

MICHAEL P. VICTORINO
MAYOR

JOSEPH PONTANILLA
PROGRAM MANAGER



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OFFICE OF THE MAYOR
COUNTY OF MAUI
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

OFFICE OF THE
COUNTY CLERK

March 22, 2021

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Michael P. Victorino 3-23-21
Mayor Date

For Transmittal to:

Honorable Alice L. Lee, Chair
and Council Members
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee:

**SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM FOR THE
PROGRAM YEAR 2021/FISCAL YEAR 2022**

I am 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 filing of an application with the Department of Housing and Urban Development (HUD) that includes the recommended projects and amounts for CDBG funding for Program Year 2021 (July 1, 2021 - June 30, 2022). These projects were selected for recommendation via competitive application and panel evaluation process with approval by the Mayor.

The following documents regarding the recommended projects are included for your information: (1) a summary of the applications received for CDBG funding in Program Year 2021; (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."

COUNTY COMMUNICATION NO. 21-169

Honorable Alice L. Lee, Chair
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The complete proposal applications, rating worksheets, scoring results and other related documents are available for your review. Please be advised that these documents are confidential until the grants have been awarded. If you wish to view these documents, please contact our office.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me at Ext. 7213.

Sincerely,



JOSEPH PONTANILLA
CDBG Program Manager

Enclosures

xc: Michele Yoshimura, Budget Director, w/o Attachments

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 FIVE THOUSAND SEVEN HUNDRED THIRTY DOLLARS (\$1,905,730) to aid in the development of the following projects:

Resolution No. _____

1.	Hale Makua Health Services Project: Hale Makua Kahului Elevator Upgrade Replacement of the primary service elevator at the Hale Makua Kahului facility which is 44 years old. The elevator replacement will ensure an equipment that is efficient, reliable and safe to meet the operational needs at the facility.	\$ 228,000
2.	Hale Makua Health Services Project: Hale Makua Kahului Freezer Installation Installation of an energy efficient walk-in freezer at the Hale Makua Kahului facility. The current freezer is 15 years old and unreliable to safely store produce.	\$ 187,000
3.	County of Maui, Department of Fire & Public Safety Project: Ho'olehua Fire Mini Pump Acquisition of a fire mini pumper apparatus to serve the West End of Molokai.	\$ 267,800
4.	County of Maui, Department of Fire and Public Safety Project: Hana Fire Rescue Pumper Acquisition of a rescue pumper apparatus to serve the Hana community. \$841,784 is partial funding; total requested amount was \$1,128,800.	\$841,784
5.	Community Development Block Grant (CDBG) Program Administration	\$381,146
Total		\$1,905,730

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 2021, the funds may be reallocated among the current open projects if funds have been progressively spent down and upon

Resolution No._____

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 2021 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 2021 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. | County of Maui, Department of Fire and Public Safety
Project: Hana Fire Rescue Pumper
Acquisition of a rescue pumper apparatus to serve the Hana community. | \$ 287,016 |
| 2. | County of Maui, Department of Fire and Public Safety
Project: Hana Fire Tanker
Acquisition of a fire tanker apparatus to serve the Hana Community. | \$600,000 |
| 3. | Aloha House, Inc.
Project: Sober Living Home Improvements and Expansion
Rehabilitation of a three-bedroom single family home and a two-bedroom detached cottage in Central Maui for | \$ 237,777 |

Resolution No. _____

the purpose of providing long-term "clean and sober" rental housing for single adults that are participating in or have completed substance abuse treatment and require additional on-going support to maintain sobriety.

