

House District   6  

Senate District   3  

**THE TWENTY-SEVENTH LEGISLATURE  
APPLICATION FOR GRANTS AND SUBSIDIES  
CHAPTER 42F, HAWAII REVISED STATUTES**

Log No:

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):

DOL OFFICE OF COMMUNITY SERVICES

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

**1. APPLICANT INFORMATION:**

Legal Name of Requesting Organization or Individual:  
HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL  
Db: HCEOC

Street Address: 47 Rainbow Drive Hilo, HI 96720

Mailing Address: 47 Rainbow Drive Hilo, HI 96720

**2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:**

Name GEORGE YOKOYAMA

Title Resource Mobilizer

Phone # 961-2681 Ext.107

Fax # 935-9213

e-mail hceocgy@hawaii.rr.com

**3. TYPE OF BUSINESS ENTITY:**

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

**6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:**

HCEOC WEST HAWAII EMERGENCY REPAIRS  
AND HANDICAPPED ACCESS IMPROVEMENTS

4. FEDERAL TAX ID #:                     

5. STATE TAX ID #:                     

**7. AMOUNT OF STATE FUNDS REQUESTED:**

FISCAL YEAR 2015: \$ 152,000

**8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:**

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

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

STATE \$ 152,000

FEDERAL \$ \_\_\_\_\_

COUNTY \$ \_\_\_\_\_

PRIVATE/OTHER \$ \_\_\_\_\_

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

AUTHORIZED SIGNATURE

JAY KIMURA, EXECUTIVE DIRECTOR  
NAME & TITLE

JANUARY 29, 2014  
DATE SIGNED

**Application for Grants and Subsidies****HCEOC CIP  
West Hawaii**

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

**I. Background and Summary**

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

**1. Applicant Background**

The mission of Hawaii County Economic Opportunity Council, a private non-profit organization, is to prevent, alleviate and eliminate poverty. It has served the needs of Hawaii County economically-challenged persons for over 47 years. The private non-profit was first organized as part of President Johnson's "War on Poverty" in 1965 and was granted 501 c 3 IRS nonprofit status in 1971. HCEOC is funded by federal, state and county governments and private sources. It is governed by a 12-member board, all of whom are volunteers. They are organized under By-Laws (dated January 29, 2011) that prohibit compensation (Section 13 COMPENSATION, page 14) and provide for a case of CONFLICT OF INTEREST (Section 12, page 11).

HCEOC serves an island-wide client base of between 5,000 and 6,000 persons. Of this base over 500 are residents of West Hawaii. West Hawaii's poverty is masked by a number of high income residents, but the needs, in many ways, are more desperate than East Hawaii because cost of living is higher. Housing, for example, is much more expensive and consequently there's more competition for the never-enough affordable rentals in resort-dominated West Hawaii.

Base of HCEOC West Hawaii operations is a 1,575 square foot building (6 rooms and 2 bathrooms, a driveway and un-paved parking area for two vans) in the town of Holualoa, about 4.7 miles uphill of Kailua urban center. The former Keauhou School teachers' cottage has been leased for free from the State (Department of Land and Natural Resources) since 1973. As a non-profit HCEOC has had little capital to do more than "band-aid" repairs. Deferred maintenance has now reached a critical point: if HCEOC is to continue providing services affordably in West Hawaii high-rent district, HCEOC West Hawaii must be repaired.

This CIP proposes to remove/correct building deficiencies in order to continue providing safety net services (transportation, energy, housing and education services) to over 500 West Hawaii elderly, disabled, low-income residents.

Preserving HCEOC West Hawaii is a worthy goal, as no other non-profit provides the extensive transportation or energy services that ameliorate poverty and there are no other facilities available to HCEOC for gratis rent in West Hawaii.

**2. Goals and Objectives**  
**Rehab**

**HCEOC CIP West Hawaii**

**GOAL:** Preserve HCEOC West Hawaii Office-Baseyard to preserve base of operations for safety net services (transportation, energy, housing and education programs) serving over 500 low income residents from Ocean View to Waikoloa.

**OBJECTIVES**

**I. HEALTH AND SAFETY REPAIR**

At a minimum funds are needed to replace leaking roof, remove overhanging trees, repair termite damage/arrest structural decline, replace World War II-era wiring, re-establish safe fire exit, beef up security of windows and doors, install overhead fans to reduce indoor air temperature.

**II. HANDICAPPED ACCESS**

Handicapped upgrades: a level and paved parking area with access aisle, accessible sidewalk, building ramp and an accessible bathroom will help ensure safety net services are provided without discrimination to elderly and disabled individuals.

**3. Public Purpose and Need**

**PUBLIC PURPOSE:** HCEOC provides unique and essential antipoverty programs island-wide. HCEOC West Hawaii served the needs of over 500 elderly, disabled low-income residents including many immigrant families in 2013. HCEOC West Hawaii helped over 500 elderly and disabled citizens, low-income persons to travel from home to nutrition centers, medical appointments, grocery shopping or to jobs and 5370 families to apply for LIHEAP (Low Income Home Energy Assistance) energy subsidy program.

HCEOC KONA is rented for free from the State of Hawaii Department of Land and Natural Resources (see lease attached). Availability of this facility is a key to being able to deliver anti-poverty services affordably in West Hawaii. If there were no HCEOC in West Hawaii, the closest access to services would be Hilo 94 miles away.

Being able to correct health and safety deficiencies and improve accessibility for the handicapped will ensure continuation of anti-poverty services in West Hawaii from Ocean View in the south to Waikoloa in the north. Transportation service helps prevent frail, elderly and low income residents from slipping into homelessness or suffering declining health. Transportation has consistently been identified as the Number One or one of the top three community needs in assessments over the last ten years, including the meeting of community service providers and OCS Director Mila Kaahanui in Hilo in 2013.

Through West Hawaii HCEOC elderly, disabled and low-income individuals apply for and receive free, energy efficiency devices, such as solar pv and solar hot water systems, subsidized electricity/propane bills and energy efficiency education programs. Energy programs/services are essential for low income families to survive in Hawaii County where electricity costs over four times the national average.

The depth and scope of HCEOC programs/services are not duplicated by any other organization in the County. Without these services more families at the bottom could slip into homelessness.

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF LAND MANAGEMENT

REVOCABLE PERMIT NO. S-4964

KNOW ALL MEN BY THESE PRESENTS:

THAT, effective the 31st day of May 19 73,

HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL, whose business address and  
post office mailing address is 46 Keawe Street, Hilo, Hawaii 96720

of \_\_\_\_\_ County of Hawaii, State of Hawaii,  
(City and)

hereinafter called the "PERMITTEE", is permitted to enter and  
occupy on a month to month basis that certain parcel of Government  
land (and any improvements located thereupon) situate at

Keauhou 1st, North Kona, Hawaii, being two (2) classrooms located on  
the former Keauhou School grounds, shown on Tax Map Key 7-8-07:Portion  
of 28, \_\_\_\_\_, \_\_\_\_\_ County of Hawaii,  
(City and)

State of Hawaii, as indicated on the plan attached hereto, if any,  
and made a part hereof, containing an approximate area of  
1,575 sq.ft. ± which parcel is hereinafter referred  
to as the "Premises".

