds needed to finalize the purchase on February 5, 2020. A capital campaign committee is focused on raising the funds needed to pay for the building, make needed improvements, expand programs and establish a reserve fund for future repairs and maintenance.

The MCP staff are working with contractors to provide estimates and timelines for removing a wall to create the training room, install new carpet in the building, move the telephone system and install the computers. The staff is also coordinating the details for moving operations to the new building. Once operations are up and running, the board of directors, committees and staff will develop a detailed plan for expanding programs and services.

2. Projected annual timeline for accomplishing the results or outcomes of the service;

The key renovations of removing the wall and installing the carpet will be completed the week of February 10th, after closing. The following week, February 17 – 21st, MCP will move its entire operations to the new location. Telephone and internet wiring will be coordinated with Hawaiian Telcom. Final details and staff coordination in the new location will be implemented in the final week of February. Mediations will be scheduled, and direct services will be provided by Monday March 2nd. Detailed plans for program development and expansion will be created between April and December 2020. The capital campaign will continue through the end of 2020, until the \$5,000,000 goal is achieved.

Once established in the building, the MCP staff and Program and Quality Assurance Committee will develop next steps for expanding programs and services.

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

A capital campaign team led by President Sidney Ayabe and comprised of MCP’s Executive Director, members of the Board of Directors, Board of Advisors and Emeritus Directors are monitoring the progress of the capital campaign and will continue to actively raise funds until the \$5,000,000 goal of the campaign is met. MCP’s Program & Quality Assurance Committee comprised of Board members, staff, mediators and supporters, will remain actively involved in growing, monitoring and supporting program development and current initiatives such as the Dispute Resolution in Housing Program. Their efforts will ensure that the projected long-term outcomes and community benefits will be achieved after MCP successfully purchases and moves into a permanent home. Outcome measures of success will include: increasing the number of mediation sessions conducted simultaneously each day from two to four; increasing the number of people who use MCP’s services before going to court; increasing client satisfaction (measured through the exit surveys completed at the end of each mediation session); and increasing the number of people who learn mediation and conflict resolution skills through MCP’s training and workshops and then apply those skills in their personal and professional lives.

4. Measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program’s achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

The purchase of a permanent home, renovations and MCP’s move into that facility will be the immediate measures of success of the campaign for which the funds are being requested.

IV. Financial

Budget

- a. Budget request by source of funds is attached.
- b. Personnel salaries and wages is not applicable.
- c. Equipment and motor vehicles is not applicable.
- d. Capital project details is attached.
- e. Government contracts, grants, and grants in aid is attached.

2. Anticipated quarterly funding requests for the fiscal year 2021.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$500,000				\$500,000.00

3. Sources of funding being sought for fiscal year 2021:
 - Individual donors: \$80,000.00
 - Hawaii-based corporations: \$400,000.00
 - Hawaii-based foundations: \$2,000,000.00
4. The Mediation Center does not apply for or receive state or federal tax credits.
5. State, and county government contracts, grants, granted to MCP within the prior three years include:
 - Hawaii State Judiciary (through the Mediation Centers of Hawaii): General Mediation and Small Claims Court Mediation programs) – 2018, 2019 & 2020
 - Indigent Legal Assistance Fund: 2018, 2019 & 2020
 - Department of Education: 2018, 2019 & 2020
 - Family Court of the First Circuit: 2018, 2019 & 2020
 - Department of Commerce & Consumer Affairs: 2018, 2019 & 2020
 - City & County Grant in Aid: 2020
 - State of Hawaii Grant in Aid: 2020

There are no contracts in place for 2021 at this time. MCP will apply for new contracts with the Hawaii State Judiciary through the Mediation Centers of Hawaii; Family Court of the First Circuit; Indigent Legal Assistance Fund; the Department of Commerce & Consumer Affairs; and the Department of Education.