Total \$1,124,793

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

Resolution No. _____

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:

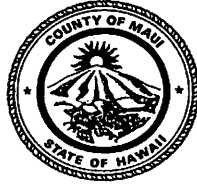
/s/ Daniel J. Kunkel

Deputy Corporation Counsel
COUNTY OF MAUI

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OFFICE OF THE MAYOR
COUNTY OF MAUI
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Applications Received for CDBG Funding in Program Year 2021

Eight (8) applications were received for consideration

Project proposals meeting minimum threshold factors and approved by Panel:

A. Recommended for full funding (in ranking order):

	<u>Amount</u>
1. Hale Makua Health Services – Hale Makua Kahului Elevator Upgrade	\$ 228,000
2. Hale Makua Health Services – Hale Makua Kahului Freezer Installation	\$ 187,000
3. County of Maui, Department of Fire and Public Safety – Ho’olehua Fire Mini Pumper	\$ 267,800

B. Recommended for partial funding:

4. County of Maui, Department of Fire and Public Safety – Hana Fire Rescue Pumper	<u>\$ 841,784</u>
Funds available for projects	\$1,524,584

C. - CDBG Administration – Not to exceed 20 percent of the annual grant amount \$ 381,146

ESTIMATED CDBG ALLOCATION FROM HUD FOR PROGRAM YEAR 2021 – TOTAL **\$1,905,730**

Project proposals meeting minimum threshold factors and proposed as Alternates:

Alternate Projects (in ranking order):

5. County of Maui, Department of Fire and Public Safety – Hana Fire Rescue Pumper	\$ 287,016
6. County of Maui, Department of Fire and Public Safety – Hana Fire Tanker	\$ 600,000
7. Aloha House, Inc. – Sober Living Home Improvements and Expansion	<u>\$ 237,777</u>
	<u>\$ 1,124,793</u>

Note: As recommended by HUD, alternated projects are identified to facilitate funding should projects proposed for funding not be viable upon official HUD award or other reprogramming funds become available.

Project proposals (or an apportion of) not meeting minimum threshold factors:

A. Homestead Community Development Corporation – Foreclosure Lease Cancellation Prevention	\$ 76,749
<u>Reason:</u> Project is not a priority based on the 2020 – 2024 County of Maui Consolidated Plan Survey.	
B. Homestead Community Development Corporation – Residential Employment Living Improvement Project	267,805
<u>Reason:</u> Project activity is ineligible.	

TOTAL FUNDING REQUESTED FOR Program Year 2021 **\$2,993,931**

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
RECOMMENDED PROJECTS FOR FUNDING
PROGRAM YEAR 2021

PROJECT NAME	APPLICANT	CONTACT PERSON/ POSITION TITLE	ADDRESS/TELEPHONE
1. Hale Makua Kahului Elevator Upgrade	Hale Makua Health Services	Wesley Lo Chief Executive Officer	472 Kaulana Street Kahului, HI 96732 Ph# (808) 871-9217
2. Hale Makua Kahului Freezer Installation	Hale Makua Health Services	Wesley Lo Chief Executive Officer	472 Kaulana Street Kahului, HI 96732 Ph# (808) 871-9217
3. Ho'olehua Fire Mini Pumper	County of Maui, Department of Fire & Public Safety	David Thyne Fire Chief	200 Dairy Road Kahului, HI 96732 Ph# (808) 270-7562
4. Hana Fire Rescue Pumper	County of Maui, Department of Fire & Public Safety	David Thyne Fire Chief	200 Dairy Road Kahului, HI 96732 Ph# (808) 270-7562

ALTERNATE PROJECTS

PROJECT NAME	APPLICANT	CONTACT PERSON/ POSITION TITLE	ADDRESS/TELEPHONE
5. Hana Fire Rescue Pumper - (funding shortfall portion – 1st Alternate)	County of Maui, Department of Fire & Public Safety	David Thyne Fire Chief	200 Dairy Road Kahului, HI 96732 Ph# (808) 270-7562
6. Hana Fire Tanker	County of Maui, Department of Fire & Public Safety	David Thyne Fire Chief	200 Dairy Road Kahului, HI 96732 Ph# (808) 270-7562
7. Sober Living Home Improvements and Expansion	Aloha House, Inc.	Jud Cunningham Chief Executive Officer	P.O. Box 791749 Paia, HI 96779 Ph# (808) 579-8414

Recommended 2021 CDBG Project

Executive Summary

Based on information provided by the Applicant

Applicant: Hale Makua Health Service

Funding Requested: \$228,000

Funding Recommended: \$228,000

Project: Hale Makua Kahului - Elevator Upgrade

Funding is requested for the replacement of the primary service elevator at the Hale Makua Kahului facility which is 44 years old. The elevator replacement will ensure an equipment that is efficient, reliable and safe to meet the operational needs at the Kahului facility.