THE CONDITIONS UNDER WHICH THIS PERMIT IS GRANTED ARE AS FOLLOWS:

1. The Permittee shall occupy and use said Premises for the following specified purposes only:  
Senior citizen, youth and community activities.  
\_\_\_\_\_
2. The Permittee shall pay, at the Office of the Department of Land and Natural Resources, Honolulu, Oahu, or at the Office of its Land Agent on the Island where said Premises are located, the sum of -----Gratis-----  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
3. The Permittee, upon execution of this Permit, shall deposit with the Board of Land and Natural Resources, the sum of \$ ----Waived---- as security for the faithful performance of all of the terms and conditions herein. The whole or portion of said deposit will be returned to the Permittee upon termination of this Permit, but only after all of the terms and conditions of this Permit have been observed and performed to the satisfaction of the representatives of the Department of Land and Natural Resources.

4. If the Permittee does not vacate the Premises upon the revocation of the Permit by the Board of Land and Natural Resources, the Permittee shall pay to the State liquidated damages at the daily rate of \$ ~~----Waived-----~~ for each day, or portion thereof, the Permittee remains on the Premises over said date of revocation by said Board of Land and Natural Resources. Such payment is to be in addition to any other rights or remedies the Board may be entitled to pursue for breach of contract, or for illegal occupancy.
5. The Board of Land and Natural Resources may revoke this Permit upon written notice to the Permittee at least thirty (30) days prior to such revocation.
6. The Board of Land and Natural Resources may at any time increase or decrease the monthly rental by written notice thereof at least thirty (30) days prior to the date of change of rent.
7. Any major improvements, including but not limited to buildings and fences, erected on or moved onto the Premises by the Permittee shall remain the property of the Permittee and the Permittee shall have the right, prior to the termination of this Permit, or within such additional period as the Board in its discretion may allow, to remove such improvements from the Premises; provided, however, that in the event the Permittee shall fail so to remove such improvements within thirty (30) days, after written notice to remove, the Board may elect to retain said improvements or shall remove the same and charge the cost of removal and storage if any to the Permittee.
8. The Permittee shall, at the Permittee's own cost and expense, keep the government-owned improvements located on the Premises insured against loss by fire and other hazards, casualties and contingencies, for the full insurable value of such improvements. Said policies are to be in favor of the Board of Land and Natural Resources and are to be filed and deposited with said Board. In the event of loss, damage or destruction, the Board of Land and Natural Resources shall retain from the proceeds of the policies such amounts deemed by it to be necessary to cover the loss, damage or destruction of or to the government-owned improvements and the balance of such proceeds, if any, shall be delivered to the Permittee.
9. The Board of Land and Natural Resources reserves the right to itself, its agents and/or representatives to enter or cross any portion of the Premises at any time in the performance of its duties.
10. The Permittee shall give the Board of Land and Natural Resources twenty-five (25) days' notice in writing before vacating the Premises.
11. The Permittee, if a holdover lessee or licensee, shall pay all real property taxes, which shall be assessed against the Premises from the date of this permit, provided that a Permittee, not a holdover lessee or licensee, who has occupied the premises for commercial purposes for a continued period of one year or more, shall pay the real property taxes assessed against said premises after the first year of the permit as provided in Section 245-36(d), Hawaii Revised Statutes.
12. This Permit or any rights hereunder shall not be sold, assigned, conveyed, leased, mortgaged or otherwise transferred or disposed of.

13. The Permittee shall observe and comply with all laws, ordinances, rules and regulations of the federal, state, municipal or county governments affecting the Premises or improvements.
14. The Permittee shall repair and maintain all buildings or other improvements now or hereafter on the Premises.
15. The Permittee shall obtain the prior written consent of the Board before making any major improvements.
16. The Permittee shall keep the Premises and improvements in a clean, sanitary and orderly condition.
17. The Permittee shall pay when due, all payments for water and other utilities, and whatever charges for the collection of garbage that may be levied.
18. The Permittee shall not make, permit or suffer, any waste, strip, spoil, nuisance or unlawful, improper or offensive use of the Premises.
19. The Permittee shall at all times with respect to the Premises use due care for public safety and agrees to defend, hold harmless and indemnify the State of Hawaii from and against all claims or demands for damage, including claims for property damage, personal injury or death, arising on or about the Premises, or by any fire or explosion thereon, or growing out of, or caused by any failure on the part of the Permittee to maintain the Premises in accordance with the terms and conditions of this Permit.
20. It is understood that the Permittee has inspected the Premises and knows the condition thereof and fully assumes all risks incident to its use.
21. The acceptance of rent by the Permitter shall not be deemed a waiver of any breach by the Permittee of any term, covenant or condition of this Permit nor of the Permitter's right to declare and enforce a forfeiture for any such breach, and the failure of the Permitter to insist upon strict performance of any term, covenant or condition, or to exercise any option herein conferred, in any one or more instances, shall not be construed as a waiver or relinquishment of any term, covenant, condition or option.
22. The Permittee shall obtain at the Permittee's own cost and expense, and keep in force during the entire period of this Permit, with an insurance company or companies acceptable to the Board of Land and Natural Resources in an amount satisfactory to the Board of Land and Natural Resources, a policy or policies of public liability insurance for personal injury and property damage; said policy or policies to cover the entire demised premises, including all buildings, improvements and all roadways or sidewalks on or adjacent to the demised premises in the control or use of the Permittee. With respect to proof of the Permittee's compliance with the provisions of this paragraph, the Permittee shall furnish the Board of Land and Natural Resources with a certificate showing such insurance to be initially in force and shall furnish a like certificate to contain or be accompanied by an undertaking of the insurer to notify the Board of Land and Natural Resources of any intention to cancel any such insurance prior to actual cancellation. The procuring of this insurance

shall not release or relieve the Permittee of its responsibility under this Permit.

- 23. Should this Permit on a month to month basis extend for a period beyond one year from the date of issuance, any renewal of this Permit beyond such one year from the date of issuance shall be only upon approval of the Board of such extension.
- 24. The use and enjoyment of the Premises shall not be in support of any policy which discriminates against anyone based upon race, creed, color or national origin.

(See attached sheet.)

Unless the text indicates otherwise, the use of any gender shall include all genders and, if the Permittee includes more than one person, the singular shall signify the plural and this Permit shall bind said persons, and each of them jointly and severally.

Dated: July 20, 1973.

