

House District 27
Senate District 13

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): DEPARTMENT OF HEALTH

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

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:

St. Francis Healthcare Foundation of Hawaii

Dbas: Not Applicable

Street Address: 2228 Liliha Street, Suite 205 Honolulu, HI 96817

Mailing Address: Same as Above

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name SISTER WILLIAM MARIE ELENIKI, OSF

Title President

Phone # 808-547-8035

Fax # 808-547-8034

e-mail weleniki@stfrancishawaii.org

3. TYPE OF BUSINESS ENTITY:

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

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

PHASE I CONSTRUCTION OF THE LILIHA KUPUNA VILLAGE, WHICH INCLUDES A SKILLED NURSING FACILITY AND SENIOR COMMUNITY CENTER

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$ 2.0 MILLION

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	\$	<u>0</u>
FEDERAL	\$	<u>0</u>
COUNTY	\$	<u>0</u>
PRIVATE/OTHER	\$	<u>7,000,000</u>

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

AUTHORIZED SIGNATURE

SISTER WILLIAM MARIE ELENIKI, OSF, PRESIDENT
NAME & TITLE

JANUARY 29, 2014
DATE SIGNED

Application for Grants and Subsidies

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. A brief description of the applicant's background;

St. Francis Healthcare Foundation of Hawaii, incorporated in 1984 to coordinate all fund development efforts, is an entity of St. Francis Healthcare System of Hawaii. St. Francis Healthcare System (St. Francis) is sponsored by the Sisters of St. Francis of the Neumann Communities of Syracuse, New York. The Sisters' rich history began in Hawaii in 1883 with the arrival of Mother Marianne Cope and six Sisters from Syracuse, New York, at the request of King David Kalakaua and Queen Kapiolani to care for those afflicted with Hansen's disease. The Sisters have been following the legacy of caring for the people of Hawaii begun by Saint Marianne, who was canonized by the Vatican in October 2012. Since their arrival, they have initiated numerous programs and services in line with their mission of creating healthy communities in the Spirit of Christ's healing ministry.

The Sisters of St. Francis have administered several hospitals including Malulani Hospital (now Maui Memorial Medical Center) and Hilo Hospital (now Hilo Medical Center) and are most known for founding St. Francis Hospital in 1927 to care for the poor and needy. In addition, they have led the health care industry with the introduction of numerous health care services that include: home health services on Oahu (1962) and on Kauai (1977); renal dialysis (1965); kidney transplants (1969); cancer rehabilitation (1973); hospice care (1978); heart transplants (1987); a bone marrow donor registry (1989); intergenerational adult day care (1996); outpatient palliative care (2008); and telehealth monitoring on Kauai (2008) and on Oahu (2009). The Sisters' continuum of care model achieves excellent health outcomes for those who entrust their care to them.

2. The goals and objectives related to the request;

St. Francis Healthcare System has launched Phase I to convert three floors in the Sullivan Building, one of the previous acute hospital buildings at the Liliha campus, into a skilled nursing facility (SNF). The original skilled nursing facility will be expanded to the fourth and fifth floors, with each floor providing an additional 15,000 square feet of mostly private rooms. Residents will value the privacy of their own room, and families who visit

will enjoy the beautiful and comfortable home-like atmosphere, setting it apart from most nursing homes in Hawaii.

The skilled nursing facility will provide quality skilled nursing care and rehabilitative services in a residential setting to individuals certified as being “severely disabled,” the majority of whom are 60 years of age and older. When certified and open for full admissions, the Skilled Nursing Facility will be licensed for a total of 119 beds in 63 private rooms and 56 semi-private rooms, including hospice beds in the Jack & Marie Lord Wing.

Phase I will also include a Senior Community Center where seniors are provided recreational and educational activities, as well as given referrals to key services at the Liliha campus. Most importantly, the seniors will be afforded an environment where social interaction is a mainstay.

Phase I is part of St. Francis’ vision to establish the *Liliha Kupuna Village*, a senior living community that encourages residents to pursue active lifestyles knowing that comprehensive care services will be available as needed. As their physical or cognitive capabilities change, they will be able to transition seamlessly from one type of care to another, from independent living to adult day care and adult day health, assisted living and memory care, and skilled nursing care, in a safe, neighborhood setting. The uniquely designed medical community will enable residents and patients to see multiple providers in a single welcoming location.