6. The balance of MCP's unrestricted current assets as of December 31, 2019:
\$402,830.00

V. Experience and Capability

1. Necessary Skills and Experience

The Mediation Center of the Pacific is a well-respected organization, seen as a unique community asset and considered to be "top notch."⁵ Over the past twenty-two years, MCP has grown its programs and strengthened its ability to raise funds to support its mission. It has a track record of success evidenced by the growth of its annual fundraiser from a small gathering of less than 100 people raising a total of \$8,000 in 2007, to its current annual gala attracting between 250 – 350 people and raising over \$134,000. In addition, MCP's development of innovative programs that have benefitted Hawaii's vulnerable populations have been strongly supported by prominent local and mainland-based foundations such as Aloha United Way, Hawaii Community Foundation and the Harry & Jeanette Weinberg Foundation.

⁵ Campaign Feasibility Study Report published by the Fund Development Group (July 2017)
Rev 12/2/19

MCP's Board of Directors and staff are dedicated to the mission and work of MCP. While this is the first capital campaign that the organization has undertaken, members of the Board of Directors, Emeritus Directors and the Board of Advisors, have participated in capital campaigns with other organizations. Their experience, expertise and support is critical to the success of MCP's campaign. Equally important is the fact that MCP has also reached out to various experts in the community to assist with the campaign from managing the accounting, building donor relations, identifying the appropriate facility and raising the funds.

In addition to its strong financial base and leadership to support the capital campaign, MCP has a proven track record of success in providing high quality mediation and dispute resolution services to the community. Every year MCP re-evaluates client and community feedback to improve its operations and services. As a result, programs such as the divorce and custody mediation programs, have grown in the number of cases managed, as well as in rate of agreement and client satisfaction.

The MCP staff and Board regularly work to improve efficiency, incorporate technology and strengthen client support. Today MCP offers mediation via phone, video-conferencing, face-to-face at MCP's office, as well as in the community, and more recently, online services are available through a secured portal. Workshops and trainings for the mediators and staff are regularly updated and new materials created, to ensure that every client has the best possible opportunity for achieving success. The feedback from the surveys completed by every client shows the high value of MCP's services. 97% report that they would use the services again irrespective of whether an agreement was reached.

MCP's quality programs and success at serving so many people in Oahu's communities has resulted in a solid reputation. As a result, many people have become and remain strong supporters of MCP. They are committed to helping MCP purchase and move into a permanent home and grow MCP's services.

2. Facilities

MCP is currently located at the Kukui Children's Center in downtown Chinatown. The new building is located at 1301 Young Street.

VI. Personnel: Project Organization and Staffing

1. Proposed Staffing, Staff Qualifications, Supervision and Training

MCP has strong leadership and dedicated, long-time supporters who believe in its work and the valuable role MCP plays in the community. The active board of directors carefully discussed the pros and cons of a capital campaign and the purchase of a permanent home before undertaking the project. President Sidney Ayabe, Vice President David Simons, Emeritus Director Larry Rodriguez, Director John Morris and Past President Steve Holmberg have been actively leading the capital campaign. All directors are committed to seeing the project to fruition and 100% have provided their financial support.

MCP also has a strong, dedicated staff who support the vision and goal of purchasing a permanent home for MCP. Executive Director Tracey Wiltgen is an attorney who has been part of the MCP staff for 25 years and has served as MCP's Executive Director for 21 years. She has been the key staff person responsible for writing grants and raising funds for MCP. Tracey has also been instrumental in building and strengthening MCP's programs that assist people in Oahu's low-income and vulnerable communities. She is supported by a strong staff who maintain daily operations and programs while Tracey works on the capital campaign. She is working closely with the campaign team, members of the Board of Advisors, the finance committee and others, to ensure the necessary infrastructure and systems are in place to complete a successful campaign.

James Jennings, CPA, is the accountant who manages MCP's finances. Working closely with Treasurer Lee Erwin and MCP's finance committee, James has set up clear tracking systems for campaign donations and multi-year tracking. All campaign funds are deposited in financial institutions separate from MCP's general operating funds.

In 2017, the MCP Board and staff contracted fundraising consultant, Patti Look, to conduct a feasibility study to identify potential supporters of the campaign, and to provide training and next steps. Her guidance and training of the staff and board laid the foundation to ensure a successful campaign.

Finally, MCP is working with commercial realtors Peter Grossman and Jie Ming Xie of CBRE to finalize the sale of the property. Together, the Board of Directors, staff, volunteers, supporters and Board of Advisors are committed to helping MCP achieve this important goal.