PERMITTEE:  
HAWAII COUNTY ECONOMIC OPPORTUNITY  
COUNCIL

By: Michael L. Needham  
MICHAEL L. NEEDHAM  
Its: Staff Director

STATE OF HAWAII

By: Dunao Kido  
Chairman and Member  
Board of Land and  
Natural Resources

And By: Merend Miyagi  
Member  
Board of Land and  
Natural Resources

Approved by the Board  
at its meeting held on

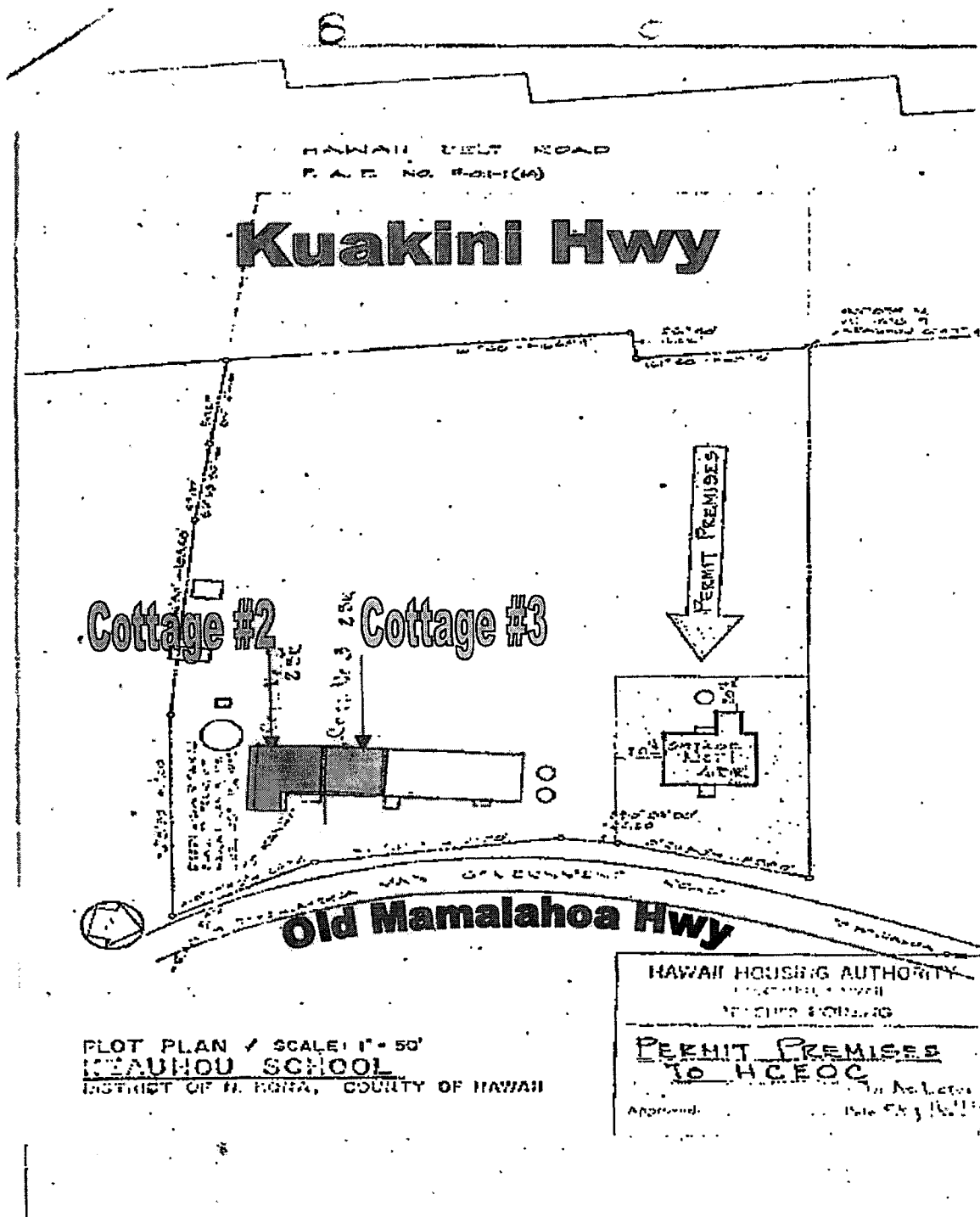
June 8, 1973

APPROVED AS TO FORM:

Russell M. Sakamoto  
DEPUTY ATTORNEY GENERAL  
DATE: July 12, 1973



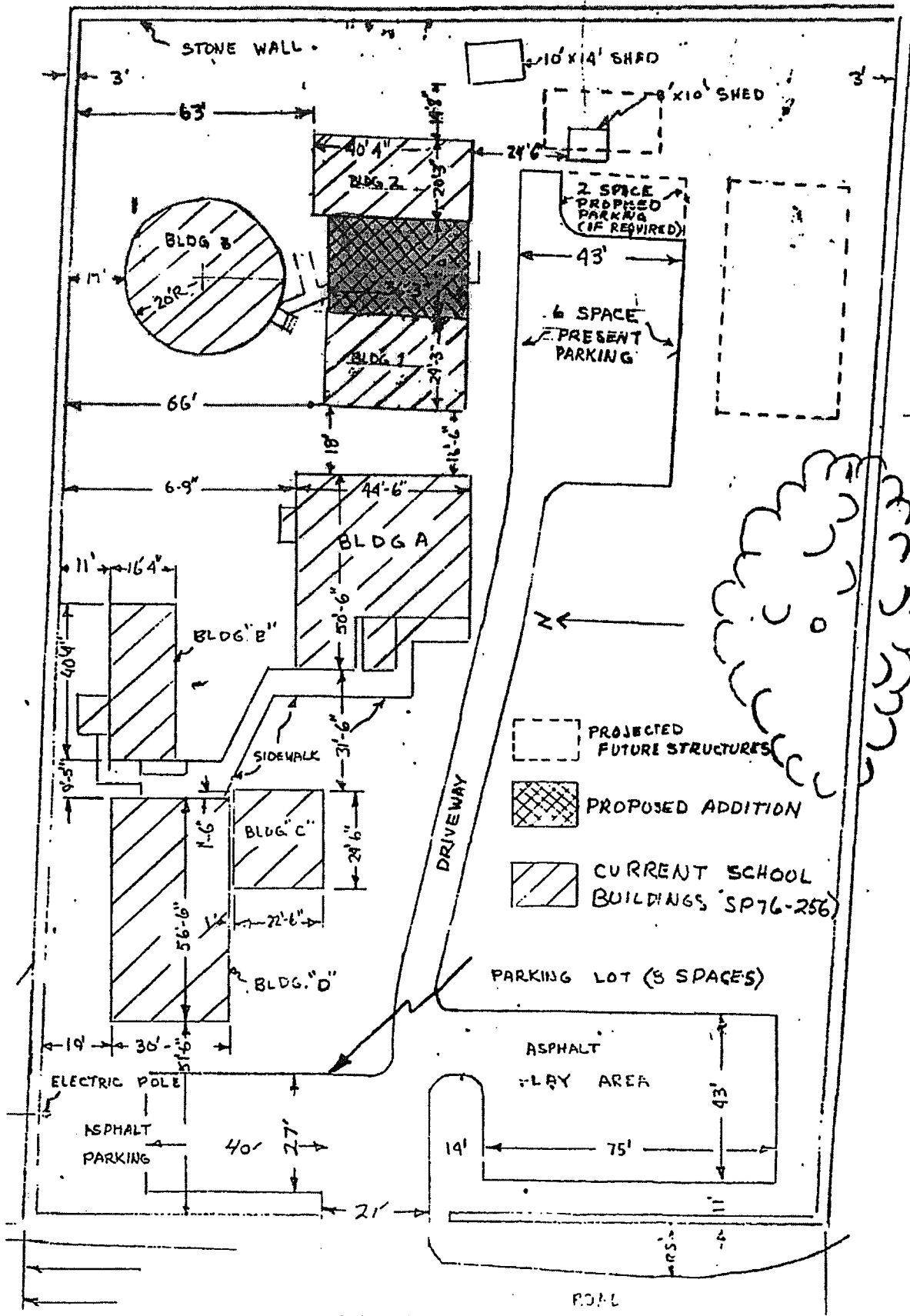
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25. The Permittee shall, at no cost to the State of Hawaii, peacefully vacate the subject area and facilities when the Hawaii Housing Authority is prepared to occupy said area.
  26. The Permittee shall upon termination of the permit, return the grounds and improvement to its original state or a condition acceptable to the Hawaii Housing Authority.



