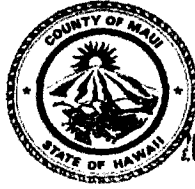


ALAN M. ARAKAWA  
MAYOR

JOSEPH PONTANILLA  
PROGRAM MANAGER



RECEIVED

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OFFICE OF THE MAYOR

OFFICE OF THE MAYOR

COUNTY OF MAUI

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

200 South High Street

Wailuku, Maui, Hawaii USA 96793-2155

Telephone (808) 270-7213

Fax (808) 270-7159

E-mail: cdbg@mauicounty.gov

March 7, 2018

Honorable Alan M. Arakawa  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

For Transmittal to:

Riki Hokama, Chair  
Budget and Finance Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

A handwritten signature, likely of Joseph Pontanilla, is written over a horizontal line. To the right of the signature, the date "3/7/18" is handwritten.

Dear Chair Hokama:

**SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM  
(PROGRAM YEAR 2018/FISCAL YEAR 2019: JULY 1, 2018 TO JUNE 30,  
2019) (BF-2(2))**

I am transmitting the amended signature page for the Conflict of Interest Questionnaire signed by Linda Clark as requested by letter dated March 2, 2018.

If you have any questions, please do not hesitate to contact me at Ext. 7213.

Sincerely,

A handwritten signature of Joseph Pontanilla is written in cursive. Below the signature, the name "JOSEPH PONTANILLA" and title "CDBG Program Manager" are printed.

JOSEPH PONTANILLA  
CDBG Program Manager

Enclosures

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **County of Maui CDBG Statement on Conflict of Interest, quotation of 24 CFR § 570.611 and the Conflict of Interest Questionnaire**

Federal, State and County regulations prohibits employees and public officials from participating on behalf of the County of Maui in any transaction in which they have a financial interest in or perception thereof. This questionnaire must be completed and submitted by each applicant for County of Maui Community Development Block Grant (CDBG) funding as Attachment P. The purpose of this questionnaire is to determine if the applicant, or any of the applicant's staff, or any of the applicant's Board of Directors would be in conflict of interest. Carefully read and understand the following:

### **HUD REGULATION REGARDING CONFLICT OF INTEREST**

#### **24 CFR § 570.611 Conflict of interest**

*(a) Applicability. (1) In the procurement of supplies, equipment, construction, and services by recipients and by subrecipients, the conflict of interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, shall apply. (2) In all cases not governed by 24 CFR 85.36 and 84.42, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient or by its subrecipients to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to Sec. 570.202; or grants, loans, and other assistance to businesses, individuals, and other private entities pursuant to Sec. 570.203, 570.204, 570.455, or 570.703(i)).*

*(b) Conflicts prohibited. The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decisionmaking process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. For the UDAG program, the above restrictions shall apply to all activities that are a part of the UDAG project, and shall cover any such financial interest or benefit during, or at any time after, such person's tenure.*

*(c) Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or of subrecipients that are receiving funds under this part.*

*(d) Exceptions. Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis*

1. Is there any member(s) of the applicant's staff or any member(s) of the applicant's Board of Directors or governing body who is or has/have been within one year of the date of this questionnaire (a) a County of Maui employee or consultant, (b) a Maui County Council member, (c) an appointee of the Mayor of Maui County, and/or (d) a member of a County of Maui Board(s) and/or Commission(s)?

☒ Yes      ☐ No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate County of Maui employee (appointee or civil service) or consultant, Maui County Council member and/or a member of a County of Maui Board(s) and Commission(s).
Jonathan Starr	Board Member, Restoration Chair	Maui Redevelopment Agency Member for the Wailuku Redevelopment Area
Elise Moniz	Board Member, Secretary	Maui County Water Dept
Linda Clark	Board President/Chair	Hana Advisory Committee to the Maui Planning Commission (Advisory)

2. Will the CDBG funds requested by the applicant be used to award a subcontract to any individual(s) or business affiliate(s) who is/are currently or has/have been within one year of the date of this application (a) a County of Maui employee or consultant, (b) a Maui County Council member, (c) an appointee of the Mayor of Maui County, and/or (d) a member of a County of Maui Board(s) and/or Commission(s)?