3. The public purpose and need to be served;

As our kupuna age, the loss of independence is an often difficult and painful process for both seniors and their caregivers. Seniors prefer and deserve to “age in place” with dignity as they transition from one type of care to the next in the privacy of a homelike, resident-focused environment and culture that encourages choice and control over their lives. Caregivers need the peace of mind that their loved ones are being cared for in a loving, nurturing environment that meets the physical, mental and emotional needs of their kupuna.

In 2011, the first wave of approximately 80 million baby boomers born between 1946 and 1965 turned age 65. According to Health Trends in Hawaii, 1 in 5 people will be 65 years or older by 2030, compared with 1 in 17 in 1970, representing an unparalleled shift in demographics. As the baby boomer generation reaches retirement age, the population of seniors aged 85 and over will rise rapidly between 2030 and 2050. According to the University of Hawaii at Manoa’s Center on the Family in collaboration with the State Executive Office on Aging, the current life expectancy in Hawaii is 79.8 years.

While the state enjoys the greatest longevity in the nation, it has only half as many nursing home beds per capita compared to the national average. As the population continues to age and our kupuna experience longer life spans due to medical advances,

the demand for skilled nursing facilities will continue to escalate. There is currently a shortage of skilled nursing beds in Hawaii; however, the daily occupancy rate for nursing facilities on Oahu remains high at 87 percent. To adequately address the health needs of Hawaii's growing and aging population, the number of available long-term care beds will need to be expanded.

St. Francis Healthcare Foundation has launched a \$10,000,000 capital campaign for Phase I of a proposed center for senior care to convert three floors in the Sullivan Building on its Liliha campus into a skilled nursing facility. At the hub of *Liliha Kupuna Village* will be a Senior Community Center, which will provide recreational and educational activities, as well as referrals to key services on campus, including Independent Living, Adult Day Care, Adult Day Health, Home Health, Assisted Living, Skilled Nursing and Hospice Care.

Because of the lack of skilled nursing facility beds in the community, without the St. Francis nursing facility, patients who are disabled, the majority of whom are ages 60-plus, would have no other place to stay and recuperate other than acute care facilities. The St. Francis Skilled Nursing Facility and Senior Community Center will be a warm, welcoming environment where residents are free to make choices regarding care. Unlike the physical layout of traditional facilities, the St. Francis SNF will have the feel of home, in conjunction with personalized care and choices over daily routines.

Describe the target population to be served; and

The Skilled Nursing Facility is designed to meet the special needs of individuals throughout Oahu who don't require acute hospital care but need medical attention until they are ready to go home. Targeted to the 60-plus-age group, residents will receive quality nursing care and specialized rehabilitative services that focus on meeting their physical, mental and psychological well-being. The Senior Community Center is targeted to seniors who want to live healthier and longer lives while meeting their daily social needs in a safe, fun environment.

4. Describe the geographic coverage.

The St. Francis Skilled Nursing Facility and Senior Community Center will directly serve seniors throughout all parts of Oahu.

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request. The applicant shall:

1. Describe the scope of work, tasks and responsibilities;

Grant-in-Aid funds will be used to complete Phase I of the St. Francis Skilled Nursing Facility and Senior Community Center. Funds may also be used toward the purchase of furniture, fixtures and equipment, as well as other related costs.

Laura K.M. Colbert

Project Manager, Skilled Nursing Facility, St. Francis Healthcare System of Hawaii

Laura K.M. Colbert is responsible for the project development for the Liliha campus that includes the Skilled Nursing Facility and Senior Community Center. Colbert's other duties include working with the CEO and management staff in the development of their Strategic Plans, as well as the organization's capital budget.

More recently she was Vice President – Operations for Liberty Dialysis – Hawaii LLC, which was acquired from St. Francis in 2006. Her responsibilities included establishing the 13 specialty clinics as a new entity in Hawaii, the operations of the clinics on the Island of Hawaii and Oahu, as well as the national purchasing for Liberty Dialysis. Her background also includes Partner-in-charge for the management consulting services for Deloitte & Touche in Hawaii, President & CEO for a non-profit organization serving individuals with disabilities, and Executive Vice President for Child & Family Service.

Colbert holds an MBA from George Washington University and a Bachelor's degree in Mathematics from the University of Hawaii. She is certified as a non-profit executive, nationally certified as a Project Management Professional and holds a national certification as a Phlebotomist.