Estimated (Annual) Number of Beneficiaries: 571

Eligible Activity: The project meets the requirement of 24 CFR 570.201(c) Public Facilities and Improvements.

National Objective: The project will meet the national objective of 24 CFR 570.208(a)(2)(i) Limited Clientele – Presumed Benefit as primary beneficiaries of the nursing home and adult day care health care center are elderly and frail and generally presumed to be principally low and moderate income persons. Confidential documentation for clientele intake are held at the agency.

Community Development Goal: The project satisfies Goal PF-2: Rehabilitate health facilities to benefit predominantly low- and moderate- income persons

Priority Community Development Need: The project satisfies Public Facility Needs – Health Facilities for the elderly and disabled individuals (High).

Budget (as provided by Applicant):

Anticipated Funding	Funds	Major Project Expenses	Estimated Expenses
CDBG	\$228,000		\$228,000
Total Funds:	\$228,000	Total Expenses:	\$228,000

Recommended 2021 CDBG Project
Executive Summary

Based on information provided by the Applicant

Applicant: Hale Makua Health Services

Funding Requested: \$187,000

Funding Recommended: \$187,000

Project: Hale Makua Kahului Freezer Installation

Funding is requested to install a walk-in freezer at the Hale Makua Kahului facility. The current freezer which is 15 years old is unreliable to store produce safely. The current freezer will be replaced with an energy efficient walk-in freezer. This will insure food produce can be stored safely.

Estimated (Annual) Number of Beneficiaries:571

Eligible Activity: The project meets the requirement of 24 CFR 570.201(c) Public Facility and Improvements.

National Objective: The project will meet the national objective of 24 CFR 570.208(a)(2)(i) Limited Clientele – Presumed Benefit as the primary beneficiaries of the nursing home and adult day care health care center are elderly and frail and generally presumed to be principally low- and moderate-income persons. Confidential documentation for clientele intake are held at the agency. The clientele are the elderly who are over 55 years old with disabilities requiring the use of wheelchairs and walkers and bedridden and/or mentally/emotionally disabled with alzheimers or dementia.

Community Development Goal: The project satisfies Goal PF-2: Rehabilitate health facilities to benefit predominantly low- and moderate-income persons.

Priority Community Development Need: The project satisfies Public Facility Needs – Health Facilities for the elderly and disabled individuals (High).

Budget (as provided by Applicant):

Anticipated Funding	Funds	Major Project Expenses	Estimated Expenses
CDBG	\$187,000		\$187,000
Total Funds:	\$187,000	Total Expenses:	\$187,000

Recommended 2021 CDBG Project

Executive Summary

Based on information provided by the Applicant

Applicant: County of Maui, Department of Fire and Public Safety

Funding Requested: \$267,800

Funding Recommended: \$267,800

Project: Hoolehua Fire Mini Pumper Type 5 Engine

Funding is requested for acquisition of a fire mini pumper apparatus for the Ho'olehua, Maunaloa, Kualapuu, Kalae and Ke Nani Kai communities of central and west Molokai which is an eligible activity under 24 CFR 570.201(c) and who are residents in a particular area where 51 percent of the residents are of low to moderate income as defined under 24 CFR 570.208(a)(1)(i).

