

House District 27

Senate District 13

THE TWENTY-SEVENTH LEGISLATURE  
APPLICATION FOR GRANTS & 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:  
The Rehabilitation Hospital of the Pacific

Dba:

Street Address:  
226 N. Kuakini Street, Honolulu, Hawaii 96817

Mailing Address:  
226 N. Kuakini Street, Honolulu, Hawaii 96817

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name TIMOTHY J. ROE, MD, MBA, FAAPMR

Title President and Chief Executive Officer

Phone # 808-544-3301

Fax # 808-544-3335

e-mail troe@rehabhospital.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:

CAPITAL IMPROVEMENTS TO THE REHABILITATION HOSPITAL OF THE PACIFIC

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$ 3,500,000

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 \$ \_\_\_\_\_

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

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

PRIVATE/OTHER \$ 17,200,000

SIGNATURE:

TIMOTHY J. ROE, PRESIDENT AND CHIEF EXECUTIVE OFFICER  
NAME & TITLE

1/13/2014  
DATE SIGNED

# POS Proposal Application

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## Application for Grants and Subsidies Request for Capital

### I. **Background and Summary**

#### 1. **Applicant's background;**

The Rehabilitation Hospital of the Pacific (REHAB Hospital) is a 501(c)3 non-profit organization. We provide comprehensive physical and cognitive rehabilitation to individuals that have experienced spinal cord injury, traumatic brain injury, stroke, amputation, complex surgery, serious illness or injury or other trauma. Each year we serve over 5,500 individuals, some of them faced with the most daunting and life-changing challenges of their lives.

#### 2. **The goals and objectives related to the request;**

The goal of this project has been to renovate REHAB Hospital so patients that experience spinal cord injury, stroke, major multiple trauma, amputation, cardiovascular incident and other illness or injury are able to access quality acute rehabilitation in Hawaii. The facility was built in stages over the past 60 years, and some of the areas of the facility, including the electrical system, were from the original construction in 1953. Over the past two years, the renovation project has brought substantial improvements to the hospital and its patients:

- Improved energy efficiency and electrical system reliability from major upgrades to the hospital electrical system, along with the installation of a rooftop photovoltaic system, new "cool" roofing, energy efficient lighting and a central HVAC system. It is estimated that collectively these improvements will result in a reduction of approximately \$340,000 annually in facility operating expenses;
- Total "gut" renovation of all three inpatient units totaling 70 beds, providing for a more efficient layout and improved environment of care;
- Installation of bedside medical gas and suction, patient lifts and other technology enabling REHAB Hospital to accept some patients who previously may have been transported to the mainland for care;
- Inpatient spaces have been created for new programs and services, including a vision center, cardiac rehabilitation, communication/speech center, and a patient centered healing environment;
- Outdoor therapy area with mobility course and therapeutic garden.

REHAB's inpatient renovations have been completed, so the renovation work now moves to the ground floor. Along with much needed modernization, these improvements will improve our patient's access to care and enhance our patient/customer service.

- New Physicians' Clinic with handicapped-accessible exam and procedure rooms;
- Expanded outpatient waiting areas;

- New way-finding signage to improve patient and visitor access;
- Front desk and patient financial counseling area to enhance patient service;
- Expanded and modernized patient education, conference and staff training rooms;
- New Physicians' Lounge;
- New administrative suite to enhance operational efficiency.

**3. State the public purpose and need to be served;**

REHAB Hospital contributes significantly to the public good:

***Essential medical services.*** REHAB Hospital is the sole Inpatient Rehabilitation Facility<sup>1</sup> (IRF) in the state, and an essential part of the continuum of medical care for Hawaii residents. Without REHAB Hospital, residents with serious illness or injury would have to be transported to the mainland for care or forego the care they require to recover to their full potential.

***Enables the elderly and disabled to live more independently.*** Intensive and skilled rehabilitation can facilitate the healing process significantly to improve a patient's self-help, mobility and communication skills so that they can return home as independent as possible. For the newly disabled in their young adulthood, skilled and intensive rehabilitation is crucial to recovering to their potential so they can live productive and meaningful lives. For elderly patients, acute rehabilitation can assist them to age in place independently with their best quality of life possible.

