

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

April 5, 2019

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Economic Development and Budget Committee, having met on March 14, 2019, and reconvened on March 19, 2019, makes reference to County Communication 19-84, from the Community Development Block Grant ("CDBG") Program Manager, transmitting a proposed resolution entitled "AUTHORIZING THE FILING OF AN APPLICATION WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, UNITED STATES OF AMERICA, FOR A GRANT UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM."

The purpose of the proposed resolution is to authorize the Mayor to execute and file an application with the United States Department of Housing and Urban Development ("HUD") that includes the recommended and alternate projects and amounts for CDBG funding for Program Year ("PY") 2019/Fiscal Year ("FY") 2020, which is the period from July 1, 2019 to June 30, 2020, totaling \$1,900,669. These projects were selected via competitive application and panel evaluation process, with approval by the Mayor.

The communication also transmitted the following documents regarding the recommended projects: (1) a summary of the applications received for CDBG funding in Program Year 2019; (2) listings of recommended projects and alternate projects with contact information; (3) executive summaries for each project; and (4) documents of significance that address "24 CFR 570.611 conflict of interest."

The CDBG program is a Federal program that began operation in 1975. It is formally known as "Title I" of the Housing and Community Development Act of 1974, as amended.

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CDBG is a program of HUD. It is the principal Federal program providing grants to states and local governments to devise innovative and constructive approaches to improve the physical, economic, and social conditions in their communities and benefit persons of low and moderate income.

By correspondence dated February 6, 2019, the CDBG Program Manager transmitted the Recommended 2019 CDBG Project Executive Summary for PY 2019/FY 2020, and a submission schedule for the Annual Action Plan for PY 2019.

The CDBG Program Manager stated six projects are recommended for funding in the following amounts:

1. \$300,000 to Hale Mahaolu for rehabilitation and the removal of asbestos within 12 units at Lahaina Surf;
2. \$250,000 to Hale Makua Health Services to replace one of two boilers at the Kahului facility as two boilers are required to ensure redundancy for heating water that is critical for resident care, cooking, and cleaning;
3. \$204,500 to Hale Makua Health Services for the roof resurfacing and recoating to waterproof the Wailuku facility to ensure residents, staff, the building interior, and equipment are kept safe and dry during storms and wet weather as the last rehabilitation to the roof was done in 2004;
4. \$615,783 to Ka Hale A Ke Ola Homeless Resource Centers, Inc., for the rehabilitation of the residential units in Building 6 as replacements and improvements will ensure long-term operational viability, and protect the health and safety of residents and staff; and

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5. \$150,252 to J. Walter Cameron Center, for rehabilitation activities to include upgrade of the fire safety system to meet Fire Code standards and rehabilitation of the therapeutic pool for special needs individuals and seniors.

These projects were submitted by the applicants in response to a Request for Proposals issued by the County. The open application process for proposals was held from November 1, 2018 to November 30, 2018. Eleven applications were received for consideration for PY 2019.

In addition, 20 percent of the grant request, or \$380,134, is recommended for CDBG Program Administration. These funds are used for salaries and fringe benefits, operational costs, and leased equipment.

The CDBG Program Manager further stated alternate projects have been identified. The alternate projects may be funded in the order described in the proposed resolution if any of the five recommended projects are deemed unsuitable for funding or should funds from prior years become available.

Your Committee notes the alternate projects recommended for funding are as follows:

1. \$47,748 (balance of funding request) to J. Walter Cameron Center, for rehabilitation activities to include upgrade of the fire safety system to meet Fire Code standards and rehabilitation of the therapeutic pool for special needs individuals and seniors.
2. \$763,352 to Maui Family Support Services, Inc., for rehabilitation of the interior of the building to include mold remediation in the ceiling, walls, and doors;

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3. \$150,000 to Big Brothers Big Sisters Hawaii, Inc., for the rehabilitation to include replacement of the roof, painting the exterior of the facility, and restoring air conditioning;
4. \$800,000 to Hana Health, for construction of the Hana Health Rehabilitation & Support Center, to accommodate a multitude of needs, including behavioral and mental health services, physical therapy and cardiac rehabilitation, outreach and enabling services, tele-medicine, and short-term medical respite services for patients transitioning from tertiary care back to their homes in Hana;
5. \$50,000 to Women in Need, for the Case Management Self-Sufficiency Program project to provide integrated case management services, crisis management, and domestic violence advocacy to persons who are homeless and persons experiencing domestic violence;
6. \$1,100,000 to Boys & Girls Clubs of Maui, Inc., for the construction of a stand-alone facility for the Boys & Girls Clubs of Maui, Paukukalo club; and
7. \$475,000 to Kaupo Community Association, Inc., for the rehabilitation of the Old Kaupo School to include an off-grid photovoltaic-based energy generation, storage, and distribution system; a water storage, filtration, pressurization, and distribution system; and a conforming septic system with distribution piping.