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

The planning and design phase has been completed, and all permits are in hand. St. Francis anticipates construction to begin in October 2014 and be completed by October 2015.

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

Key measures of effectiveness and major milestones will be built into the performance expectations included in the bid requirements for contractors. The project manager will oversee construction to ensure that the project is completed on time and within budget, reporting progress to the President and Chief Executive Officer of St. Francis Healthcare System of Hawaii and President of St. Francis Healthcare Foundation of Hawaii.

St. Francis Healthcare Foundation, along with Finance and Corporate Compliance, will work together to ensure that all aspects of the State Grant-in-Aid contract are followed and funds are expended in a timely manner.

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

St. Francis will report quarterly progress to the State based upon its pre-established construction milestones.

III. Financial Budget

1. **The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.**
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
\$500,000	\$500,000	\$500,000	\$500,000	\$2,000,000

3. **The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2015.**

St. Francis Healthcare Foundation has already raised a total of \$7,000,000 from private, philanthropic dollars for Phase I construction. St. Francis submitted a \$1,000,000 application for CDBG funding in 2014. An additional \$2,000,000 in State Grant-in-Aid funding would enable St. Francis to complete the estimated \$10,000,000 Phase I construction of the Skilled Nursing Facility and Senior Community Center.

4. **The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.**

This does not apply.

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

\$5,049,574

IV. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

The Sisters of St. Francis are known for identifying a community need and filling that need with pioneering services. Now, St. Francis Healthcare System is embarking on one of its most ambitious and innovative plans in the organization's history. The vision for the Liliha campus is to develop a vibrant, multi-faceted senior living community with a focus on health and wellness, filling a vital community need. The Liliha campus will meet the challenges of Hawaii's older adults and their families by offering a number of health and wellness services and amenities in one location, not found in any other setting in Hawaii.

St. Francis has been the recipient of CDBG funds for two projects. In 2013, St. Francis completed construction of an \$8 million, 15,000-square-foot, single level intergenerational center in Ewa Villages to address the need for services for both the elderly and preschool populations living in West Oahu. Opened in February 2013, the St. Francis Intergenerational Center, which includes adult day care and a preschool, enables families in the sandwich generation to drop off their aging parents who need assistance during the day and their young children in one convenient location. Adult day care will be one of the future services offered on the Liliha campus.

St. Francis also has the experience of overseeing the management and operations of a vibrant, affordable senior independent living community. Franciscan Vistas Ewa, a 149-unit complex that is 100 percent leased, features amenities typically found only in luxury living centers. St. Francis will leverage its experience from this facility in Ewa Villages to build on this success at the Liliha campus.

B. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. The applicant shall also describe how the facilities meet ADA requirements, as applicable.

St. Francis Healthcare System of Hawaii has, and continues to be at the forefront of preparing to meet the needs of Hawaii's growing elder population. St. Francis is a recognized leader in home- and community-based care, a sector of the healthcare

continuum that has emerged as the single most important area of growth to meet the needs of older adults. As part of an extensive 20-year strategic plan, St. Francis Healthcare System divested its two acute hospitals in January 2007, specifically to focus on home- and community-based care primarily for older adults.

The hospital assets at the East and West campuses were returned to St. Francis five years later after Hawaii Medical Center filed for bankruptcy twice and subsequently closed. With the sale of the West hospital campus to The Queen's Health Systems in December 2012, St. Francis Healthcare System is now ready to launch a new, exciting chapter at its East campus.

The original 20,000-square-foot skilled nursing facility located on the third floor of the Sullivan Building at the Liliha campus was built nearly 40 years ago and must be upgraded to meet ADA standards and current building codes for today's SNFs.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

Sister William Marie Eleniki, OSF St. Francis Healthcare Foundation of Hawaii

Since 2007, Sister William Marie Eleniki, OSF has served as President of St. Francis Healthcare Foundation of Hawaii, where she is responsible for all fund raising efforts for St. Francis Healthcare System, its entities and programs and managing investments. As Board President of St. Francis Residential Care Community, she was directly involved in overseeing the development of the \$40 million Franciscan Vistas Ewa affordable senior living community and the St. Francis Intergenerational Center that was partially constructed with community development block grant (CDBG) and State grant-in-aid funds.

