

House District 20

Senate District 9

**THE TWENTY-FOURTH LEGISLATURE
HAWAII STATE LEGISLATURE
APPLICATION FOR GRANTS & SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

Log No: 204-C

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:

Palolo Chinese Home

Db/a:

n/a

Street Address: 2459 10th Avenue, Honolulu HI 96816

Mailing Address: 2459 10th Avenue, Honolulu HI 96816

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name DARRYL ING

Title Chief Executive Officer

Phone # 808-739-6033

Fax # 808-735-1754

e-mail darryl.i@palolohome.org

3. TYPE OF BUSINESS ENTITY:

NON PROFIT CORPORATION

FOR PROFIT CORPORATION

LIMITED LIABILITY COMPANY

SOLE PROPRIETORSHIP/INDIVIDUAL

4. FEDERAL TAX ID #: _____

5. STATE TAX ID #: _____

6. SSN (IF AN INDIVIDUAL): _____

7. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

PALOLO CHINESE HOME'S CAMPUS REDEVELOPMENT

(Maximum 300 Characters)

8. FISCAL YEARS AND AMOUNT OF STATE FUNDS REQUESTED:

FY 2008-2009 \$1,000,000

9. 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

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

AUTHORIZED SIGNATURE

DARRYL ING, CHIEF EXECUTIVE OFFICER
NAME & TITLE

1/30/08

DATE SIGNED

Application for Grants and Subsidies

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

1. A BRIEF description of the applicant's background

The **Palolo Chinese Home (PCH)** is a 501 (c) (3) not-for profit organization. Its origins date back to 1896 and it is Hawaii's largest and second oldest Adult Residential Care Home (ARCH II – Expanded Care). PCH provides residential care for 50 seniors; 15 skilled nursing/ intermediate care beds; adult day care for 30 senior participants; and adult respite care. PCH's innovative community-based HiNOA (Hawaii Neighborhood Outreach to the Aged) program provides services for seniors in their homes such as physician home visits and in-home meals. PCH is one of the largest suppliers of hot meals to the Hawaii Meals on Wheels program and provides in-home meals through its own programs to seniors. PCH is also able to provide hospice care on its premises through an arrangement with Hospice Hawaii.

2. The goals and objectives related to the request

In 2003, PCH embarked on a phased campus redevelopment project to update and modernize its aging facilities and to increase its capacity to provide much needed services to the growing elderly in Hawaii. PCH is currently in Phase II of its Master Plan, the construction of a three-story Skilled Nursing / Food Service Complex and improvements to supporting infrastructure, and is scheduled to complete construction in the summer of 2008. With Phase II firmly underway and

expected completion in a matter of months, PCH has begun plans to review and update its Master Plan with Phase III construction projected for 2009. Initial expenses are estimated to be \$1.0 million and PCH is seeking funding assistance for Phase III, which includes, assessment and design services and the planned renovation of two existing and aging buildings – the dining hall (built in 1957) which includes the present kitchen, and the care home building (built in 1967) which houses 50 PCH residents. Renovation expenses are estimated at \$700,000 and will include structural, plumbing and electrical upgrades. Plans are to renovate the dining room facility to create a community center and office space for the expanding HiNOA (outreach to the aged) program. Should the Master Plan assessment result in recommendations for a new building instead of renovations, PCH would then consider launching a new capital campaign and use the grant funds as “seed money” for the new campaign.

3. State the public purpose and need to be served

Hawaii has the nation’s longest average lifespan of 79 years. Hawaii also leads the nation in a shortage of skilled nursing beds, lack of affordable housing for seniors and the highest number of extended family households due to the high cost of living.¹ The poverty rate for those 65 years and over in Hawaii is 14 percent.² In the greater Kaimuki area alone, approximately 5,600 individuals age 65 years and older are living at or below the poverty level.³

Within PCH’s immediate neighborhood is one of Hawaii’s highest concentrations of senior citizens. The total population of seniors in the greater Palolo area is approximately 36,000 people aged 60 years and older or about 25 percent of the population. Of these, over 14,000 reside in the communities of Kaimuki,

¹ Health Trends in Hawaii: A Profile on the Health Care System, 4th edition, “Report on Family Caregivers,” Hawaii State Executive Office on Aging.