***Reduces the need for government and private support services and benefits.*** The more independent and self sufficient elderly and disabled residents can live, the fewer support services they require from caregivers, government and private organizations, including skilled nursing facilities, caregivers, in home meals and transportation.

***Rehabilitation provided to residents with insufficient medical coverage.*** Over the past five years, REHAB Hospital has provided over \$2 million in charity care to the residents of Hawaii. This financial support enables Hawaii residents that do not have sufficient insurance to receive the medical rehabilitation they require to recover to their greatest potential.

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<sup>1</sup> This designation is made by the U.S. Dept. of Health and Human Services, Centers for Medicare and Medicaid Services.

#### 4. **Target population to be served;**

As the only rehabilitation hospital in the state, this renovation will *benefit all Hawaii residents* that require acute medical rehabilitation. This includes:

- Over 60% of our patients are 65 and older, and the need for acute rehabilitation is anticipated to increase among this age group: Hawaii residents enjoy the longest life expectancy in the country<sup>2</sup> and by 2030, the U.S. Census Bureau estimates that one in four residents will be an elder. The effects of aging can make a simple injury more complex and rehabilitation can help them age in place longer and with a better quality of life.
- Unanticipated injury from car, work or sports accident (spinal cord injury, traumatic brain injury, amputation, fracture, etc.), or illness (cancer, infection, cardiovascular, stroke) strikes patients of all ages. Patients with spinal cord and traumatic brain injuries are typically younger and rehabilitation is crucial to helping them adapt to challenges and live productively for the rest of their lives.

In 2012, the patient mix for REHAB Hospital included:

- **54% Neurologic**—spinal cord injury, traumatic brain injury, stroke and other neurological.
- **30% Complicated Orthopedic**—amputation, fracture and joint replacement.
- **16% General Rehabilitation**—multiple trauma, complicated cardiovascular surgery, cancer treatment and pulmonary.

#### 5. **Geographic coverage.**

REHAB Hospital is the only Inpatient Rehabilitation Facility in Hawaii and as a result, serves the entire state. It is also the closest acute rehabilitation facility for patients from the South Pacific, including Guam, Samoa and the Islands of Micronesia.

In addition, approximately 50 patients each year are visitors from around the world that experience recreational accident or illness while on vacation in Hawaii and require care at REHAB Hospital.

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<sup>2</sup> Lichtenberg, F., "Why Has Longevity Increased More in Some States than in Others? The Role of Medical Innovation and Other Factors," Manhattan Institute for Policy Research, Medical Progress Report No. 4, July 2007.

## II. Service Summary and Outcomes

### 1. Scope of work, tasks and responsibilities;

**Scope of work.** This project is to complete the renovation of REHAB Hospital's facilities located at 226 N. Kuakini Street. This 125,200 square foot facility was built in phases since 1953 and has not had any major renovations or improvements for over 15 years. Some of the infrastructure is from the initial construction 60 years ago, including portions of the electrical system.

In FY 2014–2015, renovation of the 1<sup>st</sup> floor and exteriors will be completed. The tasks include:

- Relocation and expansion of the Physicians' Clinic, including four accessible exam rooms along with a procedure room. Creation of new outpatient waiting area dedicated to the clinic;
- Relocation and expansion of the Nuuanu Outpatient Clinic patient waiting room to increase capacity by more than 50% and improve accessibility;
- Relocation and renovation of Cardiac Rehabilitation gym;
- Construction of new Front Desk and Patient Financial Counseling areas to improve patient flow and improve service to patients and visitors;
- Relocation and expansion of the Gift Shop to improve service to patients, visitors and staff;
- Cosmetic upgrades to all 3 lobbies;
- Expanded signage to improve way-finding and accessibility;
- Reconfigured electrical and network systems and energy efficient lighting;
- Replacement of the air conditioning system to improve the quality of air for inhabitants, lengthen the life of hospital equipment and be more energy efficient. (New air conditioning chillers have already been installed and resulted in an immediate 10% reduction in use of electricity);
- Installation of insulated hurricane-rated windows to enhance emergency preparedness in the event of a natural disaster and improve energy efficiency;
- New Physicians' Lounge to support medical staff development;
- Redesign and improvement of administrative areas to facilitate patient centered care and more efficient staff workflow;
- Expansion and modernizing of patient education, conference and staff training rooms;
- Completion of outdoor mobility course and therapeutic garden to expand and enhance both inpatient and outpatient programs.