PLOT PLAN / SCALE: 1" = 50'  
**KAUHOLO SCHOOL**  
DISTRICT OF H. HONOLULU, COUNTY OF HAWAII

HAWAII HOUSING AUTHORITY  
1000 KALANOAU AVE  
HONOLULU, HAWAII 96813  
**PERMIT PREMISES  
TO HCEOC**  
Approved: \_\_\_\_\_ Date: 12/9/10

# EXHIBIT A



**1. Target population****HCEOC CIP West Hawaii**

Economically disadvantaged West Hawaii population are challenged by high cost of living, lack of central planning and challenging geography. High cost of living in West Hawaii housing is exemplified by HUD allocating higher Fair Market Rents for all size units (studio to 4 bedroom) in West Hawaii versus East Hawaii. Kona residents face a daunting lack of central planning exemplified in horrific traffic jams and wholly inadequate public transportation to and from work/school and having to negotiate government offices that are located from Captain Cook to Kailua, a distance of over 17 miles. Steep roads and great distances separate where people live from jobs and essential services.

The target population is made up of elderly, disabled and low-income families, including immigrant groups (such as Micronesians), the "dark underbelly" supporting Kona's resort economy. Many subsist by occupying public and other government-subsidized housing, mostly apartments in Kailua and Waikoloa, and numerous non-conforming dwellings of Ocean View subdivision (occupied shacks, caves, vans and shipping containers). Being able to access HCEOC transportation services (connecting with health care, support services, government offices, and shopping, especially for affordable food) and energy assistance (LIHEAP energy subsidies, free solar hot water and photovoltaic systems) along with subsidized and non-conforming housing are key strategies to overcome multiple barriers to self sufficiency in high-cost West Hawaii.

As one of the newest immigrant groups, families from Micronesia, are routinely subjected to predatory scams and discrimination that take advantage of poverty and lack of sophistication.

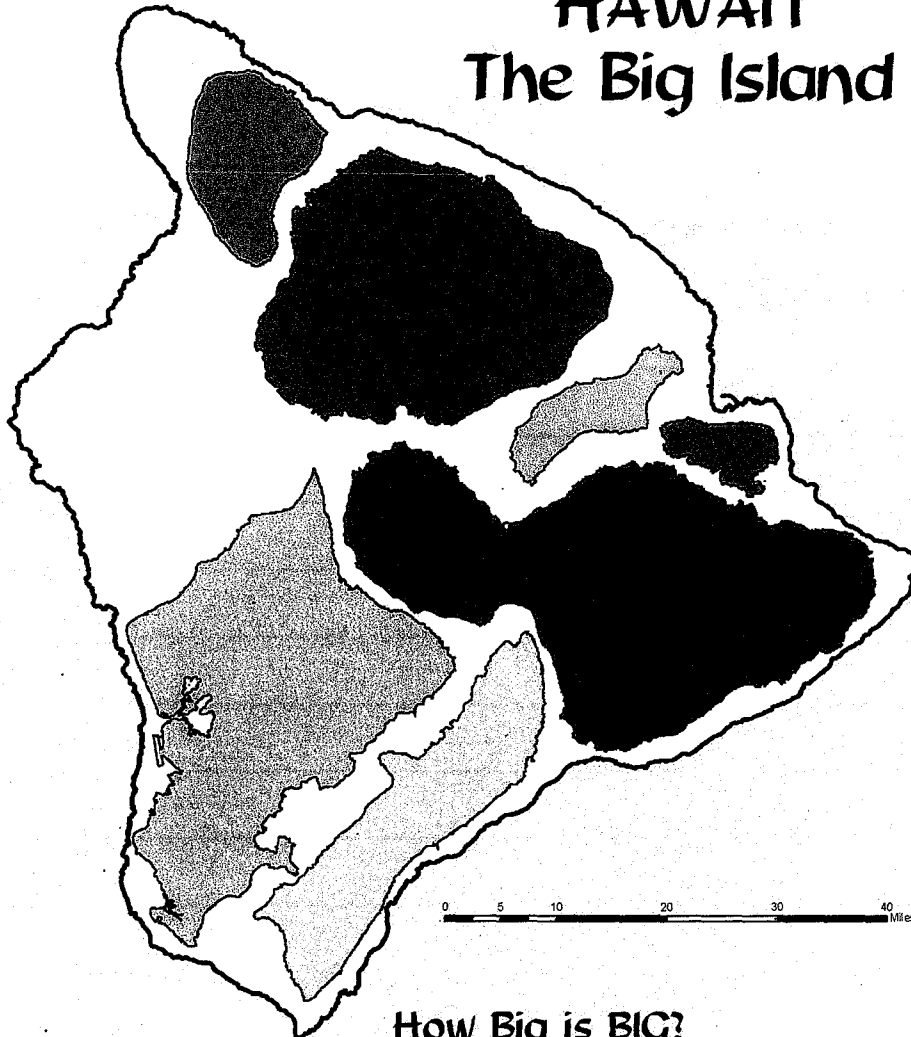
**2. Geographic Coverage**

HCEOC West Hawaii services disadvantaged persons from Ocean View in the south to Waikoloa in the north, a distance of over 85 miles. HCEOC Transportation connects folks from Ocean View to Waikoloa to medical and government services, to jobs and shopping, especially for affordable food.

Services are based in HCEOC Kona, an office and transportation base yard located in Holualoa, 6 miles uphill of Kailua urban center. This office provided by the State gratis (see lease attached) has been a key part of HCEOC making poverty-fighting community services available to West Hawaii. From here HCEOC Transportation heads out to pick up elderly, disabled and working poor from homes as far south as Ocean View (50 highway miles one way) and as far north as Waikoloa (40 highway miles one way) and transports them to medical and government services, to jobs and shopping, especially for affordable food. Travel distances to carry out this door-to-door service are easily more than the highway distance from home to/from Kailua because most clients live off the main road, sometimes up narrow, steep roads and services being accessed can be scattered over 17 miles from Captain Cook to Kailua.