² Statehealthfacts.org, a project of the Henry J. Kaiser Family Foundation, provides data on more than 450 health topics.

³ UH Center on the Family data profile based on the 2000 U.S. Census.

Kapahulu and Palolo Valley. Another 22,000 live directly to the east and west of Palolo. These numbers are projected to steadily increase as Hawaii has the fastest growing rate of senior citizens per capita in the nation with the 60+ years population growing 2.5 times faster than the national average.

The nursing bed ratio in Hawaii is 28 beds per 1,000 people compared to the national ratio of 61 beds per 1,000 people. The cost of institutional care in Hawaii currently exceeds \$68,000 per year. By 2020, this figure is projected to reach \$200,000 per year.⁴

To alleviate this growing concern, PCH seeks to:

- Increase availability of resources for long-term care services
- Optimize seniors' physical and mental health and well-being
- Provide assistance and support of basic needs for seniors living in their homes
- Maximize the independence of frail elders in our communities
- Be a resource and support service to families and reduce their stress of caring for elderly family members.

The addition of new PCH nursing home beds and residences will help to alleviate these growing needs. In addition, PCH proposes to expand its services to the neighboring community through its HiNOA (Hawaii Neighborhood Outreach to the Aged) program which provides services for seniors in their homes such as physician home visits, chore services, and in-home meals, will also serve to address the needs and desires of families and their elders who wish to keep their elder parents at home. On average, PCH receives 100 calls per month from seniors and family members seeking assistance and outreach services. Currently, PCH is only able to provide support to a minority of these requests due to program and facility limitations

4. Describe the target population to be served

The target population to be served are senior citizens age 60 years and older.

⁴ "Report on Family Caregivers," Hawaii State Executive Office on Aging.

PCH engaged the national company Gerontological Services, Inc. (GSI) to conduct a study of the Hawaii market and assess its geriatric needs. The survey data in March 2000 was updated in 2005 at which time GSI reported an equal to or higher level of response confirming the demand and needs for: 1) elder care residences, and 2) services for elders in their own homes.

Approximately 76 percent of families surveyed by GSI indicated interest in housing at PCH and 75 percent indicated interest in community-based services. PCH has targeted its programs, services and the redevelopment of its campus to meet the very high need and interest reported in the market study.

5. Describe the geographic coverage.

PCH serves residents and clients from throughout Oahu. In addition, as part of the HiNOA program, PCH focuses on serving the elderly in the surrounding communities of Palolo, St. Louis Heights, Wilhelmina Rise, Kaimuki, Kapahulu and East Honolulu to Makiki.

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request.

1. Describe the scope of work, tasks and responsibilities

The assessment and planning for Phase III will be carried out by a qualified architectural firm to be selected. (Obayashi Design Group worked on Phase I and Kauahikaua & Chun Architects is the architectural firm for Phase II.) The firm will be charged with updating the current Master Plan. The plan projection will be for ten years and will maximize the use of the site based on the current and future needs of PCH.

The PCH Building Committee, comprised of the CEO, Administrator, Board member, architects, construction manager, and contractor will provide oversight and management of the project. The Home's CEO and a construction manager provide the day-to-day project oversight.

2. The applicant shall provide a projected annual timeline for accomplishing the results or outcomes of the service;

Please see attached – Appendix A

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

Annual inspections by the State Office of Healthcare Assurance provide an external review of PCH and its facilities. Inspections ensure compliance with State licensure rules, Medicare and Medicaid regulations, patient and resident safety and State and national fire codes.

Quality assurance monitoring of resident and participant services is provided by a facility-wide quality assurance program. This program monitors key indicators that include falls, skin tears and bruising, pressure ulcers, facility acquired infections, weight loss and dehydration, drug use, and employee injuries. All departments attend a quarterly meeting to review data collected in their reports, identify areas for improvement, and follow up actions to determine effectiveness.

4. The applicant shall 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.

Measures of effectiveness to assess achievement and accomplishment facilities improvements are:

- Review and approval of all design and construction plans by the Hawaii State Department of Health
- Review and approval of all design and construction plans by the City Department of Planning and Permit
- Inspection by the City Building Department upon completion of construction

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
2. The applicant shall provide its anticipated quarterly funding requirements for the fiscal year 2008-2009.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
	\$200,000	\$100,000	\$700,000	\$1,000,000

IV. Experience and Capability

A. Necessary Skills and Experience

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.