Your Committee found the recommended and alternate projects worthy of support.

Your Committee voted 9-0 to recommend adoption of the proposed resolution and filing of the communication. Committee Chair

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Rawlins-Fernandez, Vice-Chair King, and members Hokama, Kama, Lee, Molina, Paltin, Sinenci, and Sugimura voted "aye."

At the request of your Committee, the CDBG Program Manager transmitted the CDBG Program Year 2019 Application Rating Sheet.

Your Economic Development and Budget Committee RECOMMENDS the following:

1. That Resolution _____, attached hereto, entitled "AUTHORIZING THE FILING OF AN APPLICATION WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, UNITED STATES OF AMERICA, FOR A GRANT UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM," be ADOPTED; and
2. That County Communication 19-84 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



KEANI N.W. RAWLINS-FERNANDEZ, Chair

Resolution

No. _____

AUTHORIZING THE FILING OF AN APPLICATION
WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
UNITED STATES OF AMERICA,
FOR A GRANT UNDER THE
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

WHEREAS, pursuant to Title I, Housing and Community Acts of 1974 and 1977, and Section 7(d), Department of Housing and Urban Development Act, the United States of America has authorized the making of grants to public bodies to aid in financing housing and community development projects; and

WHEREAS, the assistance of the U.S. Department of Housing and Urban Development is desired to aid in the development of several community development projects within the County of Maui; now, therefore,

BE IT RESOLVED BY THE Council of the County of Maui:

1. That it does hereby authorize the Mayor of the County of Maui, or his duly authorized representative, to execute and file an application on behalf of the County of Maui with the U.S. Department of Housing and Urban Development for a grant of ONE MILLION NINE HUNDRED THOUSAND SIX HUNDRED SIXTY-NINE DOLLARS (\$1,900,669) to aid in the development of the following projects:

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- | | | |
|----|--|--------------------|
| 1. | Hale Mahaolu
Project: Hale Mahaolu Lahaina Surf Preservation
Rehabilitation of 12 units to include asbestos removal
at Lahaina Surf. | \$ 300,000 |
| 2. | Hale Makua Health Services
Project: Hale Makua Kahului Boiler Upgrade
The upgrade project will replace one of two boilers at
the Kahului facility. The primary boiler, which is 13
years old and not functioning, will be replaced with an
energy efficient boiler. Two boilers are required to
ensure redundancy for heating water that is critical for
resident care, cooking and cleaning. | \$ 250,000 |
| 3. | Hale Makua Health Services
Project: Hale Makua Wailuku Roof Resurfacing and
Recoating
The roof resurfacing and recoating will waterproof the
Wailuku facility to ensure residents, staff, the integrity
of the building interior and equipment are safe and dry
during storms and wet weather. | \$ 204,500 |
| 4. | Ka Hale A Ke Ola Homeless Resource Centers, Inc.
Project: KHAKO Renewal Project Phase 2, Building 6
Rehabilitation to the 12 units of Building 6 will ensure
a safe and habitable facility for homeless families.
Building 6 was built over 20 years ago. | \$ 615,783 |
| 5. | J. Walter Cameron Center
Project: Cameron Center Rehabilitation and
Improvements Project
Rehabilitation activities to include upgrade of the fire
safety system to meet current government fire code
standards and rehabilitation of the therapeutic pool for
special needs individuals and seniors. \$150,252 is
partial funding; total requested amount was 198,000. | \$ 150,252 |
| 6. | CDBG Program Administration | <u>\$ 380,134</u> |
| | Total | \$1,900,669 |