# HAWAII

## The Big Island



### How Big is BIG?

#### Island Name



As you can see, the Big Island can host all the other major islands of the state with ample room to spare. Total area of the other seven islands combined is approximately 2,395 square miles, compared to Hawaii's approximately 4,028 square miles.

In terms of population, however, Hawaii County ranks a distant 2nd behind Honolulu County. Here's the breakdown:

- \* Honolulu County (Island of O'ahu), pop. 953,207
- \* Hawaii County (Island of Hawaii), pop. 185,079
- \* Maui County (Islands of Maui, Moloka'i, Kaho'olawe, and Lanai), pop. 154,834
- \* Kauai County (Islands of Kauai and Niihau), pop. 67,091
- \* Also, Kalawao County, the smallest county in the U.S., is located on Moloka'i containing the former leprosy settlement of Kalaupapa, pop. 90

\*Note: The other islands are not in their natural North/South orientations, but have been rotated simply for the sake of fitting the puzzle pieces within the coastline of Hawaii. All the islands are drawn to the same scale. Area and Population figures are from U.S. Census Bureau, State & County QuickFacts (2000).

## **II. Service Summary and Outcomes HCEOC CIP West Hawaii**

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. SCOPE, TASKS AND RESPONSIBILITIES**

**HCEOC** proposes to request proposals, to hire, monitor and pay an architect/engineer (to design accessible parking and improved site access) and a licensed contractor(s) (to remove health and safety defects, upgrade building security and make accessibility improvements). County will issue plans and conduct building inspections per Building Code. HCEOC will be supervised by and report to a state agency. HCEOC has experience contracting with state/county government and staff has completed construction projects (such as, removing the health and safety defects/improving accessibility of 150 single family homes (1989-present) and managing the construction of 74 homes in self help housing projects in Hilo and Kona (1993-2000).

**HCEOC Housing Program Manager** will develop the scope of work (SEE ATTACHED WORK LIST); advertise and procure competitive bid proposals from architect/engineers and licensed contractors; be the point of contact for county and state regulators and contractors/vendors; evaluate bids and select contractors; prepare and execute contracts (scope, schedule, payments, Waiver of Lien, tax clearance); verify work progress; report to the State; draw down funding; process payments to contractors after satisfactory inspections; verify completion (punch list) and close of building permits; publish Notice of Completion and close out construction; obtain tax clearances, make final payments to contractor(s) and final reports to the state.

**HCEOC Executive Director** will oversee scope of work, request for proposal-selection of contractors, preparation of contracts, approve payments, lead periodic staff meetings and at least one staff training.

**HCEOC bookkeeper** will keep accounts and cut checks to contractors.

**HCEOC office manager** will distribute checks to contractors.

### **COUNTY OF HAWAII PUBLIC WORKS**

- Plan inspectors will issue building permits.
- Building inspectors will make periodic building inspections to approve work
- Notify HCEOC of any deficiencies
- Building inspectors will complete Final Inspections and Close Permits.

### **COUNTY OF HAWAII PUBLIC WORKS DEPARTMENT & STATE DOT**

- Will approve work to connect to Mamalahoa Highway, if proposed.

A **private architect/engineer** will be hired to plan, design and obtain permits; supervise construction of handicapped access improvements (improved road access; level, paved parking lot including one/two handicapped accessible stalls with access aisle; accessible paved sidewalk, wheelchair ramp onto building porch).

HCEOC Kona District Office Phone: 328-3429  
 78-6804 Mamalahoa Hwy. (old Keauhou School)  
 Keauhou, Kona TMK: 7-8-007: portion 28  
 HCEOC Central Phone: 961-2681 Ext. 301\*

contractor  
 license #  
 address  
 phone  
 fax

	WORK ITEM	MATERIAL	LABOR	TOTAL
*1	Remove & replace roof w/ new 26 g prepainted galvanized, replacing all termite-eaten/deteriorated framing as needed. Replace all fascia, prime and paint (2 coats) Install continuous pre-pted aluminum gutters & downspts directing water splash downhill away from building			
*2	Tent fumigate for termites for maximum guaranteed period.			
*3	Remove & replace all rotted posts (at least 3 on perimeter) & vertical skirting on Kohala & Ka'u sides			
*4	Repair back steps (emergency exit) posts & railings.			
*5	Replace back ext. door (solid) & install security screen door			
*6	Repair termite-eaten floors, especially both back rooms by encapsulating w/ treated 3/4" plywd. Prime & paint 2 coats			
*7	Patch termite damaged walls & ceilings (4 offices) by encapsulating w/ drywall. Tape, mud, sand and prime.			
*8	Install window security (screens/bars) over all windows.			
9	Repair 2 broken doors to basement storage room.			
*10	Remove trees overhanging roof on right (~20) & trim banyan and African tulip on left			
*11	Re-wire to Code making sure enough outlets for 4 offices Use GFCI outlets in kitchen and 2 bathrooms.			
*12	Convert 1 bathroom into accessible 1/2 bathrm (sink, toilet). Convert closet into hallway from meeting room to bath room.			
*13	Construct accessible paved driveway & level parking making 2 stalls w/ access aisle between. Construct accessible sidewalk from parking to ramp. Build handicapped ramp to front porch from left side.			
14	Install locking gate from highway & HCEOC Historic bldg sign.			
15	Encapsulate exterior walls w/ Hardiboard panels in 1X12 historic board and batten style.			
*16	Engineering Design, plans and permits			
	* Health/Safety PRIORITIES			
	SUBTOTALS			
	<b>Grand Total</b>			

Please fax/mail to HCEOC 935-9213 "Attention: Mary Finley"

*Mahalo!*

**HCEOC CIP West Hawaii**

- A **licensed tree removal contractor** will be hired to remove/prune overhanging trees.
- A **licensed pest control company** will be hired to tent fumigate building for termites.
- A **site work contractor** will be hired to construct an improved road access and level, paved parking area with handicapped stall, access aisle and locking gate.
- A **private general contractor** will be hired to perform health and safety building repairs, to hire electrician to install new electrical system, to complete security upgrades, to construct handicapped building improvements (ramp and accessible bathroom), to coordinate as needed with architect/engineer and other contractors on handicapped access improvements.

**2. PROJECTED TIMELINE**

May 2014	Request proposals architect/engineers & contractors, apply for building permits
June	Evaluate, select architect/engineer and contractors
July-August	Complete design, engineering of parking and access improvement, obtain building permits, begin monthly reports to State.
Sept.-Nov.	HCEOC Contract with the State
Dec.-May 2015	Construction, HCEOC reports monthly to State
June 2015	Final Walk-through (punch list), Final Payment, Close Out, Final Report to State.

**3. QUALITY ASSURANCE, EVALUATION PLANS**

Specify how the applicant plans to monitor, evaluate, and improve their results:

- License, insurance and complaint record of each contractor-bidder will be checked with State DCCA (Department of Commerce and Consumer Affairs) Consumer Resource Center and past job references.
- Contract will require County Building Permits and work will be passed by County inspections before proceeding to the next phase of construction.
- County of Hawaii Building Inspections will monitor safety of construction.
- HCEOC Housing Program Manager and HCEOC West Hawaii staff will monitor quality and functionality of construction (particularly electrical, parking lot and handicapped access) and verify progress.
- HCEOC West Hawaii staff will report to HCEOC Housing Program Manager daily progress and report any failures to HCEOC Executive Director during the one year following construction.
- HCEOC Housing Program Manager/Executive Director will recall contractors to address construction failures, if any.
- Contractors will not be paid until stages of construction are completed, quality of work approved per Contract and County Building inspections passed, as applicable to plans and permits.



