

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

William Arakaki, Chairman

PRINT NAME AND TITLE

January 20, 2023

DATE

Kaulu I Ka Pono Academy

“To Grow with Righteousness”

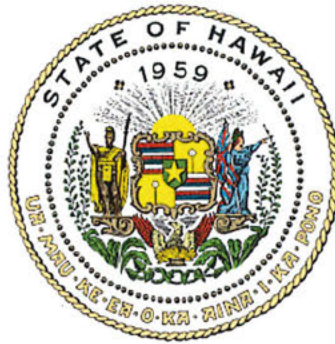
A Charitable Non-Profit Entity (Tax ID: [REDACTED])



**Kaulu I Ka Pono
Academy**

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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

KAULU I KA PONO ACADEMY

was incorporated under the laws of Hawaii on 11/04/2022 ; 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 19, 2023



Director of Commerce and Consumer Affairs



**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS PURSUANT TO
CHAPTER 42F, HAWAI'I REVISED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant is awarded;
 - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
 - c) Agrees not to use state funds for entertainment or lobbying activities; and
 - d) Allows the state agency to which funds for the grant were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant.

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

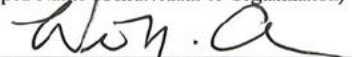
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
 - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawai'i Revised Statutes, for grants used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Kaulu I Ka Pono Academy

(Typed Name of Individual or Organization)


(Signature)

January 20, 2023

(Date)

William Arakaki

Chairman

(Typed Name)

(Title)

Public Purpose

Name of Requesting Organization: Kaulu I Ka Pono Academy

Public Purpose for the Grant: Teenage substance abuse remains a challenge and is growing worse. Recognizing these challenges, the community has been extremely passionate about the need to address these issues. Kaulu I Ka Pono Academy's mission is to help our youth of Kaua'i succeed in their home island surrounded by family and loved ones. A child that can overcome the ravages of substance abuse and live a life with purpose can only lead to a healthier island.

Services to be Supported by the Grant: The grant will be used to support all phases of treatment, from residential treatment, intensive outpatient treatment, outpatient therapy, and aftercare. There will be an administrative staff to coordinate the service providers. As the brand-new building on 5.8 acres of donated land has sat vacant for many year, and never put into service for the care of our youth, there are many repairs and maintenance work required. Also, aside from the beds, the dormitory, dining room, administrative and medical offices are not furnished.

Target Group: Kaua'i's youth will be our top priority. If beds in the residential treatment area are available, the Academy will include youth in-need from neighbor islands. We understand that it is not just the child that will need the help, but the entire family and support unit that must be involved in the treatment process. The Academy aims to treat the child and support group to successfully transition to a young adult.

Cost of the Grant and the Budget: The request for the grant is \$1,500,000.



Signature of Authorized Official

Edmund Acoba, Secretary / Treasurer

January 20, 2023

Date

Background and Summary

Statistically, Kaua'i County has the highest incidence of teenage suicide of all counties in the State of Hawai'i. Teenage substance abuse remains a challenge. These historical trends and high incidence rates for suicide, mental health issues, abuse – spousal and children, and drug use, have grown during the pandemic due to increased stress from restrictive measures, confinement to homes, and economic hardships resulting from the loss of jobs.

Commissions, community groups, and task forces were convened, and they all corroborated the need. The downstream community impacts such as higher unemployment, crime, prosecution and judicial costs, incarceration, rehabilitation services, medical expenses, and the social-emotional issues that result are extremely difficult to quantify in real dollars. Nonetheless, the consensus view is that the collective societal costs are astronomical.

The Grant-in-Aid can serve as a key to addressing, reducing, mitigating, and helping this island heal from the ravages of these problems. The need for these services has never been greater than now. Let us elaborate further.

An Inclusive Community-Based Approach

With the support of the State of Hawai'i, our legislators, our councilmembers, the Department of Education, the Department of Health, the State Judiciary, community non-profits, trusts and foundations, and businesses, the Kaulu I Ka Pono Academy can make a tremendous impact, especially with funding from this Grant-in-Aid.