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Furthermore, as recommended by the U.S. Department of Housing and Urban Development to avoid compromising the performance of the County of Maui CDBG Program in the accomplishment of its objectives, should any of the projects listed above prove not feasible for funding, is not in the position for funding as represented in the CDBG application, or should any funds from prior years become available for reprogramming actions by the CDBG Program Manager during Program Year 2019, the funds may be reallocated among the current open projects if funds have been progressively spent down and upon substantiated need of additional funding for completion of the project, or the current alternate projects may be funded in the order presented herein. If in the absence of viable current alternate projects proposed in the CDBG 2019 Program Year for the consideration of reprogrammable funds, alternate projects from prior years may be considered, but shall be required to first submit an updated application and be evaluated for its project readiness and viability in meeting the desired community needs pursuant to the Consolidated Plan. In the assignment of reprogrammable funds, primary considerations shall be the substantiated and justifiable need for additional funding, the readiness of use of funds and the timely expenditure of funds.

If the current alternate projects are not funded during the CDBG 2019 Program Year, the alternate projects will be required to submit an updated application to be considered for reprogrammable funds in future program years.

These Alternate Projects shall be:

1. J. Walter Cameron Center \$ 47,748
Project: Hale Makua Wailuku Fire Alarm System Upgrade
Rehabilitation activities to include upgrade of the fire safety system to meet current government fire code standards and rehabilitation of the therapeutic pool for special needs individuals and seniors.

2. Maui Family Support Services, Inc. \$ 763,352
Project: Rehabilitation of MFSS Building
Rehabilitation of the interior of the building to include mold remediation in the ceiling, walls and doors.

3. Big Brothers Big Sisters Hawaii, Inc. \$ 150,000
Project: Hale Makana Mentor Center Restoration
Rehabilitation to include replace of the roof, painting the exterior of the facility and restore air conditioning.

4. Hana Health \$ 800,000
Project: Hana Health Rehabilitation & Support Center
Construction of the Hana Health Rehabilitation & Support Center will accommodate a multitude of needs including behavioral and mental health services, physical therapy and cardiac rehabilitation, outreach and enabling services, tele-medicine and short term medical respite services for patients transitioning from tertiary care back to their homes in Hana.

5. Women In Need \$ 50,000
Project: Case Management Self-Sufficiency Program
This project will provide integrated case management services, crisis management and domestic violence advocacy to the homeless and domestic violence population.

6. Boys & Girls Clubs of Maui, Inc. \$ 1,100,000
Project: Paukukalo Clubhouse Construction
Project
Construction of a stand-alone facility for the Boys & Girls Clubs of Maui, Paukukalo club.

7. Kaupo Community Association, Inc. \$ 475,000
Project: Infrastructure Related to Old

Kaupo School Restoration

Rehabilitation of the Old Kaupo School to include an off-grid photovoltaic based energy generation, storage and distribution system; a water storage, filtration, pressurization and distribution system; and a conforming septic system with distribution piping.

Total \$3,386,100

2. That the Mayor, or his duly authorized representative, is also hereby authorized to receive and accept any grant award, to execute and file all understandings and assurances contained therein, and to furnish such information as the U.S. Department of Housing and Urban Development may request in connection with the application which is herein authorized to be filed; and further, the Mayor is hereby authorized to accept the grant upon its approval by the U.S. Department of Housing and Urban Development, and to execute all documents necessary for the acceptance and implementation of any grant award received pursuant to the application filed; and

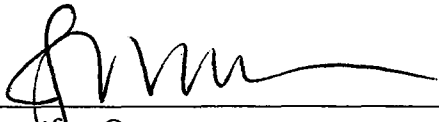
3. That the Mayor, or his duly authorized representative, is hereby authorized to execute any and all documents necessary to process and accept such funds, including any amendments thereto; and

4. That in as much as the amount of the grant specified herein above may vary when finally approved, the authorizations herein granted shall be applicable to the amount or amounts specified in the notification of grant award or similar comparable document, including any contingency funds that the U.S. Department of Housing and Urban Development may allocate, and

that such amounts may be expended if appropriated under the terms of the budget ordinance or any amendment thereof; and

5. That certified copies of this resolution be transmitted to the Mayor, the Director of Finance, the Budget Director and the CDBG Program Manager.

APPROVED AS TO FORM
AND LEGALITY:



Jennifer Oana
Deputy Corporation Counsel
COUNTY OF MAUI