2. Organization Chart

Attached

In addition to the Executive Director and Deputy Director who oversees operations, MCP has two full-time Client Services Specialists to schedule and manage mediations, a full-time Mediator Manager who oversees mediator development and support as well as the District Court mediation programs, a full-time Administrative Assistant, full-time Office Assistant and a full-time Program Coordinator who oversees outreach and the development of the Kupuna Pono, DRH and Training programs.

3. Compensation

Executive Director:	\$105,000 - \$110,000
Deputy Director:	\$60,000 - \$70,000
Mediator Manager:	\$55,000 - \$65,000

VII. Other

1. Litigation

There is no pending litigation

2. Licensure or Accreditation

NA

3. Private Educational Institutions

NA

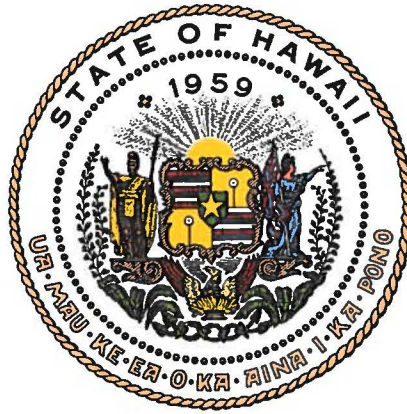
4. Future Sustainability Plan

(a) Received by the applicant for fiscal year 2020-21

The goal is to purchase, renovate and move in to a permanent home by March 2, 2020 and continue the capital campaign until the \$5,000,000 goal is achieved. The funds will cover the cost of the building, all renovations, the purchase of needed furnishings and the expansion of programs.

(b) Not received by the applicant thereafter.

The cost of maintaining the building is comparable to MCP's current lease, and therefore, can be covered by MCP's general operating budget. Additionally, the purchase of a permanent home will enable MCP to expand its services including training on a fee for service basis. The increased revenue from training and other fundraising activities will support expanded activities in the new facility to assist individuals in the low-income and vulnerable populations.



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

THE MEDIATION CENTER OF THE PACIFIC, INC.

was incorporated under the laws of Hawaii on 08/15/1979 ; 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 16, 2020

Director of Commerce and Consumer Affairs

**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.

The Mediation Center of the Pacific, Inc.
(Typed Name of Individual or Organization)


(Signature) 1/16/2020
(Date)

Tracey S. Wiltgen Executive Director
(Typed Name) (Title)

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2020 to June 30, 2021

App The Mediation Center of the Pacific, Inc.

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	500,000			4,500,000
TOTAL (A+B+C+D+E)				
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	500,000	Tracey S. Wiltgen 521-6767		
(b) Total Federal Funds Requested		Name (Please type or print) Phone		
(c) Total County Funds Requested		1/16/2020		
(d) Total Private/Other Funds Requested	4,500,000	Signature of Authorized Official Date		
TOTAL BUDGET	5,000,000	Tracey S. Wiltgen, Executive Director Name and Title (Please type or print)		

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2020 to June 30, 2021

Applicant: The Mediation Center of the Pacific, Ir

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2018-2019	FY: 2019-2020	FY:2020-2021	FY:2020-2021	FY:2021-2022	FY:2022-2023
PLANS						
FACILITY ACQUISITION	220000	814887	500000	3465113		
DESIGN						
CONSTRUCTION						
EQUIPMENT						
TOTAL:			500,000			
JUSTIFICATION/COMMENTS:						

GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID

App: The Mediation Center of the Pacific, Inc.

Contracts Total: 802,005

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1	Mediation Services	1-Jul-19	Mediation Centers of H	State	172,391
2	Mediation Services Administration	1-Jul-19	Mediation Centers of H	State	18,967
3	Custody Mediation Services @ Family Court	1-Jul-19	Family Ct. First Circuit	State	12,000
4	Special Education Mediation Services	1-Jul-19	Dept. of Education	State	24,000
5	Mediation Services for the Indigent	1-Jul-19	HI State Judiciary	State	19,588
6	Online Dispute Resolution Services	1-Jul-19	HI State Judiciary	State	50,000
7	Building Purchase	1-Jul-19	Legislature GIA	State	450,000
8	Building Purchase	1-Jul-19	C & C GIA	Honolulu	55,059
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The Mediation Center of the Pacific, Inc. Organization Chart