For 40 years, she was an educator at schools in New York and Hawaii. Capacities in which she has served in Hawaii include junior school teacher at St. Francis, vice principal at St. Joseph's in Hilo, and principal at Our Lady of Good Counsel and St. Michael's schools on Oahu. In addition, Sister William Marie was regional minister of the Sisters of St. Francis in Hawaii for seven years.

Born and raised in Honolulu, she received her Bachelor's degree from D'Youville College in Buffalo, New York, and Master's degrees in education with a minor in

counseling from the University of Hawaii at Manoa and in private school administration from the University of San Francisco.

Lauri Rasmussen

Vice President – Operations, St. Francis Healthcare System of Hawaii

Lauri Rasmussen will oversee construction of the Skilled Nursing Facility and Senior Community Center to ensure that the project is completed on time and according to specifications. As Vice President of Operations at St. Francis Healthcare System of Hawaii, Rasmussen is responsible for the administrative functions that include information technology and communications, facilities and grounds maintenance, risk management, and safety for the organization.

She previously served as the Client Executive for Revenue Cycle Solutions, Dell Services (aka Perot Systems), and Director of Admissions and Quality Control, Information Services for both Hawaii Medical Center and St. Francis Healthcare System of Hawaii. Certified as a Coder (CCS), Rasmussen's experience is extensive in the health information, medical records, and coding aspects within hospitals in Hawaii and on the mainland.

A graduate of the University of Hawaii and Skyline Community College in California, she is presently completing her Business Administration Program through Ashworth College.

Paul Chun

Chief Financial Officer, St. Francis Healthcare System of Hawaii

Paul Chun will oversee the construction budget for the Phase I Skilled Nursing Facility and Senior Community Center. As Chief Financial Officer of St. Francis Healthcare System of Hawaii, Chun is responsible for internal and external financial reporting, reporting to Board of Directors, tax compliance, cash management, and projections.

He previously served as a Client Service Director/Consultant in the Honolulu office of Resources Global Consultants, responsible for recruiting, client service and new service development, as well as a project professional in the accounting/finance service line. His background also includes serving as Chief Financial Officer of the International Holding Capital Corp, a \$500 million bank holding company. Prior to these positions, Chun served as a residential construction loan manager and finance vice president after building his accountancy and auditing expertise with Coopers & Lybrand, Ernst & Whinney, CPAs.

He received his BBA in Accounting from the University of Hawaii at Manoa and received his CPA license in the State of Hawaii in 1978. Chun remains an active member of the American Society of Certified Public Accountants and the Hawaii Society of Certified Public Accountants.

B. Organization Chart

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.

The organizational chart is attached.

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.

1. St. Francis Healthcare Foundation of Hawaii President –
Because the foundation president is of the Order of the Sisters of St. Francis, she does not receive a salary. Her basic needs, including healthcare, food, housing, and transportation, are covered by a stipend. The amount, if she were to receive a salary, approximately \$110,000 per year, goes to the religious community in Syracuse, NY.
2. Development & Communication Director - \$76,000
3. Foundation Programs Coordinator - \$58,600

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

This does not apply.

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.

St. Francis will apply for licensure for the SNF from the State of Hawaii Department of Health, and for certification from the Centers for Medicare and Medicaid Services (CMS).

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

Applicant: St. Francis Healthcare Foundation of Hawa

BUDGET CATEGORIES	Total State Funds Requested (a)	Other Government Funding (b)	Private/Other (c)	(d)
A. PERSONNEL COST				
1. Salaries	\$0	\$0	\$0	
2. Payroll Taxes & Assessments	\$0	\$0	\$0	
3. Fringe Benefits	\$0	\$0	\$0	
TOTAL PERSONNEL COST	\$0	\$0	\$0	
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	\$0	\$0	\$0	
2. Insurance	\$0	\$0	\$0	
3. Lease/Rental of Equipment	\$0	\$0	\$0	
4. Lease/Rental of Space	\$0	\$0	\$0	
5. Staff Training	\$0	\$0	\$0	
6. Supplies	\$0	\$0	\$0	
7. Telecommunication	\$0	\$0	\$0	
8. Utilities	\$0	\$0	\$0	
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	\$0	\$0	\$0	
C. EQUIPMENT PURCHASES	\$0	\$0	\$0	
D. MOTOR VEHICLE PURCHASES	\$0	\$0	\$0	
E. CAPITAL	\$2,000,000	\$1,000,000	\$7,000,000	
TOTAL (A+B+C+D+E)	\$2,000,000	\$1,000,000	\$7,000,000	
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	\$2,000,000	Sister William Marie Eleniki, OSF 808-547-8035		
(b) Federal	\$1,000,000	Name (Please type or print) Phone		
(c) Private/Other	\$7,000,000	[Redacted Signature] January 29, 2014		
(d)		Signature of Authorized Official Date		
TOTAL BUDGET	\$10,000,000	Sister William Marie Eleniki, OSF, President Name and Title (Please type or print)		

