



The Twenty-Ninth Legislature  
Grant in Aid Request  
Capital Funds  
Fiscal Year 2019

House District(s) 27

Senate District(s) 13

THE TWENTY-NINTH LEGISLATURE  
APPLICATION FOR GRANTS  
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

"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.

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

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

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

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:  
Palama Settlement

Dbas:

Street Address: 810 N. Vineyard Boulevard  
Honolulu, HI 96817

Mailing Address: same as street address

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name Leah Lee

Title Donor Relations & Marketing Coordinator

Phone # (808) 848-2532

Fax # (808) 847-2873

E-mail : lee@palamasettlement.org

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII
- FOR PROFIT CORPORATION INCORPORATED IN HAWAII
- LIMITED LIABILITY COMPANY
- SOLE PROPRIETORSHIP/INDIVIDUAL
- OTHER

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

Restoring Palama Settlement's Gym to Create a Safe Recreational Facility For Community Use

4. FEDERAL TAX ID #: [REDACTED]

5. STATE TAX ID #: [REDACTED]

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2019: \$365,000

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 \$0

FEDERAL \$0

COUNTY \$0

PRIVATE/OTHER \$0

Earl Fusato, Executive Director

NAME & TITLE

1/19/18

DATE SIGNED

JAN 13 2018 11:38 PM

## I. Background and Summary

### 1. A brief description of the applicant's background:

Since its inception in 1896, Palama Settlement has served the low-income community of Kalihi-Palama by providing opportunities of education, health, and well-being. Palama Settlement grew out of the settlement philosophy to identify and meet the needs of its surrounding community. Located just outside downtown Honolulu, the community is home to both newly arrived immigrant and migrant families, as well as long-time residents. Over the years Palama pioneered the development of many innovative programs to address the ever-changing faces of the community residents. Today, the Settlement continues to offer a spectrum of services that range from educational, recreational, athletic, cultural, health, social and community building programs for children, youth, adults, seniors, and families. As a community center on a 6.5 acre parcel of land, the Palama campus is an oasis of green just across the street from the State's oldest public housing project. The campus boasts one of the largest gymnasiums on the island and the only public swimming pool in the immediate area. Providing a facility for physical fitness benefits all who use it for leisure, sports and education programs.

### 2. The goals and objectives related to the request:

The goal of this project is to replace all metal grating in Palama Settlement's gymnasium so the facility is restored for recreational use by the community. While most of the gym is solidly walled off, there are sections (areas seven feet or higher) that are only partitioned off from the outside by metal grates. In the areas where the grates have deteriorated, there are holes big enough for people to fit through. The objectives are: to make the gym safe for use; to maintain the building; to prevent break-ins when the gym is closed.

### 3. The public purpose and need to be served:

Low-income and ethnic minority populations are less likely to participate in adequate physical activity, which can result in health issues of varying severity and affect quality of life and lifespan ([www.ncbi.nlm.nih.gov/pmc/articles/PMC5371027/](http://www.ncbi.nlm.nih.gov/pmc/articles/PMC5371027/)). Access is often a significant barrier to exercise in underserved communities. Palama Settlement's goal is to provide a safe, clean facility for the community to use to stay active and healthy. The gym is accessible to all; it is used by the children in Palama's summer enrichment and athletic programs, families during Palama's annual holiday event (which is free and open to the public), older adults in Palama's senior program, and a number of other athletic and recreation groups who rent the space for their own practices and activities. Residents of local housing projects are encouraged to use the gym and pool at little to no cost through Palama's programs. Replacing the grating will allow the community to continue using the space safely on a daily basis.

### 4. Describe the target population to be served:

The intended target population is anyone who uses the gym – mainly Palama program participants and renters. This population spans all ages, from elementary school aged children to seniors. The majority of those who use Palama's gym are residents of the immediate area, but many participants come from as far away as Kapolei and Mililani, particularly those in the Senior Program.