**HCEOC CIP West Hawaii**

- Final Payment will be made only after Final County inspections have been passed, all building permits closed satisfactorily, and HCEOC staff has approved quality of work (Punch list).
- Work quality and effectiveness of repairs will continue to be monitored throughout the 12 months following completion and contractor(s) will be called back to address failures, if any, during the one-year warranty period mandated by State law.

**4. MEASURES OF EFFECTIVENESS TO BE REPORTED TO STATE EXPENDING AGENCY**

HCEOC will report to State Expending Agency the following Milestones:

- Advertising and procurement process
- Selection of architect/engineer and contractors
- Receipt of engineering report and design plans
- Approval of building permits
- Execution of contracts
- Issuance of Notices to Proceed
- Start of constructions
- Completion of each stage of construction and county inspection passed
- Drawdowns/submission of Requests for Payments
- Final Inspection Walk-Through Report
- Close out of construction (County Final inspection(s), closing of permits)
- Receipt of Tax Clearances, Making Final Payments to Contractors
- Final CIP Project Report including financial summary and close out of State CIP contract.

If CIP is not fully funded/bids exceed approved CIP appropriation, the scope of work will be scaled back and additional funding may be sought. HCEOC may enlist the help of volunteers to do some of the labor, such as painting, and/or an appeal made to LOWES that periodically does community service projects.

**III. Financial Budget**

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

(See Construction Estimate and Budgets attached)

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2015.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
5,000	5,000	70,000	70,000	150,000

**HCEOC CIP West Hawaii**

3. All other sources of funding being sought for fiscal year 2015.  
OPERATING EXPENSES

*Operating Expenses to include driver salaries and fringe benefits.*

Community Services Block Grant	\$50,000
County of Hawaii Trans. Operating	600,000
County Nutrition Transportation	200,000
LogistiCare	240,000

- o HCEOC plans to apportion \$50,000 of annual Community Services Block Grant funding (from State Department of Labor Office of Community Services) to HCEOC Transportation Program (STAFF salaries and fringe benefits).
- o HCEOC will also seek \$600,000 of operational funding from the County Mass Transit and \$200,000 (from County Office of Aging) for daily transportation to County Nutrition centers for congregate dining.
- o Based upon recent experience over past 3 years, we expect LogistiCare reimbursements for transportation to generate at least \$240,000. LogistiCare reimburses HCEOC for providing medical transportation service for elderly/disabled clients. Reimbursements are from private insurance companies.

Note: HCEOC has submitted a \$375,000 2014 CDBG (HUD Community Development Block Grant) application to the County (Office of Housing and Community Development)

4. All state and federal tax credits granted within the prior three years. Additionally, all state and federal tax credits applied for or anticipate applying for.

**NOT APPLICABLE.** HCEOC has not applied nor been granted any state or federal tax credits within the prior three years and does not anticipate applying for any state/federal tax credits for any capital project in the near future.

5. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2013.

Strictly speaking: unrestricted cash and other assets = \$286,258.93, however, by January 7, 2014 (after payroll, accounts payable, working capital loan payments and deferred revenues are figured in, the amount is: -\$51,635.82. (See Balance Sheet attached.)

**IV. Experience and Capability**

**A. Necessary Skills, Abilities, Knowledge and Experience**

Also a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

HCEOC has the experience and expertise to manage the rehabilitation and handicapped access improvements for Kona HCEOC office.

Hawaii County Economic Opportunity Council  
**Balance Sheet**  
As of December 31, 2013

Dec 31, 13

**ASSETS**

**Current Assets**

**Checking/Savings**

		Due to/from	Effective Cash	
10000 · Bank of HI - Checking	37,215.29	39,903.02	77,118.31	
10200 · Bank of HI - HPG 5997	7,714.91	(2,500.00)	5,214.91	Restricted
10300 · CPB - Acct #9843	341.40	(9,000.00)	(8,658.60)	
10600 · CPB - Acct #5895	513.29		513.29	
10601 · CPB-RURAL UTILITIES ACCT#8982	2,585.44		2,585.44	Restricted
10700 · BoH- FS Acct#7073	87,547.50	(4,271.65)	83,275.85	
10800 · BoH-MTP Acct.#0149	5,537.96	(16,131.37)	(10,593.41)	
11300 · CPB - Acct #7057	902.25	(8,000.00)	(7,097.75)	
<b>Total Checking/Savings</b>	<u>142,358.04</u>		<u>142,358.04</u>	
			(5,214.91)	
			(2,585.44)	
			<u>134,557.69</u>	Unrestricted Cash

**Accounts Receivable**

12000 · Accounts Receivable	<u>73,549.00</u>			
<b>Total Accounts Receivable</b>	<u>73,549.00</u>		73,549.00	Accounts Receivable - primarily FS and Trans - unrestricted

**Other Current Assets**

11000 · Petty Cash	8.16			
11100 · Petty Cash - Gift Shop	123.11			
12001 · Undeposited Funds	(613.25)			
12400 · Grants Receivables	34,800.29			
12501 · AR - Customer Other	(100.00)			
14000 · Prepaid Expenses	27,237.93			
14400 · Security Deposits	<u>16,696.00</u>			
<b>Total Other Current Assets</b>	<u>78,152.24</u>		<u>78,152.24</u>	Primarily Unrestricted Other Assets

**Total Current Assets**

294,059.28 286,258.93

**Payroll liabilities**

22200 · Accrued Payroll Deduction	2,484.21			
22300 · Accrued Pension & Life	31,760.79			
22650 · Accrued Federal Withholding T	12,383.48			
22700 · Accrued Social Security	17,873.74			
22800 · Accrued Medicare	4,180.16			
22900 · Accrued SUTA	7,564.83			
23050 · Accrued State Withholding Tax	7,241.41			
23060 · Accrued 401K	4,027.64			
23070 · Garnishment	<u>960.00</u>			
	88,476.26		(88,476.26)	Payroll Liabilities

**Accounts Payable**

20000 · Accounts Payable	106,427.23		(106,427.23)	Accounts Payable
24550 · Short Term Loan	128,440.97		(128,440.97)	Working Capital Loans
24000 · Deferred Revenue	14,550.29		(14,550.29)	Deferred Revenues

**NET UNRESTRICTED CURRENT ASSETS**

(51,635.82)

- 1989 to present HCEOC has managed programs to remove the health and safety hazards and/or improve handicapped access of 149 homes. Owners had incomes below 150% of Federal Poverty Guidelines. 22 of the 149 rehabilitations included handicapped access improvements.

#### HCEOC CIP West Hawaii

- 2011-2013 – Of the above record: 15 home rehabilitations were completed between 2011 and 2013 for a total value of \$384,797 using USDA RD and county Housing Preservation Grant (HPG) funding.