**2. Projected annual timeline;**

**Renovation Status and Timeline.** The renovation is proceeding on schedule. Construction on the 2nd floor is nearing completion.

	2012				2013				2014				2015	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
4th Floor														
3rd Floor														
2nd Floor														
Healing Garden														
Lobby, admin														
Physicians' Clinic														
Exterior														

**3. Quality assurance, evaluation and monitoring**

The CEO/owner's representative, together with the architect and general contractor, are responsible for monitoring and evaluating the renovation project. Quality assurance includes the following:

- Weekly status meetings of the owner's representative, architect, plant operations manager and general contractor.
- Monthly reports by the CEO/owner's representative to the Board of Directors of REHAB Hospital to ensure that the project is proceeding in the forecasted timeframe and within the approved budget.
- Ongoing oversight and evaluation by the general contractor to ensure that construction standards are as required by the State of Hawaii and applicable code and that the facility is being constructed per specifications.
- Measures to ensure compliance with applicable labor laws and proper documentation of expenditures.

In addition to the evaluation and monitoring of the renovation, the CEO, CFO and Financing and Contracting Manager work together to ensure that capital campaign revenues and renovation expenses are properly processed on a timely basis and that the project stays within budget. Each year, REHAB Hospital undergoes a financial audit by certified public accountants to ensure that the organization complies with Generally Accepted Accounting Principles.

**4. Measurement of effectiveness.**

Effectiveness of this project will be determined by the completion of tasks within the projected timeline as evaluated by the owner’s representative and architect. See the tasks and timeline for specific details.

**III. Financial**

REHAB Hospital requests support of \$3.5 million from the Hawaii State Legislature for FY 2014-2015. In FY 2011-2012, REHAB Hospital was awarded a grant of \$2.5 million from the Hawaii State Legislature Grant in Aid program.

The total cost of the project is \$22,860,000. This is an increase of the initial cost estimate made in 2011 of \$17,239,400. This increase is a result of an expansion in the scope of work made in 2012 when leadership of REHAB Hospital changed with the appointment of Dr. Timothy J. Roe as President and CEO and a complete assessment of the renovation was made. The initial construction uncovered numerous problems attributed to the advanced age of the facility and it was determined that a complete replacement of the electrical and air conditioning systems, a new ‘cool’ roof and photovoltaic system would eventually be required in several years. This expanded scope of work will not only reduce the ongoing maintenance costs of the facility, it will also ensure that no other significant renovations or improvements will be required for the inpatient care areas in the foreseeable future.

**Budget**

**1. Budget forms**

The budget forms are included in this request as attachments.

**2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2014-2015.**

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$875,000	\$875,000	\$875,000	\$875,000	\$3,500,000

**3. The applicant shall provide a listing of all other sources of funding that they are trying to obtain for fiscal year 2014-2015.**

Rehabilitation Hospital of the Pacific Foundation (REHAB Foundation), the fundraising support organization to REHAB Hospital, has a commitment to raise \$17,239,400 for the project, with REHAB Hospital responsible for the balance necessary to complete the renovation. In the past three years, from January 2011 to November 2013, REHAB Foundation raised \$17 million for the renovation. This includes leading private contributions from the Clarence T.C. Ching



Foundation of \$5 million (to be received 2015 to 2024) and The Harry and Jeanette Weinberg Foundation, Inc. of \$3 million (to be received 2013 to 2015). In addition, REHAB Foundation has committed \$2 million of their unrestricted funds to the project.

Although REHAB Foundation will soon reach their capital fundraising goal, REHAB Hospital is responsible for securing the remaining \$5.6 million to complete the renovation.

To ensure that the construction proceeds as planned, REHAB Hospital has secured a \$12 million line of credit from First Hawaiian Bank to cover the cost of the renovation in advance of receipt of capital campaign pledges. First Hawaiian Bank has indicated support to extend this line of credit if necessary.