The Palolo Chinese Home has extensive experience in caring for frail seniors both on its campus and in their homes in the community. PCH has provided services at its present site for 91 years and from its origins as the Chinese Hospital for 112 years. It is Hawaii’s largest Adult Residential Care Home (ARCH) with Expanded Care. It has received its Certificate of Need to add 45 nursing home beds and to provide much needed skilled nursing services. It will continue to provide and increase its capacities for adult day care, overnight respite to seniors in the community and services to elders in their homes through its HiNOA

program. It is one of the largest providers of hot meals to the Hawaii Meals on Wheels program and has been requested to increase the number of meals being prepared for the program.

In addition, PCH has the expertise through its CEO, contractors and skilled volunteers to oversee and manage complex planning, development and construction projects.

Contracted Personnel / Organizations

- Taisei Construction Corporation
- Road Builders Corporation
- Constructors Hawaii
- Kauahikaua & Chun Architects
- Obayashi Design Group
- Construction Management & Development – Hawaii
- Hida, Okamoto & Associates
- Belt Collins Hawaii

B. Facilities

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. Also describe how the facilities meet ADA requirements, as applicable.

The Palolo Chinese Home is located on 15-acres in Palolo valley. Its campus presently has three major buildings. The one-story Victoria Ward building was built in 1967 and houses 50 ARCH residents and the two-story Lani Booth Building, which was renovated in 2004, provides rooms for 15 nursing home beds and the adult day care program. The residents' dining room and PCH's kitchen is located in the third building which was built in 1957. The kitchen facilities are slated to relocate to the new SNF/Food Complex building upon completion in summer 2008. A smaller two-story house provides offices for the CEO and

support staff. Hospice care for up to five patients is provided in a house adjacent to the main campus.

The new three-story Skilled Nursing / Kitchen Complex is under construction and scheduled to be completed in late summer 2008. When opened, it will provide an additional 45 skilled nursing beds, patient and resident dining and meeting rooms and a large commercial kitchen.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

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.

Management and administrative staff for the operation of the facility is presently available at PCH, including a licensed nursing home administrator as required by State rules. PCH also has a full time Director of Nursing who is a trained geriatric nurse practitioner. Also, many PCH professional staff are teaching faculty at local nursing and nurse aide training programs. Additional staffing consisting of aides and activity coordinators and other care providers will be recruited and hired upon completion of the SNF / Food Service complex building.

B. Organization Chart

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 organizational chart that illustrates the placement of this request.

Please see attached – Appendix B

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.

N/A

B. Licensure or Accreditation

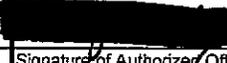
Specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

The Palolo Chinese Home is presently licensed with the Hawaii State Department of Health as an Adult Residential Care Home Type II – Expanded Care, ICF/SNF, Adult Day Care and a commercial kitchen. It has a Certificate of Need approval for a Skilled Nursing Facility with an additional 45 beds. It has City approved Conditional Use Permits (CUP); variances and minor amendments fulfilling land use requirements.

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2008 to June 30, 2009)

App

Palolo Chinese Home

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	1,000,000			
TOTAL (A+B+C+D+E)	1,000,000			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	1,000,000	Darryl Ing	808-739-8033	
(b)		Name (Please type or print)	Phone	
(c)			1/30/08	
(d)		Signature of Authorizer Official	Date	
TOTAL REVENUE	1,000,000	Darryl Ing, Chief Executive Officer		
		Name and Title (Please type or print)		