☐ Yes      ☒ No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate County of Maui employee (appointee or civil service) or consultant, Maui County Council member and/or a member of a County of Maui Board(s) and Commission(s).

3. Is there any member(s) of the applicant's staff or member(s) of the applicant's Board of Directors or other governing body who are business partners, doing or has done business with (a) a County of Maui employee or consultant, (b) a Maui County Council member (c) an appointee of the Mayor of Maui County, and/or (d) a member of a County of Maui Board(s) and Commission(s)?

☐ Yes

☒ No

If yes, please list the name(s) and information requested below:

Name of member	Indicate County of Maui employee (appointee or civil service) or consultant, Maui County Council member and/or a member of a County of Maui Board(s) and Commission(s).	Indicate type of tie (Family or Business)	If family, indicate relationship


4. If there is a significant conflict of interest present, as indicated by answering **Yes** to any of the three (3) questions above, what have you done or will propose to do in order to address the conflict of interest? Please explain in detail. You may provide supplemental information as an Attachment to this questionnaire.

I have fully read and understood the HUD regulation regarding conflict of interest, 24 CFR 570.611 and have answered all of the questions truthfully to the best of my knowledge. **Failure to disclose conflicts of interest, intentionally or unintentionally, will result in disqualification of your application and will be immediately rejected.** The date of this attachment must correspond exactly to the date of the CDBG application.

Name of Applicant: Kaupo Community Association Inc.  
 Signature of Applicant's Representative Guido A Clark  
 Title President Date 3/7/18

Addition to Conflict of Interest Questionnaire:

4. Jonathan Starr is a member of the Board of Directors of Kaupo Community Association, Inc. and is the School Restoration Committee Chair and Project Manager for the Old Kaupo School Project. He also serves as an unpaid volunteer member of the Maui Redevelopment Agency. The Maui Redevelopment Agency was formed under Hawaii Revised Statute HRS 53-2, the State Urban Renewal Law, and has responsibility and duties related solely to designated Urban Redevelopment Areas. There is only one of these in Maui County, the Wailuku Redevelopment Area, which is part of the central core of the County, the Wailuku Redevelopment Area, which is part of the central core of Wailuku Town, on the opposite end of Maui from Kaupo. This agency encourages the revitalization of the streetscape of the Wailuku town core.

Linda Clark, Board President of Kaupo Community Association, Inc. serves as a volunteer on the Hana District Advisory Committee to the Maui Planning Commission. This body renders advice to the Maui Planning Commission on zoning and planning entitlements in the Hana district.

Elise Moniz, Board Secretary of Kaupo Community Association, Inc., an employee of the Maui County Department of Water.

Kaupo Community Association, Inc. contacted Maui Corporation Counsel for advice on this matter, and verbal advice was received from First Deputy Corporation Counsel Ed Kushi and Deputy Mike Hopper, who staff the agencies mentioned above, and advise the members. They felt that it would be difficult to foresee any circumstance where there could be connectivity, information flow, influence or relevance between service on these volunteer citizens' bodies and the functioning of the CDBG process, or to the service project undertaken by the Kaupo Community Association, Inc. to restore the old school buildings and provide necessary off-grid infrastructure for them in remote, rural Kaupo.

If the Kaupo Community Association, Inc. is chosen to enter into agreement to receive CDBG funding, the Association will again consult with Maui County Corporation Counsel and the Maui CDBG office, to find the most appropriate manner for public disclosure to fully satisfy HUD requirements and the public trust. Additionally, if in the future any potential situation develops where the perception or fact of conflict of interest could occur, Starr, Clark and Moniz will work with Corporation Counsel to further disclose this potential conflict and recuse themselves from any Association, Project, or Board or Commission action that would be involved or related.