The Board of Directors has also voted to support the renovation with unrestricted funds, if necessary. However, the declining third party reimbursements and the cost to transition the clinical operations to electronic health records and purchase new technologies require significant capital now and in future years. Funding from the State Legislature Grant in Aid program will enable REHAB Hospital to complete the renovation and continue to serve the people of Hawaii with quality acute rehabilitation so that they do not need to be transported to the mainland for care. This option would be a significantly higher cost to the taxpayers.

**4. State and federal tax credits within the prior three years, and state and federal tax credits applied for or anticipate applying for pertaining to the capital project**

REHAB Hospital has not received, applied for, and does not anticipate applying for any tax credits pertaining to the renovation.

**5. Balance of unrestricted current assets as of November 30, 2013.**

Balance is \$7.5 million. The hospital's budgeted operating expense is \$3.24 million per month.

**IV. Experience and Capability**

**A. Necessary Skills and Experience**

REHAB Hospital has secured the services of design and construction professionals that are duly licensed and experienced to successfully complete a renovation the size and scope of this project. See the qualifications of key staff and organizations for the renovation in the section below, *V. Personnel: Project Organization and Staffing*.

**B. Facilities**

The main facility of REHAB Hospital is its 70-bed inpatient hospital in Nuuanu. REHAB Hospital also has three outpatient clinics: Nuuanu at the first floor of the main facility, Aiea at Pearlridge and Hilo. All facilities are ADA compliant.

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

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

*Timothy J. Roe, MD, MBA, President and Chief Executive Officer (CEO)* represents the hospital regarding ownership decisions on the project including final approval for all activities done by the architect and contractor related to the renovation. He works with the CFO, architect and Project Manager in developing and revising the master budget and master timeline. He is also responsible for communicating with the Board of Directors regarding all pertinent renovation related activities and serves as their fiduciary agent regarding all renovation-related matters. Dr. Roe has previous experience with the planning and construction of healthcare facilities at St. Joseph Regional Rehabilitation Center.

*Wendy Manuel, Chief Financial Officer (CFO)*, is responsible for overseeing all matters relating to capital planning and funding for the renovation project. She also manages the hospital's financial relationships with REHAB Foundation, its banking partners and its vendors and suppliers. She also oversees REHAB's financial operations including revenue cycle, cash flow, assets and liabilities. She has twenty years of experience in public accounting including internal and external audit responsibilities involving multiple major healthcare systems in Hawaii.

*Stephen Boyer, Director of Facilities*, is responsible for reviewing the specifications of equipment installed during the renovation, particularly owner-supplied equipment such as the nurse call system and Arjo lift. He also coordinates access to the property for multiple contractors involved and ensures that the renovation is not disruptive to the ongoing care of patients. Mr. Boyer has over 15 years of experience managing large facilities, including over six years managing hospital facilities.

*Ty Tomimoto, Finance and Contracting Manager*, is responsible for reviewing budgetary items related to the project, in particular the invoices and change proposals submitted by the contractors and ensuring that they are consistent with the various contracts executed on behalf of REHAB Hospital. He reviews all contractual agreements and works with the CEO, CFO and Project Manager in the development and revision of the master budget and the master timeline.

**Jeff Mori, AIA, of Arthur Mori & Associates (AMA)** is the architect for the project. AMA is responsible for the design, drawing plans and working with the general contractor, structural, mechanical and electrical engineers. AMA is also responsible for preparing a detailed schedule for the project in logical steps and budget time required to meet deadlines and for obtaining all necessary permits and licenses.