Estimated (Annual) Number of Beneficiaries: 811

Eligible Activity: The project meets the requirements of 24 CFR 570.201(c)

National Objective: The project meets the National Objective of 24 CFR 570.208(a)(1)(i) Area Benefit Activities where 51 percent of the residents in a particular area are low to moderate income persons. County of Maui 2010 Census Data: DISTRICT: East Molokai (Kaunakakai) Tract: 031700 BLKGRP: 1 LOWMOD PCT: 70.1%, BLKGRP: 2 LOWMOD PCT: 74.9%, BLKGRP: 3 LOWMOD PCT: 74.2%, BLKGRP: 4 LOWMOD PCT: 56.2%, BLKGRP: 5 LOWMOD PCT: 67.2%. TOTAL LOWMOD PCT: 68.5%. DISTRICT: West Molokai (Hoolehua) Tract: 031800 BLKGRP: 1 LOWMOD PCT: 64.4%, BLKGRP: 2 LOWMOD PCT: 73.1%. Total LOWMOD PCT: 68.7%.

Community Development Goal: The Project satisfies Goal PF-3: Acquire public safety equipment/apparatus in low- and moderate-income communities.

Priority Community Development Need: The Project satisfies Public Facility Needs for Fire Stations/Equipment (High).

Budget (as provided by Applicant):

Anticipated Funding	Funds	Major Project Expenses	Estimated Expenses
CDBG	\$267,800		\$267,800
Total Funds:	\$267,800	Total Expenses:	\$267,800

Recommended 2021 CDBG Project
Executive Summary

Based on information provided by the Applicant

Applicant: County of Maui, Department of Fire and Public Safety

Funding Requested: \$1,128,800

Funding Recommended: \$841,784

Project: Hana Fire Rescue Pumper Type 1 Engine

Funding is requested for acquisition of a Fire Rescue Pumper for the Hana Community.

Estimated (Annual) Number of Beneficiaries: 1047

Eligible Activity: The Project meets the requirements of 24 CFR 570.201(c) Public Facilities & Improvements as fire protection equipment is considered for this purpose to be an integral part of a public facility.

National Objective: The Project meets the National Objective of 24 CFR 570.208(a)(1)(i) Area Benefit Activities where 51 percent of the residents in a particular area are low to moderate income persons. In 2019 a survey done by SMS Marketing and Research, Inc. revealed that 51.1 percent of Hana's residents are of principally low and moderate income confirming that this area meets the national objective.

Community Development Goal: The Project satisfies Goal PF-3: Acquire public safety equipment/apparatus in low- and moderate-income communities.

Priority Community Development Need: The Project satisfies Public Facility Needs for Fire Stations/Equipment (High).

Budget (as provided by Applicant):

Anticipated Funding	Funds	Major Project Expenses	Estimated Expenses
CDBG	\$841,784		\$841,784
Total Funds:	\$841,784	Total Expenses:	\$841,784

Recommended 2021 CDBG Project
Executive Summary

Based on information provided by the Applicant

Applicant: County of Maui, Department of Fire and Public Safety (1st Alternate)

Funding Requested: \$1,128,800

Funding Recommended: \$287,016

Project: Hana Fire Rescue Pumper Type 1 Engine

Funding is requested for acquisition of a Fire Rescue Pumper for the Hana Community.

Estimated (Annual) Number of Beneficiaries: 1047

Eligible Activity: The Project meets the requirements of 24 CFR 570.201(c) Public Facilities & Improvements as fire protection equipment is considered for this purpose to be an integral part of a public facility.

National Objective: The Project meets the National Objective of 24 CFR 570.208(a)(1)(i) Area Benefit Activities where 51 percent of the residents in a particular area are low to moderate income persons. In 2019 a survey done by SMS Marketing and Research, Inc. revealed that 51.1 percent of Hana's residents are of principally low and moderate income confirming that this area meets the national objective.

Community Development Goal: The Project satisfies Goal PF-3: Acquire public safety equipment/apparatus in low- and moderate-income communities.

Priority Community Development Need: The Project satisfies Public Facility Needs for Fire Stations/Equipment (High).

Budget (as provided by Applicant):

Anticipated Funding	Funds	Major Project Expenses	Estimated Expenses
CDBG	\$287,016		\$287,016
Total Funds:	\$287,016	Total Expenses:	\$287,016

Recommended 2021 CDBG Project
Executive Summary

Based on information provided by the Applicant

Applicant: County of Maui, Department of Fire and Public Safety (2nd Alternate)

Funding Requested: \$600,000

Funding Recommended: \$0

Project: Hana Fire Tanker Type 2 Engine

Funding is requested for acquisition of a Fire Tanker for the Hana Community.