### 5. Describe the geographic coverage:

Preferential geographic coverage is the Liliha-Palama-Kalihi community that Palama Settlement serves, however, use of the gymnasium is not be declined based on geographic area of residence.

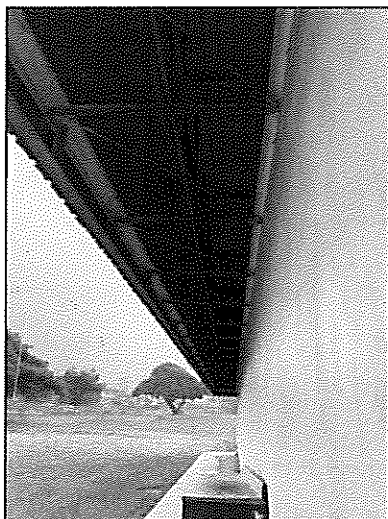
## II. Service Summary and Outcomes

### 1. Describe the scope of work, tasks and responsibilities:

The grates in the gym act as a semi-permeable barrier to the outside, allowing air to move freely throughout the space, which acts as a natural method of cooling, as there was no air conditioning installed when the gym was built in the late 1950s. As seen in the photo below, the upper half of the gym wall is made of metal grating, leaving large portions of the building exposed to the elements, letting in air and light.



Over time the island air and rain has weakened the metal in places, resulting in rusting and creating holes that open up directly to the gym. The photo below on the left shows a section of grating that runs parallel to the ground as an overhang. The photo on the right is a closer view of this grating, showing whole sections that have broken away, leaving a space large enough through which a person can climb. These entry points mean the gym is not secured, even at night after recreation staff locks the doors.



The work of replacing the grating will be done by a contractor hired by Palama Settlement. The work entails the removal of the exterior screens, cleaning and preparation of the metal so new galvanized screens may be attached, and attaching the new screens by welding. The job will require a lift, scaffolding, and hoisting and safety anchor points for workers. The contractor will be responsible for obtaining all equipment and materials.

Palama Settlement’s facility coordinator will oversee the project, acting as the point person for the contractor and sending out appropriate communications and updates to Palama Settlement staff, tenants, and renters to ensure all well informed about where it is safe to walk and park and what activities will be curtailed due to construction.

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

The work should take 6-8 weeks to complete. During that time the gymnasium will be closed. The project may commence whenever Palama Settlement obtains the necessary funding and hires the contractor.

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

The facility coordinator will monitor the project on a daily basis to ensure the contractor is on schedule and is completing the work as agreed upon in the contract.

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.

Overall goal: To replace the grating in the Palama gym so that it is safe for daily use.

Objective #1: To make the gym safe for use.

Measurement #1: Classes and activities will resume in the gym once the grating is replaced and renters will be able to reserve the space.

Objective #2: To maintain the building.

Measurement #2: No further work will be needed on the gym grating once it is replaced. The new grates should last for another 40 to 50 years.

Objective #3: To prevent break-ins.

Measurement #3: When Recreation staff locks the gym at night, the space will be secured. There should be no further break-ins due to people climbing in through the holes in the grates.

### III. Financial

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

Please see attached spreadsheets: Budget Request by Source of Funds and Budget Justification – Capital Project Details.

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2019.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$365,000	\$0	\$0	\$0	\$365,000

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2019.

We are seeking funding from the following sources for fiscal year 2019:

Aloha United Way  
 City and County of Honolulu Grant-in-Aid  
 Friends of Hawaii Charities  
 Harry and Jeanette Weinberg Foundation  
 Hawaii Community Foundation  
 Henry and Colene Wong Foundation  
 State of Hawaii Grant in Aid  
 State of Hawaii, Judiciary  
 The Waterhouse Charitable Trust  
 Individual Contributions  
 Legacy and Bequests  
 Corporate and Business Contributions  
 Facility Rentals  
 Special Event Fundraiser

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.