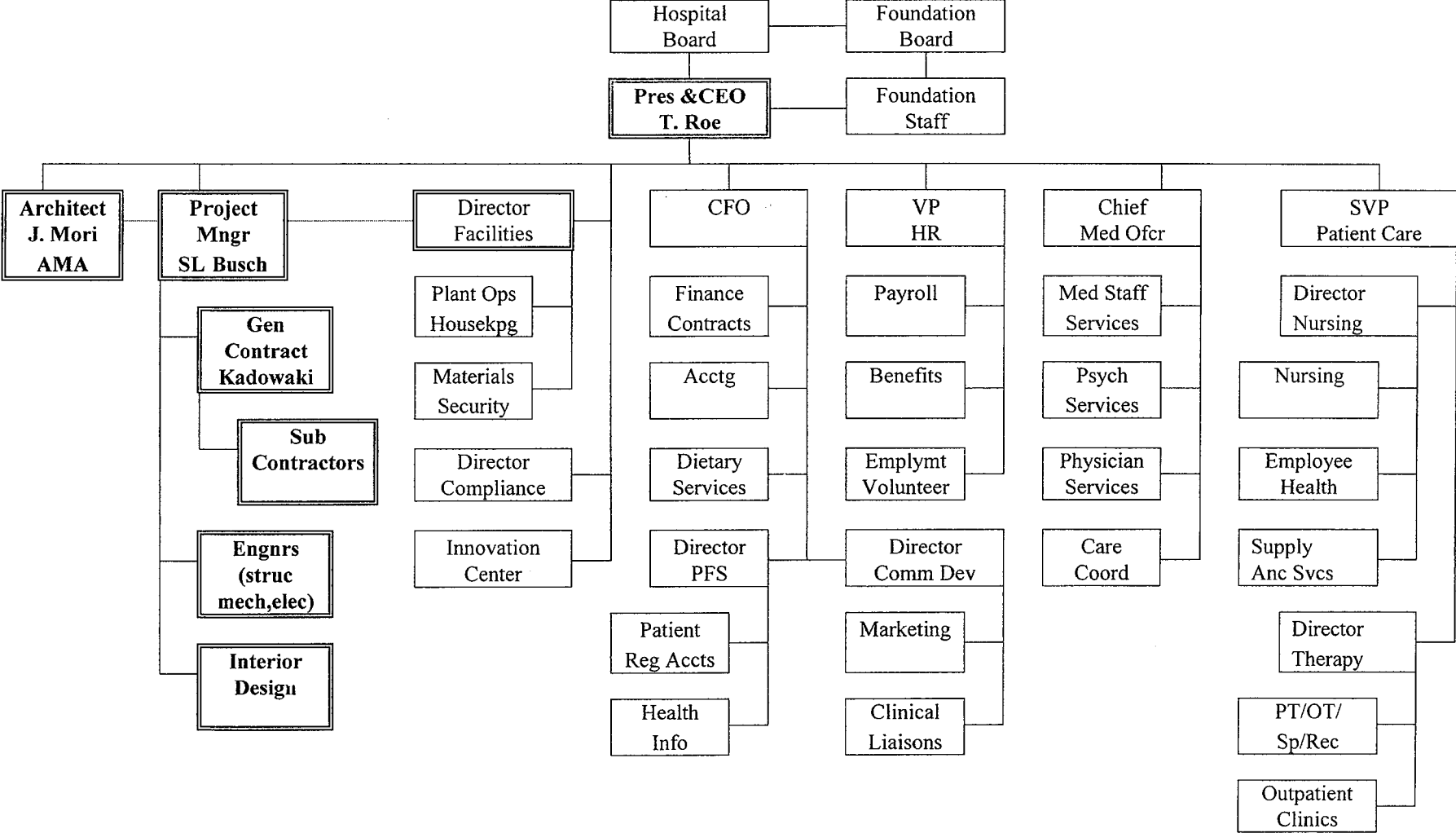
AMA has 51 years of experience providing architectural consulting services in Hawaii. Within the last 19 years, the firm's primary focus has been healthcare design. During that time, more than 350 healthcare related commissions have been successfully completed, including Kapiolani Medical Center, Pali Momi Medical Center, Castle Medical Center, Kuakini Medical Center and Queen's Medical Center. As a result, AMA is well versed in the various codes required of healthcare facilities, including National Fire Prevention Association (NFPA) Code, International Building Code 2003, Uniform Fire Code, National Electric Code, Guidelines for Design and Construction of Health Care Facilities 2006, the Americans with Disabilities Act Accessibility Guidelines and the State of Hawaii Title 11, Dept of Health Chapter 93.

**Larry Schenk, S.L. Busch & Associates, Senior Director and Project Manager**, is assigned to the project. In this capacity, he coordinates all activities with the REHAB Hospital CEO and architect, and provides overall direction for the renovation. S.L. Busch has extensive experience in management of large scale construction programs, including hospital and healthcare facilities.

**J. Kadowaki, Inc., General Contractor**, works with the architect and project manager and CEO. The general contractor hires and directs all subcontractors and staff retained for this project. Previous healthcare facilities built by J. Kadowaki, Inc. include Surgicare of Hawaii, On-Care Medical, Kapiolani Medical Center, Queen's POB, Straub Clinics and Hawaii Endoscopy.