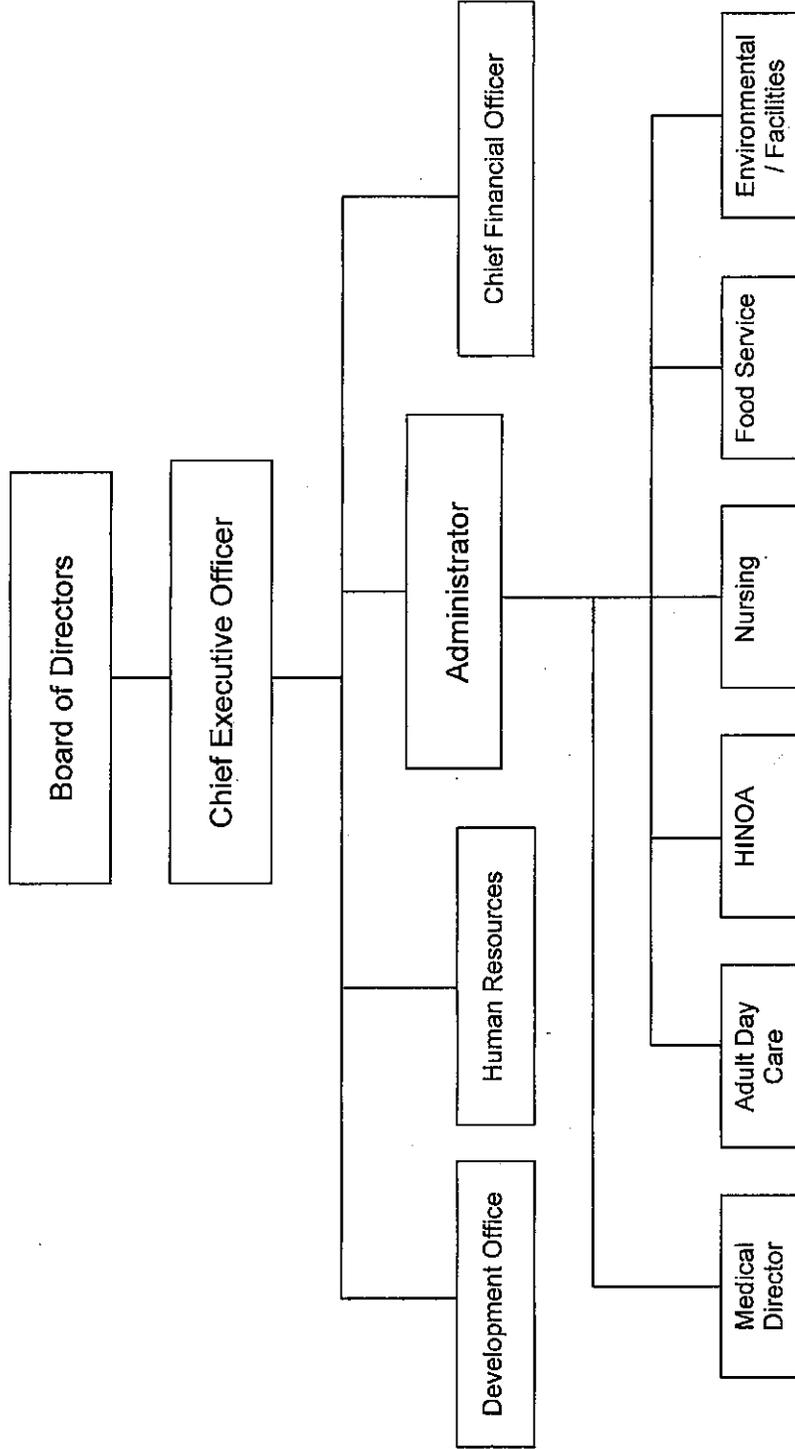
**BUDGET JUSTIFICATION
CAPITAL PROJECT DETAILS**

Applicant: _____ Palolo Chinese Home
 Period: July 1, 2008 to June 30, 2009

FUNDING AMOUNT REQUESTED	TOTAL PROJECT COST	OTHER SOURCE OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED			FUNDING REQUIRED IN SUCCEEDING YEARS		
		FY: 2005-2006	FY: 2006-2007	FY: 2007-2008	FY: 2008-2009	FY: 2009-2010	FY: 2010-2011		
PLANS					\$ 200,000				
LAND ACQUISITION									
DESIGN					\$ 100,000				
CONSTRUCTION					\$ 700,000				
EQUIPMENT									
	TOTAL:				\$1,000,000				
JUSTIFICATION/COMMENTS:									



Palolo Chinese Home
Organizational Chart



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

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawai'i Revised Statutes:

- (1) 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;
- (2) Comply 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;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow 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 assuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) 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.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

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

Palolo Chinese Home
(Typed Name of Individual or Organization)


(Signature)

Darryl Ing
(Typed Name)

1/30/08
(Date)

Chief Executive Officer
(Title)

