

House District _____

Senate District _____

**THE TWENTY-FOURTH LEGISLATURE
HAWAII STATE LEGISLATURE
APPLICATION FOR GRANTS & SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

Log No: 156-0

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST - OPERATING

GRANT REQUEST - CAPITAL

SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

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

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): _____

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:

Db: Kukulū Community Housing & Economic Development, Inc.

Street Address: 2219 N. School Street, Hon. HI. 96819

Mailing Address: P.O. Box 17483
Honolulu, Hawaii 96817

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name GEORGE TURNER AND VICKY HOLT TAKAMINE

Title President and Vice President

Phone # 808-754-2301

Fax # _____

e-mail turgeorge@gmail.com

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION
- FOR PROFIT CORPORATION
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

6. SSN (IF AN INDIVIDUAL): _____

7. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

DEVELOPMENT OF A PUBLIC HOUSING AGENCY FOR HONOLULU

(Maximum 300 Characters)

8. FISCAL YEARS AND AMOUNT OF STATE FUNDS REQUESTED:

FY 2008-2009 \$ 300,000

9. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

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

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

STATE \$ 300,000

FEDERAL \$ _____

COUNTY \$ _____

PRIVATE/OTHER \$ _____

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:



AUTHORIZED SIGNATURE

George Turner - President

NAME & TITLE

1-21-08

DATE SIGNED

KUKULU COMMUNITY HOUSING AND ECONOMIC DEVELOPMENT, INC.

**Application for Grant-in Aid
(2008-2009 and 2009-2010)**

Background and summary

Kukulu Community Housing and Economic Development Inc. (KCHED) was formed in 2007 to address the housing needs of the State of Hawaii. Currently, the City and County of Honolulu is without a Public Housing agency and as a result is presently in a housing crisis. There is a shortage of affordable housing and rental units for the low and moderate income families as well as Native Hawaiian families. KCHED was formed to address this urgent need. It will become a public housing agency for low and moderate income people of Hawaii, including native Hawaiians.

KHCED intends to develop affordable housing and rental units in Hawaii for low and moderate income families including Native Hawaiians. This includes promoting economical development activities that will assist low income families in becoming self sufficient.

KCHED was incorporated in the State of Hawaii in March of 2007. We are currently awaiting approval of our IRS application designating KHCED a 501 (c) 3 tax exempt organization.

KHCED submits this to acquire operating capital in the amount of \$300,000 for 2 years of operation. The first year would be \$150,000 starting July 1, 2008 to June 30, 2009. The second year would be \$150,000 starting July 1, 2009 to June 30, 2010 (Please see enclosed budget).

Service Summary and Outcomes

KCHED plans to establish an office in Honolulu, hire an executive director or consultant to administer the goals and objectives of the organization. We presently have an opportunity to engage in a long term lease for the development of 150 affordable rental units on the Waianae Coast (Mali). Our goal is to establish a long term lease on this property for 55 years and conduct a feasibility study to determine the actual cost and operation of this development. This project will also acquire architect and engineer studies, Phase I Environmental, and all other pre-development expenses related to this project. The time line for accomplishing the total outcome of this phase is 2 years.

Within two years we expect to receive tentative approval of the pre-development plans for this project. The executive director or consultant will be responsible for monitoring, evaluating, and making recommendations for the successful outcome of this project along with reporting to the State Agency, the progress and the effectiveness of this grant.

Financial Budget

Please see attached Budgets.

The anticipated quarterly funding requirements for the fiscal year 2008-2009 and 2009-2010 are as follows:

Quarter 1-08	Quarter 1-08	Quarter 1-09	Quarter 1-09	Total Grant
\$37,500	37,500	37,500	37,500	\$150,000

Quarter 1-09	Quarter 2-09	Quarter 3-10	Quarter 4-10	Total Grant
\$37,500	37,500	37,500	37,500	\$150,000

Experience and Capability

The Board of Directors of this corporation has over 20 years of experience in housing and community development. Four of these years, the president, George Turner (O'ahu), was the chairman of the Housing Commission for the City & County of Honolulu. Our vice president/treasurer, Vicky Holt Takamine (O'ahu), is a native Hawaiian cultural practitioner with years of experience advocating for native Hawaiian rights. Our secretary, Barbara Franklin (Hawai'i Island) has over 20 years of experience in the field of law in Hawai'i. Our Board experience and capacity has made homeownership available to over 300 families using Federal Programs and resources here in Honolulu Hawaii. Our mission is to provide the residents of Hawaii with affordable housing opportunities and a system of support to ensure the well being of our residents.

Personal: Project Organization and Staffing

KCHED will use a procurement process to acquire the most qualified and capable individuals and firms to accomplish the goals and objective of this grant request. Our present Board has adequate experience and capability to oversee, manage, and train the various service providers that are needed for the multitude of tasks.