**Board of Directors, Renovation Committee.** REHAB Hospital and REHAB Foundation board members have also formed a committee to oversee the renovation. These board members are: **Stanford Carr**, real estate developer and president of Stanford Carr Development (REHAB Foundation board member since 2007); **Lloyd Sueda**, architect and president of Sueda & Associates, Inc. AIA (REHAB Foundation board member since 2001); and **Ron Ho**, electrical engineer and principal of Ron Ho & Associates (REHAB Hospital board member since 2000).

**B. Organization 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.

████████████████████	President & CEO	\$326,000.48
████████████████████	Chief Medical Director	\$139,000.18
████████████████████	SVP, Patient Care Services	\$134,640.53

**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.**

REHAB Hospital does not have any outstanding judgment and there are no pending litigations of a substantive nature that would impact the stability of the organization or be material to the renovation project.

**B. Licensure or Accreditation**

**Specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.**

REHAB Hospital is the sole organization in the State of Hawaii that is qualified as an Inpatient Rehabilitation Facility by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, the Hawaii State Health Planning and Development Agency (SHPDA) and also accredited by The Joint Commission. These special qualifications make REHAB Hospital the only organization in Hawaii that is qualified to treat patients in need of acute medical rehabilitation as a result of serious accident or illness.

REHAB Hospital is an IRS 501(c)3 non-profit organization as determined by the IRS.

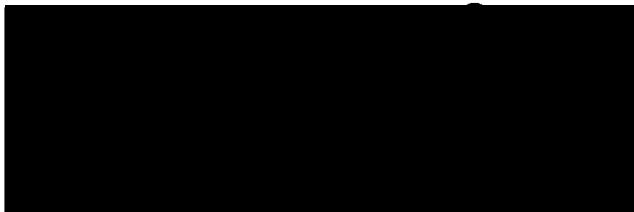
**DECLARATION STATEMENT OF  
APPLICANTS FOR GRANTS AND SUBSIDIES PURSUANT TO  
CHAPTER 42F, HAWAII REVISIED STATUTES**

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.



Timothy J. Roe, MD, MBA, FAAPMR,  
(Typed Name)

President and Chief Executive Officer  
(Title)

1/13/2017  
(Date)

## BUDGET REQUEST BY SOURCE OF FUNDS

(Period: July 1, 2014 to June 30, 2015)

Applicant: Rehabilitation Hospital of the Pacific

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	3,500,000			
<b>TOTAL (A+B+C+D+E)</b>	<b>3,500,000</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	3,500,000	[REDACTED]		
(b)				
(c)				
(d)				
<b>TOTAL BUDGET</b>	<b>3,500,000</b>	PRESIDENT : CEO Name and Title (Please type or print)		





## BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Rehabilitation Hospital of the Pacific

Period: July 1, 2014 to June 30, 2015

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
Not applicable.			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
<b>TOTAL:</b>			\$ -	
<b>JUSTIFICATION/COMMENTS:</b>				

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

**BUDGET JUSTIFICATION  
CAPITAL PROJECT DETAILS**

Applicant: Rehabilitation Hospital of the Pacific

Period: July 1, 2013 to June 30, 2014

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						
LAND ACQUISITION						
DESIGN	\$500,000	\$400,000	\$100,000	\$100,000	\$50,000	
CONSTRUCTION	\$7,500,000	\$6,800,000	\$3,000,000	\$700,000	\$1,000,000	
EQUIPMENT	\$1,000,000	\$1,000,000	\$400,000	\$200,000	\$50,000	
<b>TOTAL:</b>	<b>9,000,000</b>	<b>8,200,000</b>	<b>3,500,000</b>	<b>1,000,000</b>	<b>1,100,000</b>	

**JUSTIFICATION/COMMENTS:**

Amounts noted in funding received in prior years reflects both funds received and pledged. Pledges are scheduled to be received until 2024. To accomodate the timing of funds received on capital campaign pledges, REHAB Hospital has a \$12 million line of credit with First Hawaiian Bank, and support for an extension if necessary to bridge the expenses in advance of receipt of contributions.