Housing Program Manager Mary Finley was responsible for all but 12 of the 149 home rehabilitations completed.

- **(HPG) Housing Preservation Grant** contracts with County of Hawaii (1989 – 2002, 2008-2010, 2011-2013 - Contact: Noel Fujimoto, County Office of Housing & Community Development 961-8379) and with USDA RURAL DEVELOPMENT (2003, 2005-2013 - Contact: Nathan Riedel, USDA Multifamily Housing Specialist 933-8303). RESULTS: Health and Safety Deficiencies removed from 116 homes - \$2,039,853.00 value.
- **(HOME) HOME Repair Program** contract with County Office of Housing and Community Development, HOME funds (1998-1999, 7 homes - \$107,000 - Contact: Noel Fujimoto County OHCD - 961-8379) and
- **(HIP)Housing Improvement Program** federal Dept. of Health and Human Services Rural Housing discretionary grant (1994-1996, 14 homes, including 8 partially-complete occupied dwellings - \$250,000 - Rural Discretionary Grants Program ended by federal DHHS in 1996.)
- Total Low Income Repair Project Funds: over \$2,396,853.00
- (1993-2002 **HCEOC Carpentry Training Program** completed 24 on-the-job training projects including 12 single family home rehabilitations (estimated value approximately \$54,000 in year 2000 values) . As administrator of HCEOC carpentry training program Finley (and HCEOC Carpentry Trainer Carl Shioji and 6 to 10 trainees/year) completed 24 on-the-job training projects (single family and commercial, new construction and rehabilitation(approximate value \$403,000 in year 2000 dollars).

1993 – 2000 **Self Help Housing** HCEOC managed the completion of 74 single family homes in self help housing projects in Miloli'i, Kona and Keaukaha-Panaewa, Hilo. Finley was responsible for completing 17 homes (stalled by staff deficiencies and construction errors) and 13 homes from the ground up (1995 - 2000). Total over \$2.709 Million in pre-2000 value.

#### B. Facilities

HCEOC operates programs out of a Central Office in Hilo and three satellite offices in the districts (West Hawaii/Kona, Honokaa and Naalehu). Only HCEOC Central\* is fully handicapped accessible. HCEOC central office (Hilo) is housed in three adjacent buildings comprised of meeting rooms (2), administrative suites (4) and offices (21) with space and furniture, computers, printers, copiers, fax machines and storage sufficient to accommodate a

### **HCEOC CIP West Hawaii**

staff of 20 to 40 persons. HCEOC Central/Hilo is fully equipped and has staff adequate to administer CIP construction and manage state funding. (See A. Necessary Skills and Experience under IV. Experience and Capability above.)

HCEOC Central/Hilo office is entirely handicapped accessible from clearly designated parking stalls and loading zones to accessible doorways (all a minimum of 36 inches wide) and bathrooms (five feet of turning space for a wheelchair in front of the toilets and sinks) in all three buildings and parking lots. Emergency exits are clearly marked with lighted signs. Building exteriors and parking lots are lighted. HCEOC Central is equipped with computers, printers, faxes, copy machines, high-speed internet access and staff includes an executive director, Resource Mobilizer, 5 Program Managers and related staff (housing and energy, transportation, youth services, food service and agricultural), an Accountant and two full-time Account Clerks.

West Hawaii HCEOC is equipped with computers, printers, fax and copy machine, high-speed internet access. It is located on a steep site with poor access from parking into building. Over one third of this CIP is intended to correct accessibility issues of the steep site and building's lack of handicapped access. HCEOC Kona has been in continuous use by HCEOC since 1973. (See SITE CONTROL, leases and maps attached.)

HCEOC expects to establish handicapped access at Honokaa and Naalehu HCEOC in 2014 using CIP funding approved by 2013 Legislature.

Kona and Honokaa HCEOC are approximately 67 years old. Naalehu HCEOC was constructed 37 years ago from used materials.

## **V. Personnel: Project Organization and Staffing**

### **A. Proposed Staffing, Staff Qualifications, Supervision and Training**

- **HCEOC Executive Director** is an attorney (former County Chief Prosecutor), has experience managing large staff and multiple programs, is well-acquainted with HCEOC programs from over 6 years as HCEOC Board Chairman and has been HCEOC Executive Director for the last eleven months.
- **HCEOC Resource Mobilizer/past executive director** has experience managing multiple programs, from self-help housing and energy projects, including installation of

over 300 solar hot water systems (over \$3 Million with federal DOE WAP ( 1998-2010 Weatherization Assistance Program) and State of Hawaii's Hawaii Energy energy efficiency program 2010-2013), transportation (over \$1M/year) and food service programs (over \$490,000/year). He will assist the Executive Director as requested in all phases of CIP project.

**HCEOC CIP West Hawaii**

- **HCEOC Housing Program Manager** has been the key staff person responsible for 70% of the construction record in **part IV A. Necessary skills and experience** above. She is responsible for 137 of the 149 home rehabilitations completed by HCEOC (all but three completed on time), over 40% of self-help homes completed, including 5 homes from the ground up. She coordinated the 24 on-the-job training projects completed by the Carpentry Training Program. She will develop work lists; seek SHPD approvals; coordinate design of Kona handicapped access; track permitting; take charge of bidding, contracting, verifying construction, county inspections; processing contractor payments and make periodic reports to the state. She will report directly to the Executive Director and Resource Mobilizer.
- **HCEOC Accountant** has seven years experience of increasing responsibility at HCEOC and over ten years experience as a full service book keeper in private business. She will:
  - maintain account records
  - prepare fiscal reports
  - provide financial analyses
  - cut checks to contractors as directed by ED
  - maintain audit invoices
  - administer payroll
  - maintain personnel records and provide Human Resource services
  - Report directly to ED.

**B. Organization Chart**

See attached HCEOC Organizational Chart.

**C. Compensation**

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position.

The three highest paid employees at HCEOC:

POSITION	ANNUAL SALARY
1. <b>Executive Director</b>	- \$65,000
2. <b>Food Service Manager</b>	- \$48,000
3. <b>Transportation Mechanic</b>	- \$36,400

(Housing Program Manager annual FULL TIME is \$43,888, however, position has been funded at half time since 2010.)