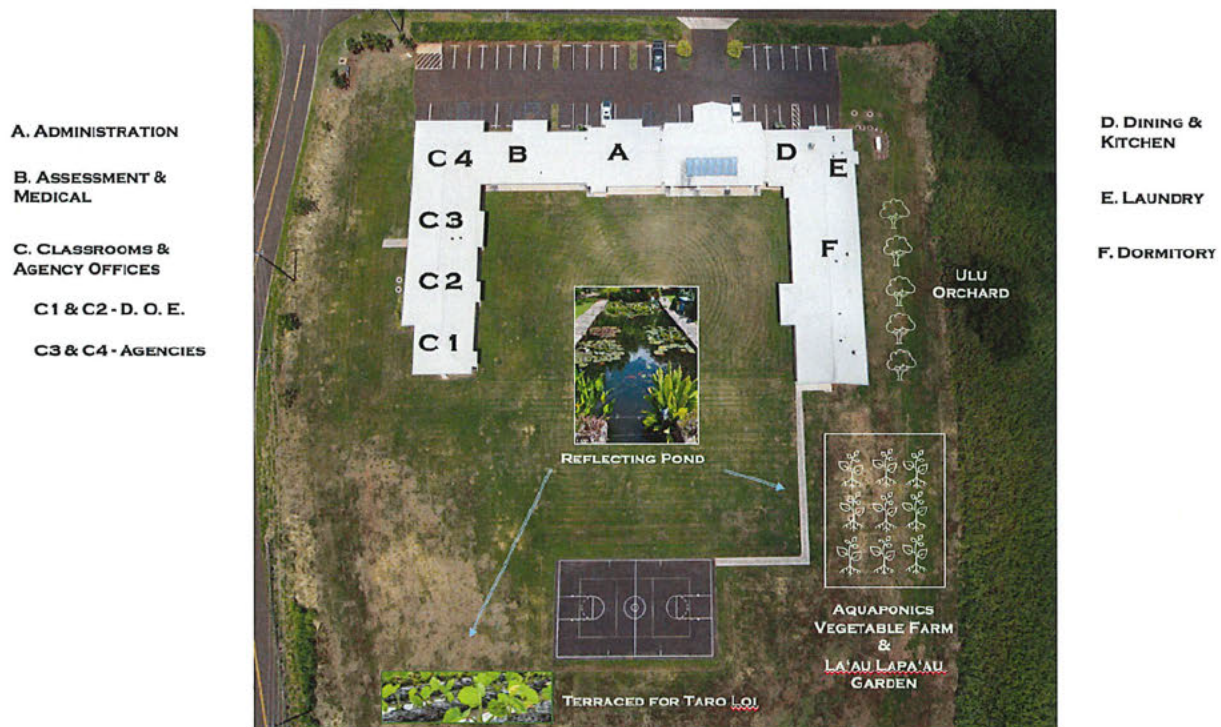
Service Summary & Outcome

Long-Term Vision

The Kaulu I Ka Pono Academy site, comprised of 5.8 acres about a mile from the G.N. Wilcox Medical Center in Līhu'e, is situated on land that was given for the purpose of adolescent and adult health care by Grove Farm.

There will be much-needed additional services, including the State Department of Education's teachers and support staff, private clinicians -- psychiatrists, psychologists, social workers, and case managers -- and non-profits who may provide additional needed services. The concept is to be inclusive and to "house" the multitude of services in a "one-stop" facility.

Outdoor fitness space, including an existing basketball court, are planned. The Kaua'i Humane Society has agreed to train and provide therapy dogs, faith-based services will be obtained, family support services will be an integral part, local chefs will provide cooking classes, a taro loi and farming and gardening experiences will be integrated, and having some live animals, such as cows and laying hens, are part of the healing process to teach life lessons.



Short-Term Start

This comprehensive approach can start immediately at the Kaulu I Ka Pono Academy which was the dream of the late Mayor Baptiste. Through the efforts of former Mayor Bernard Carvalho and significant funding from the State Legislature, under the leadership of Senate President Ron Kouchi, and the County Council, the brand new Kaulu I Ka Pono Academy was completed in 2019. The facility's short-term availability was made possible by the above-mentioned groups and the generosity of Grove Farm.



Adolescent Treatment & Healing Center (ATHC), dedicated in 2019

With funding from the 2023-2024 Grant-in-Aid this facility could begin to provide services on July 1, 2023. Securing the necessary equipment, hiring the required staff, and other operational details, procedures, and practices have begun.

Financial

Focused on adolescents, the Kaulu I Ka Pono Academy is requesting a total of \$1.5 million in Fiscal Year 2023 – 2024.

A community survey will be conducted pre- and post- operations to gauge the effectiveness of the program via the Grant-in-Aid support to tackle this huge community need.

In addition, we anticipate that the first year's startup costs will be approximately \$1.5 - \$2.0M to repair the facility, to equip it adequately, to house the different entities/agencies, for utilities, for staff recruitment and training, and other related startup costs. Equipment needs to be onsite, furnishings and fixtures need to be installed, the entire staff has to be hired, trained, and so forth.