BUDGET JUSTIFICATION PERSONNEL - SALARIES AND WAGES

Applicant: St. Francis Healthcare Foundation of Hawaii

Period: July 1, 2014 to June 30, 2015

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
NOT APPLICABLE				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: St. Francis Healthcare Foundation of Hawaii

Period: July 1, 2014 to June 30, 2015

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
NOT APPLICABLE			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
NOT APPLICABLE			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

**BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS**

Applicant: St. Francis Healthcare Foundation of 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	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2012-2013	FY: 2013-2014	FY:2014-2015	FY:2014-2015	FY:2015-2016	FY:2016-2017
PLANS	\$0	\$0	\$0	\$0	\$0	\$0
LAND ACQUISITION	\$0	\$0	\$0	\$0	\$0	\$0
DESIGN	\$0	\$0	\$0	\$0	\$0	\$0
CONSTRUCTION	\$0	\$7,000,000	\$2,000,000	\$1,000,000	\$0	\$0
EQUIPMENT	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL:	\$0	\$7,000,000	\$2,000,000	\$1,000,000	\$0	\$0
JUSTIFICATION/COMMENTS: State Grant-In-Aid Funds will be used to complete Phase I construction of the Liliha Kupna Village, which includes construction of a Skilled Nursing Facility and Senior Community Center. Funds may also be used toward the purchase and installation of furnishings, fixtures, and equipment, as well as for other related cost as necessary.						

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS AND SUBSIDIES 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 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.

St. Francis Healthcare Foundation of Hawaii
(Typed Name of Individual or Organization)



(Signature)

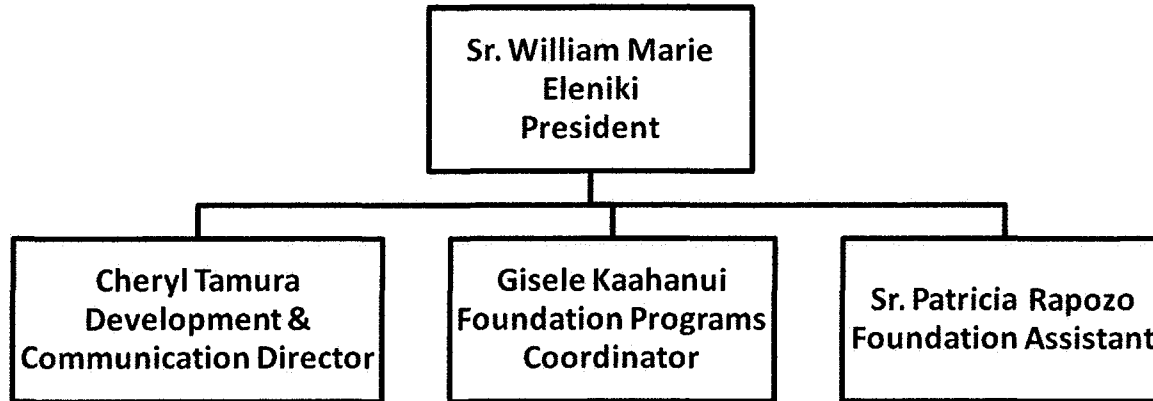
January 29, 2014

(Date)

Sister William Marie Eleniki, OSF
(Typed Name)

President
(Title)

**ST. FRANCIS HEALTHCARE FOUNDATION OF HAWAII
ORGANIZATIONAL CHART**



Note: Lauri Rasmussen is Vice President of Operations for St. Francis Healthcare System of Hawaii; however, she will oversee construction of the Skilled Nursing Facility and Senior Community Center for the Foundation to ensure that the project is completed on time and according to specifications.

Paul Chun is Chief Financial Officer of St. Francis Healthcare System of Hawaii; however, he will oversee the construction budget for the Foundation.