Palama Settlement has not applied for nor has been granted any state or federal tax credits within the prior three years and has no plans to apply for any capital project.

5. The applicant shall provide a listing of all federal, state, and county government contracts, grants, and grants in aid it has been granted within the prior three years and will be receiving for fiscal year 2019 for program funding.

Please see attached spreadsheet: Government Contracts, Grants, and/or Grants in Aid.

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2017.

The balance of unrestricted current assets as of December 31, 2017 was \$181,400.

#### IV. Experience and Capability

1. 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.

Palama Settlement has a large campus and multiple buildings to maintain. There are two original buildings still standing, both of which were built in the 1920s. The facility coordinator is experienced in working with contractors and vendors, as these buildings require considerable maintenance work each year. Most recently, Palama contracted work to remove and replace the bleachers in the gym, which are almost 60 years old and no longer easy to use or clean. The bleacher work will commence this spring.

Replacing the grating is the second part to updating the gym and making sure it is safe for future years of continued use.

2. 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.

Palama Settlement's large gym holds three basketball courts and a studio area and weight room upstairs. There is a large lanai with a few picnic tables outside that can be used as a gathering space. These are acceptable areas for the senior dance and tai chi classes, the youth volleyball and basketball programs, the community events, and the outside athletic organizations that rent for their own practices. The activities will halt briefly while the gym grating is being replaced.

Palama is accessible via city bus and there is ample on-campus parking behind the gym. In addition to replacing the grating to deter break-ins, the areas next to the gym are well lit at night and monitored by security cameras.

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

1. 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.

The facility coordinator, who will oversee this project, is highly qualified based on her ability to oversee previous projects of similar or larger scope on campus.

2. 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 organization chart that illustrates the placement of this request.

The facility coordinator will oversee this project, work directly with the contractors, and report updates to the executive director and board of trustees.

Please see attached: Palama Settlement Organization Chart.

3. 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.

Executive Director - \$100,000  
Program Administrator - \$63,200  
Business Officer Manager - \$53,000  
Recreation Director - \$53,000

#### VI. Other

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

Palama Settlement is not party to any pending litigation nor party to any outstanding judgment.

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

Not applicable.

3. The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question.

If awarded, this grant will not be used to support or benefit a sectarian or non-sectarian private educational institution.

4. The applicant shall provide a plan for sustaining after fiscal year 2018-19 the activity funded by the grant if the grant of this application is:
  - (a) Received by the applicant for fiscal year 2018-19, but
  - (b) Not received by the applicant thereafter.

The replacement of the gymnasium grating is a one-time project and will not require future funding. Should partial funds be awarded through the State Grant-in-Aid, Palama Settlement will approach other sources for funding to complete the projects. The funds necessary for ongoing general facility maintenance after the grating is replaced is accounted for in Palama Settlement's annual budget and will be acquired through regular fundraising from foundations, trusts, individual donors, and corporate and business sponsorships.

5. If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2017.

Please see attached: Certificate of Good Standing.

6. The applicant shall submit a declaration statement affirming its compliance with Section 42F-103, Hawaii Revised Statutes. ([Link](#))

Please see attached: Declaration Statement of Applicants for Grants Pursuant to Chapter 42F, Hawai'i Revised Statutes.

7. The applicant shall specify whether the grant will be used for a public purpose pursuant to Section 42F-102, Hawaii Revised Statutes. ([Link](#))

The grant will be used for the public purpose of providing a safe recreational facility for the Kalihi-Palama community, as described in Section I, Question 3.



## BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2018 to June 30, 2019

Applicant: Palama Settlement

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
<b>A. PERSONNEL COST</b>				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
<b>TOTAL PERSONNEL COST</b>				
<b>B. OTHER CURRENT EXPENSES</b>				
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				
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20				
<b>TOTAL OTHER CURRENT EXPENSES</b>				
<b>C. EQUIPMENT PURCHASES</b>				
<b>D. MOTOR VEHICLE PURCHASES</b>				
<b>E. CAPITAL</b>	365,000			
<b>TOTAL (A+B+C+D+E)</b>	<b>365,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	365,000	Leah Lee (808) 848-2532		
(b) Total Federal Funds Requested	0	[Redacted Signature] Phone		
(c) Total County Funds Requested	0	1/19/18 Date		
(d) Total Private/Other Funds Requested	0	Signature of Authorized Official		
<b>TOTAL BUDGET</b>	<b>365,000</b>	Earl Fusato, Executive Director Name and Title (Please type or print)		

## BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2018 to June 30, 2019

Applicant: Palama Settlement

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2016-2017	FY: 2017-2018	FY:2018-2019	FY:2018-2019	FY:2019-2020	FY:2020-2021
PLANS	0	0	365000	0	0	0
LAND ACQUISITION						
DESIGN						
CONSTRUCTION						
EQUIPMENT						
<b>TOTAL:</b>			<b>365,000</b>			
<b>JUSTIFICATION/COMMENTS:</b> The quote Palama Settlement received for work was for \$365,000.00. Should Palama not receive funding through the State Grant in Aid, the project will not move forward. Should partial funding be secured, Palama will approach other foundations for the balance. The cost breakdown comes out to: \$114,000 demo/prep, \$23,000 installation of screen, \$21,000 elevated platforms, totaling \$365,000.						

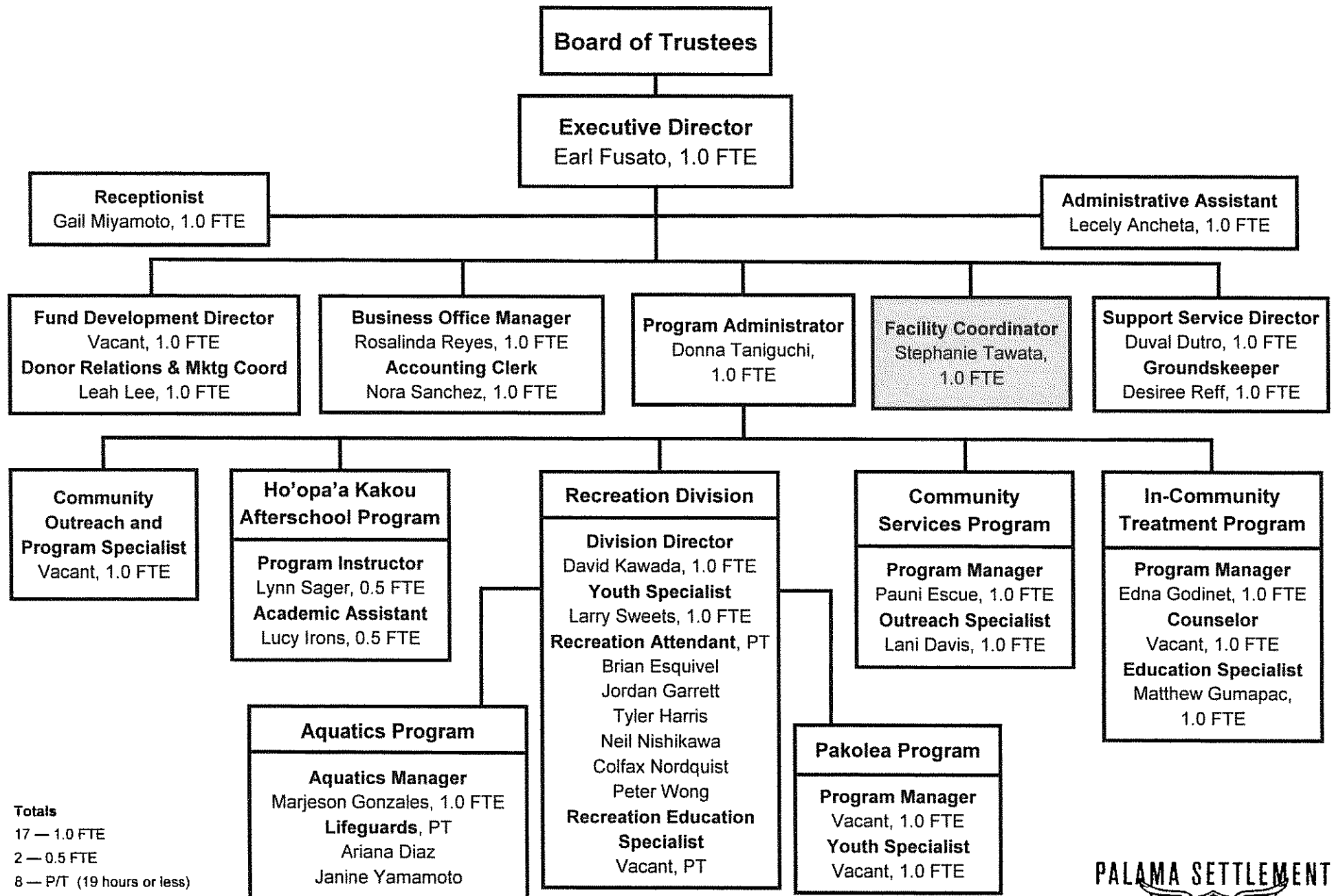
**GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID**