Kaulu I Ka Pono Academy							
Operating Budget							
		FY 2023 - 2024	FY 2024 - 2025	FY 2025 - 2026	FY 2026 - 2027	FY 2027 - 2028	TOTAL
SOURCE OF FUNDING							
1	State of Hawai'i Grant-in-Aid	\$ 1,500,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,500,000
2	County of Kaua'i - Will request \$500,000	-	-	-	-	-	\$ -
3	Private Donations	1,100,000	1,000,000	1,000,000	1,000,000	1,000,000	\$ 5,100,000
4	Corporate Donations	100,000	100,000	100,000	100,000	100,000	\$ 500,000
5	Community Fundraising	25,000	25,000	25,000	25,000	25,000	\$ 125,000
6	Online Donations	50,000	50,000	50,000	50,000	50,000	\$ 250,000
7							
8	TOTAL SOURCES OF FUNDING	2,775,000	2,175,000	2,175,000	2,175,000	2,175,000	11,475,000
EXPENDITURES							
9	Operations	A \$ (2,855,000)	\$ (3,000,000)	\$ (3,000,000)	\$ (3,000,000)	\$ (3,000,000)	\$ (14,855,000)
10	Start-up Costs	B					
11	Furnishing & Equipment		(400,000)				\$ (400,000)
12	Recruitment & Training		(300,000)				\$ (300,000)
13	Repairs & Maintenance		(250,000)				\$ (250,000)
14	Cleaning & Landscaping		(250,000)				\$ (250,000)
15							\$ -
16	Occupancy Costs	C	(300,000)	(300,000)	(300,000)	(300,000)	\$ (1,500,000)
17	Activities - Farming, Culture, Life Lessons	D		(120,000)	(120,000)	(120,000)	\$ (480,000)
18	Family Therapy & Counseling	E		(180,000)	(180,000)	(180,000)	\$ (720,000)
19	PV & Battery Storage	F					\$ -
12	Outdoor Lighting & Security Enhancements	G	(300,000)				\$ (300,000)
13							\$ -
14	TOTAL EXPENDITURES	\$ (4,655,000)	\$ (3,600,000)	\$ (3,600,000)	\$ (3,600,000)	\$ (3,600,000)	\$ (19,055,000)
15	OPERATING SHORTFALL	\$ (1,880,000)	\$ (1,425,000)	\$ (1,425,000)	\$ (1,425,000)	\$ (1,425,000)	\$ (7,580,000)

- A** Operations: Contractors to operate the facility and coordinate core health and transitional support services. Food services based on 24/7 x 365.
- B** Start-up Cost: Involves getting the facility set-up including furnishing, supplies, deep cleaning, repairs & maintenance, landscaping
- C** Occupancy Cost: Recurring utilities, insurance, real property tax, cleaning, maintenance
- D** Activities: includes farming, taro lo'i, ulu & citrus orchard, lei garden, la'au lapa'au garden -- activities that teach life lessons
- E** Family Therapy & Counseling: An integral component is to have family support for the adolescents being housed for drug addiction as all the evidence points to this as being an enabler for full recovery.
- F** PV & Battery Storage: We will seek pro bono assistance with the design, materials and installation. We will apply for PV grants from various sources.
- G** Parking Lot Lights: There is no lighting in the parking lot. Our engineering consultant reviewed the plans and provided a projected cost.

Annual market rent for such a facility may run in excess of \$200,000. This amount is an in-kind contribution from Grove Farm.

Experience and Capability

While we are searching for the key providers for all phases of treatment and healing, we have spoken to many organizations and individuals throughout the state that are experienced in the areas of residential treatment and intensive outpatient and outpatient care.

We have a solid board that has brought a wealth of knowledge and experience to the table, including:

William Arakaki: Current member of the Board of Education, Bill has served his entire career in public education, and retired as the Kaua'i Complex Area Superintendent. He was instrumental in bringing the Department of Education's Alternative Learning Program to be integrated in the services provided at the Academy.

Jade Wai'ale'ale-Battad: Jade is a Kahu who was inspired by the land and chose the location of the Academy. She has consoled many families who have endured the challenges of their children suffering from substance abuse.

Edmund Acoba: Judge Edmund retired after a lifelong career as a civil servant as both a prosecuting attorney and public defender. He served as a District Family Court Judge of the Fifth Circuit and understands the challenges facing our youth with substance abuse.

There are two advisors to the Board that lend invaluable experience and depth to the mission of Kaulu I Ka Pono Academy:

Council Chair Mel Rapozo: Remains a passionate advocate of the Academy. He was involved as a Councilmember when funds were sought from the Legislature to build the facility.