**HCEO CIP West Hawaii**

**VI. Other**

**A. Litigation**

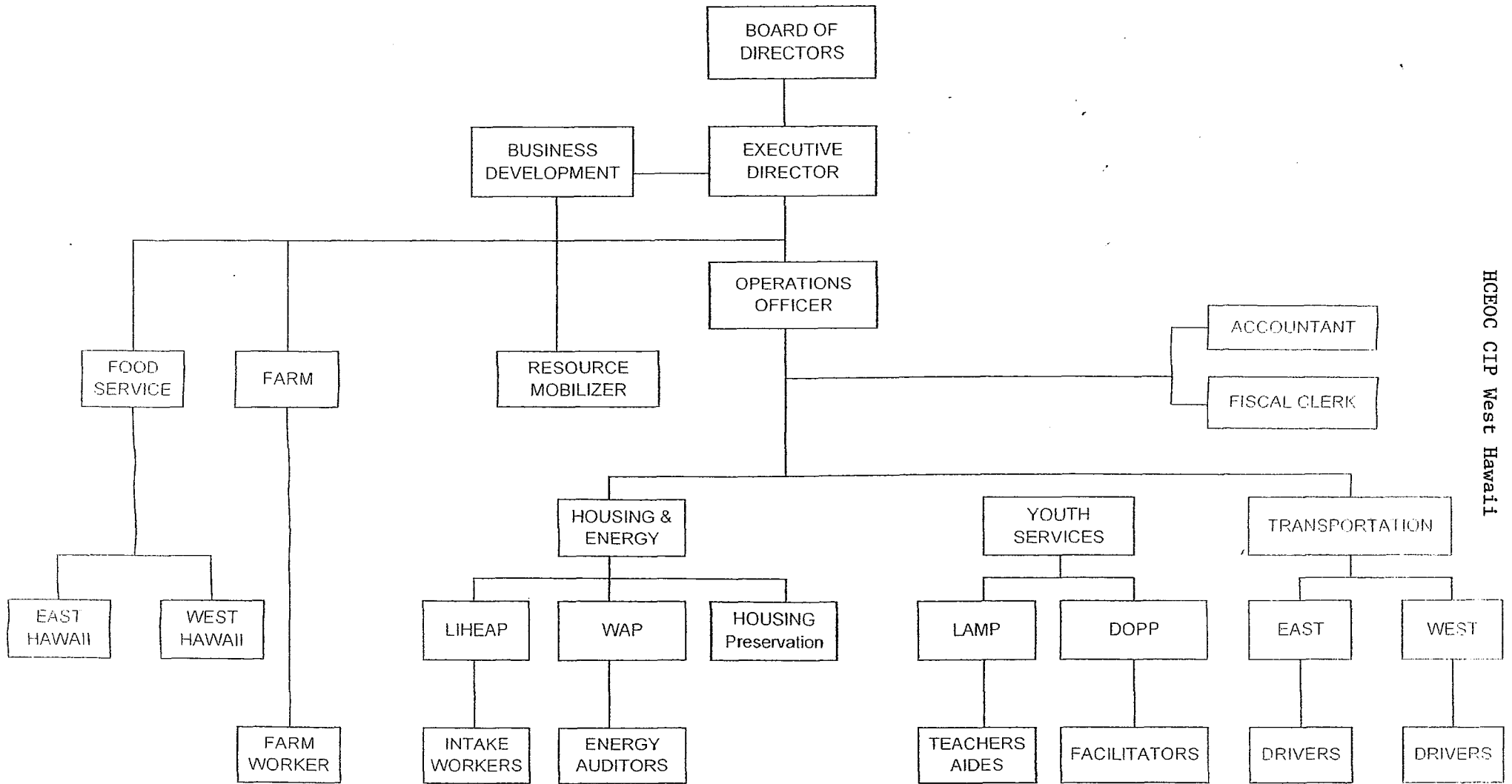
HCEO is not involved in nor is a party to any pending litigation.

**B. Licensure or Accreditation**

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

**HOUSING PROGRAM MANAGER** Mary Finley has a current Lead Renovator license, has applied HUD Section 8 Housing Quality Standards for 20 years and is familiar with county and state housing staffs and which entities (County Public Works, State DLNR, including Historic Preservation Office, DOT, DOH, DCCA, HIOSH) are responsible for implementing construction rules and regulations.

# HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL ORGANIZATIONAL CHART



HCEOC CIP West Hawaii



**BUDGET REQUEST BY SOURCE OF FUNDS**  
(Period: July 1, 2014 to June 30, 2015)

Appvii County Economic Opportunity Council

HCEOC CIP West Hawaii

<b>BUDGET CATEGORIES</b>	<b>Total State Funds Requested (a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>
<b>A. PERSONNEL COST</b>				
1. Salaries	0			
2. Payroll Taxes & Assessments	0			
3. Fringe Benefits	0			
<b>TOTAL PERSONNEL COST</b>	<b>0</b>			
<b>B. OTHER CURRENT EXPENSES</b>				
1. Airfare, Inter-Island	0			
2. Insurance	0			
3. Lease/Rental of Equipment	0			
4. Lease/Rental of Space	0			
5. Staff Training	0			
6. Supplies	0			
7. Telecommunication	0			
8. Utilities	0			
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
<b>TOTAL OTHER CURRENT EXPENSES</b>	<b>0</b>			
<b>C. EQUIPMENT PURCHASES</b>	<b>0</b>			
<b>D. MOTOR VEHICLE PURCHASES</b>	<b>0</b>			
<b>E. CAPITAL</b>	<b>152,000</b>			
<b>TOTAL (A+B+C+D+E)</b>	<b>152,000</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	152,000	Mary Miho Finley	808-961-2681 Ext.301	
(b)		Name (Please type or print)	Phone	
(c)		[REDACTED]		
(d)		[REDACTED]		
<b>TOTAL BUDGET</b>	<b>152,000</b>	Jay Kimura, Executive Director		
		Name and Title (Please type or print)		



## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

HCEOC West Hawaii

Period: July 1, 2014 to June 30, 2015

HCEOC CIP West Hawaii

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>				

JUSTIFICATION/COMMENTS:

NOT APPLICABLE. NO CAPITAL FUNDS TO BE EXPENDED ON THIS PROJECT FOR EQUIPMENT.

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>				

JUSTIFICATION/COMMENTS:

NOT APPLICABLE. NO CAPITAL FUNDS TO BE EXPENDED ON EQUIPMENT/ MOTOR VEHICLES FOR THIS PROJECT.

**BUDGET JUSTIFICATION  
CAPITAL PROJECT DETAILS**

HCEOC West Hawaii

HCEOC CIP West Hawaii

Period: July 1, 2014 to June 30, 2015

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2012-2013	FY: 2013-2014	FY:2014-2015	FY:2014-2015	FY:2015-2016	FY:2016-2017
PLANS			2000	100%		
LAND ACQUISITION			0			
DESIGN			10000	100%		
CONSTRUCTION			140000	100%		
EQUIPMENT			0			
TOTAL:			152,000	100%		
JUSTIFICATION/COMMENT: Majority of funding request is to remove the health and safety deficiencies of West Hawaii HCEOC office-baseyard/preserve a historic structure. 1/3 is for design & construction of handicapped access.						

**DECLARATION STATEMENT OF HCEOC CIP West Hawaii**  
**APPLICANTS FOR GRANTS AND SUBSIDIES PURSUANT TO**  
**CHAPTER 42F, HAWAII 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 and subsidies 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 or subsidy 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 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 ensuring the proper expenditure of the grant or subsidy.
- 2) 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 or subsidy 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 or subsidies used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant or subsidy 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 or subsidy 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.

HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL  
(Typed Name of Individual or Organization)

  
(Signature)

1/27/14  
(Date)

Jay Kimura  
(Typed Name)

Executive Director

(Title)