Applicant: Palama Settlement

Contracts Total: 87,929

	<b>CONTRACT DESCRIPTION</b>	<b>EFFECTIVE DATES</b>	<b>AGENCY</b>	<b>GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)</b>	<b>CONTRACT VALUE</b>
1	Contract No. J18087	July 1, 2017 - June 30, 2019	Judiciary	State of Hawaii	\$53.55/school day provided to each juvenile referred by the
2	Contract No. PS2018A09	July 1, 2017 - June 30, 2018	State Grant in Aid Executive Office on Aging	State of Hawaii	35,000
3	Contract No. CT-DCS-1800049	October 1, 2017 - September 30, 2018	City Grant in Aid Department of Community Services	City of Honolulu	52,929
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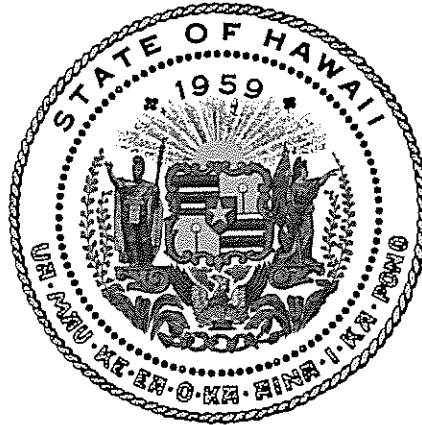
# PALAMA SETTLEMENT ORGANIZATION CHART



Totals  
 17 — 1.0 FTE  
 2 — 0.5 FTE  
 8 — P/T (19 hours or less)

Updated January 2018





## Department of Commerce and Consumer Affairs

### CERTIFICATE OF GOOD STANDING

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

#### PALAMA SETTLEMENT

was incorporated under the laws of Hawaii on 07/21/1910 ; that it is an existing nonprofit corporation; and that, as far as the records of this Department reveal, has complied with all of the provisions of the Hawaii Nonprofit Corporations Act, regulating domestic nonprofit corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, Hawaii.

Dated: January 17, 2018

Director of Commerce and Consumer Affairs



**DECLARATION STATEMENT OF  
APPLICANTS FOR GRANTS 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 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 is awarded;
  - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
  - c) Agrees not to use state funds for entertainment or lobbying activities; and
  - d) Allows the state agency to which funds for the grant were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant.
- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, 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 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 used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant used for the acquisition of the land.

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

Palama Settlement

 (Signature)

1/19/18

(Date)

Earl Fusato  
(Typed Name)

Executive Director  
(Title)