Estimated (Annual) Number of Beneficiaries: 1047

Eligible Activity: The Project meets the requirements of 24 CFR 570.201(c) Public Facilities& Improvements as fire protection equipment is considered for this purpose to be an integral part of a public facility.

National Objective: The Project meets the National Objective of 24 CFR 570.208(a)(1)(i) Area Benefit Activities where 51 percent of the residents in a particular area are low to moderate income persons. In 2019 a survey done by SMS Marketing and Research, Inc. revealed that 51.1 percent of Hana's residents are of principally low and moderate income confirming that this area meets the national objective.

Community Development Goal: The Project satisfies Goal PF-3: Acquire public safety equipment/apparatus in low- and moderate-income communities.

Priority Community Development Need: The Project satisfies Public Facility Needs for Fire Stations/Equipment (High).

Budget (as provided by Applicant):

Anticipated Funding	Funds	Major Project Expenses	Estimated Expenses
CDBG	\$0		\$0
Total Funds:	\$0	Total Expenses:	\$0

Recommended 2021 CDBG Project
Executive Summary

Based on information provided by the Applicant

Applicant: Aloha House, Inc. (3rd Alternate)

Funding Requested: \$237,777

Funding Recommended: \$0 (3rd Alternate – Rank#7)

Project: Sober Living Program Home Improvements and Expansion

Funding is requested for the renovation of a 3 bedroom single family home and a 2 bedroom detached cottage in Central Maui for the purpose of providing long –term “clean and sober” rental housing for single adults that are participating in or have completed substance abuse treatment and require additional on-going support to maintain sobriety.

Estimated (Annual) Number of Beneficiaries: 14

Eligible Activity: The Project meets the requirement of 24 CFR 570.201(k) Housing services.

National Objective: The Project will meet the national objective of 24 CFR 570.208(a)(2)(i) Limited Clientele - Presumed Benefit as primary beneficiaries of the sober living program are generally presumed to be principally low and moderate income persons.

Community Development Goal: The project satisfies Goal PS-1: Support substance abuse individuals predominately low- and moderate-income persons with shelter during treatment and recovery.

Priority Community Development Need: The project satisfies Special Needs – Developmental Disability and Alcohol/Drug Abuse.

Budget (as provided by Applicant):

Anticipated Funding	Funds	Major Project Expenses	Estimated Expenses
CDBG	\$0		\$0
Total Funds:	\$0	Total Expenses:	\$0

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

when it has satisfactorily met the threshold requirements of (d)(1) of this section, taking into account the cumulative effects of paragraph (d)(2) of this section.

(1) Threshold requirements. HUD will consider an exception only after the recipient has provided the following documentation:

- (i) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and*
- (ii) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.*

(2) Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d)(1) of this section, HUD shall conclude that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project, taking into account the cumulative effect of the following factors, as applicable:

- (i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;*
- (ii) Whether an opportunity was provided for open competitive bidding or negotiation;*
- (iii) Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;*
- (iv) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decisionmaking process with respect to the specific assisted activity in question;*
- (v) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section.*
- (vi) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and*

Any other relevant considerations.

After reading and understanding the **HUD REGULATION REGARDING CONFLICT OF INTEREST** (24 CFR § 570.611) above please answer the following questions:

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).
Josiah Nishita	Deputy Managing Director	Mayors appointed member of Hale Makua Board of Directors

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.

As a County employee and member of the Hale Makua Health Services Board of Directors, Josiah Nishita will recuse himself from any board matters pertaining to this CDBG grand application and will not in any way try to alter the decision of the CDBG grant award.

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: Hale Makua Health Services, Wesley Lo

Signature of Applicant's Representative

A handwritten signature in black ink, appearing to be 'M. H.', written over a horizontal line.

Title_Chief Executive Officer

Date

12/30/20