Quality Assurance and Evaluation

As mentioned earlier, KCHED plans to use a procurement process to acquire the most qualified and capable individuals and firms. The purpose of these talented individuals would be to develop an affordable housing project for 150 families on the Waianae Coast. We estimate this project to cost roughly about 35 million dollars. Staff will conduct community meetings as well as work with the various City and State Agencies to meet all of their requirements. A feasibility study will be conducted to give a visual insight of the over all cost of the development. A Phase I Environmental Study will determine if there are any hazardous materials or any negative soil conditions that would prohibit the development of this project. The Architect and Engineers will provide a report that will provide information as it applies to the structure and land elevation as

well as detailed plans of the space, width and height of the project along with parking and all other required amenities. This project will be deemed successful if it produces a favorable result that indicates that this project is feasible to develop. Evaluation methods will include the results of the Engineer, Feasibility Study, Bank Financial Composition, and a community survey that will support the interest of this Development.

Analysis of the project will include 1) determination whether the program is reaching its intended beneficiaries; 2) where there have been any impact of effect intended or otherwise, positive or negative of the project (incremental effects, duplications etc.); 3) whether there are other potential residents who could benefit from the project; and 4) whether there is evidence, in the absence of program support or funding, that recipients will have under taking the activities or initiative anyway?

The development of this affordable housing project will produce a quarterly report that will supply a detailed account of work carried out under this project including its objective, scope, method, results, and any additional sources of information.

We humbly ask for your support and consideration toward this grant request.

Sincerely,

George Turner
President

Kukulu Community Housing and Economic Development, Inc.

Funding Requirements

Funds are necessary to support:

- A. Architect and Engineer
\$2,916.00 mo. X 12 mos. = \$35,000
- B. Development Consultant or Executive Director
\$4,166.00 mo. X 24 mos. = \$100,000
- C. Feasibility Study
\$833.00 mo. X 12 mos. = \$10,000
- D. Legal Services
\$ 350.00 mo. X 24 mos. = \$8,400
- E. Phase I Environment Study
\$1,000.00 mo. X 12 mos. = \$12,000
- F. Due Diligence
\$ 916.00 mo. X 12 mos. = \$11,000
- G. Insurance (Office/Business/ Officers)
\$400.00 mo. X 24 mos. = \$9,600
- H. Office Manager/Staff
\$3,000 mo. X 24 mos. = \$ 72,000
- I. Office Space
\$500.00 mo. X 24 mos. = \$12,000
- J. Utilities (Telephone, Electric & Water)
\$ 125.00 mo. X 24 mos. = \$3,000
- K. Equipment (Computer, Printer/scan fax)
\$ 291.00 mo. X 12 mos. = \$3,500
- L. Office Supplies (Copy paper, labels, binders, note pads, pens, etc.)
\$208.00 mo. X 12 mos. =\$ 2,500
- M. Airfare, Hotel & Tax Credit Conference
\$508.00 mo. X12 mos. = \$ 6,100.00
- N. Homeownership Training
\$ 166.00 mo. X12 mos. = \$2,000

Total Expenses \$ 287,100

Indirect Cost (5%) 12,900

Total Budget \$ 300,000

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2008 to June 30, 2009)

Applicant: Kukul Community Housing & Economic Development, Inc.

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries	258,000			
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST	258,000			
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	3,000			
2. Tax Credit Conference	3,100			
3. Lease/Rental of Equipment	3,500			
4. Lease/Rental of Space	12,000			
5. Staff Training	2,000			
6. Supplies	2,500			
7. Telecommunication	0			
8. Utilities	3,000			
9				
10 Indirect Costs (5%)	12,900			
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	42,000			
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	300,000			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	300,000	Vicky Holt Takamine		
(b)		Name (Please type or print)		Phone
(c)				39,468
(d)		Signature of Authorized Official		Date
TOTAL REVENUE	300,000	George Turner, President		
		Name and Title (Please type or print)		

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Appliance: Kukulu Community Housing & Econorr Period: July 1, 2008 to June 30, 2009

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
N/A			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:			\$ -	

JUSTIFICATION/COMMENTS:

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

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant: KCHEDC

Period: July 1, 2008 to June 30, 2009

N/A

	FUNDING AMOUNT REQUESTED					
	ANY OTHER SOURCE OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED		FUNDING REQUIRED IN SUCCEEDING YEARS	
TOTAL PROJECT COST	FY: 2005-2006	FY: 2006-2007	FY: 2007-2008	FY: 2008-2009	FY: 2009-2010	FY: 2010-2011
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION						
EQUIPMENT						
TOTAL:						
JUSTIFICATION/COMMENTS:						

**DECLARATION STATEMENT
APPLICANTS FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawaii Revised Statutes:

- (1) 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 or subsidy is awarded;
- (2) Comply 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;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy 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 assuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

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

Kukulu Community Housing and Economic Development, Inc.
(Typed Name of Individual or Organization)


(Signature)

1-21-08
(Date)

George Turner
(Typed Name)

President
(Title)