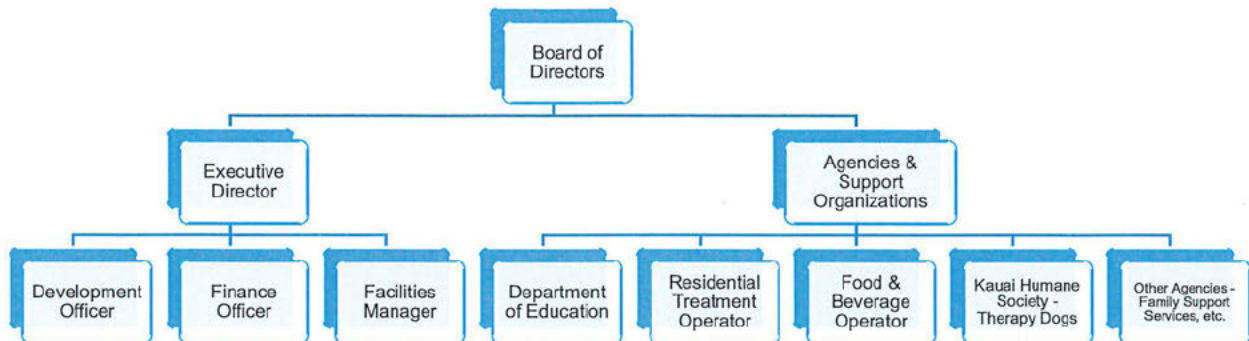
Warren Haruki: He is the President and CEO of Grove Farm Company, Incorporated, who donated the 5.8 acres of land to the county. Upon the County's decision to repurpose the facility to offices, then to giveaway the land and building, Grove Farm pursued reclaiming the property. The sole intent is to see the facility operate as intended and guided by a Board with the same vision.

We continue to expand our Board with members that will provide the organization with skillsets needed to achieve our mission

Personnel: Project Organization and Staffing

The Governance Model

Kaulu I Ka Pono Academy is a charitable non-profit entity, governed by an independent board made up of a cross-section of community members.



Summary

We thank the state legislature for your kind consideration of this request. To summarize, there is a huge community need that is growing; we have an existing facility readily available; we have assembled an inclusive approach to address the needs; and the operating model is essentially a cost-recovery model, without any “for profit” motive.

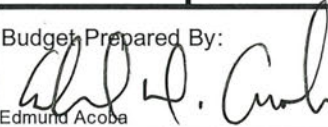
We want to demonstrate that the Kaulu I Ka Pono Academy will be a huge success.

We are hopeful for a positive response – our warmest aloha and mahalo!

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2023 to June 30, 2024

Applicant: KAULU I KA PONO ACADEM'

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	405,000			
2. Payroll Taxes & Assessments	50,000			
3. Fringe Benefits	100,000			
TOTAL PERSONNEL COST	555,000			
B. OTHER CURRENT EXPENSES				
1. Operations	2,300,000			
2. Recruitment & Training	300,000			
3. Repairs & Maintenance	250,000			
4. Cleaning & Landscaping	250,000			
5. Occupancy Costs	300,000			
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TOTAL OTHER CURRENT EXPENSES	3,400,000			
C. EQUIPMENT PURCHASES	700,000			
D. MOTOR VEHICLE PURCHASES	0			
E. CAPITAL				
TOTAL (A+B+C+D+E)	4,655,000			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	1,500,000	 Edmund Acoba (808) 634-0760		
(b) Total Federal Funds Requested		Name (Please type or print) Phone		
(c) Total County Funds Requested		January 20, 2023		
(d) Total Private/Other Funds Requested	3,155,000	Signature of Authorized Official Date		
TOTAL BUDGET	4,655,000	Edmund Acoba, Secretary-Treasurer Name and Title (Please type or print)		

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2023 to June 30, 2024

Applicant: KAULU I KA PONO ACADEMY

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Furnishings and Equipment ^(A)	Various		\$ 400,000.00	\$ 400,000.00
Outdoor Lighting and Security Enhancements			\$ 300,000.00	\$ 300,000.00
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ 700,000.00	\$ 700,000.00

JUSTIFICATION/COMMENTS:

^(A) Furnishing and equipment for Residential Facility, Dining Room, Administrative Offices, Medical Offices , and Family Therapy & Counseling Rooms

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
Not Applicable			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2023 to June 30, 2024

Applicant: KAULU I KA PONO ACADEMY

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2021-2022	FY: 2022-2023	FY:2023-2024	FY:2023-2024	FY:2024-2025	FY:2025-2026
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION						
EQUIPMENT						
TOTAL:						
JUSTIFICATION/COMMENTS:						
The facility was completed in 2019 at a cost of \$7.2M, with \$5M from the State and the balance from the County of Kauai. The building has not yet been occupied for its intended purpose.						

GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID

Applicant: KAULU I KA PONO ACADEMY

Contracts Total: -

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S./State/Hawaii/ Honolulu/ Kauai/ Maui County)	CONTRACT VALUE
1	No contracts received to-date.				
2	Will seek \$.5M from County of Kauai.				
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