THE TWENTY-EIGHTH LEGISLATURE
APPLICATION FOR GRANTS
CHAPTER 42F, HAWAII REvised STATUTES

House District  43
Senate District  21

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 ID. NO. (LEAVE BLANK IF UNKNOWN):

1. APPLICANT INFORMATION:
Legal Name of Requesting Organization or Individual: Council for Native Hawaiian Advancement
Dba:
Street Address: 2149 Lauwiliwili Street, Kapolei, HI 96707
Mailing Address: 2149 Lauwiliwili Street, Kapolei, HI 96707

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:
Name Michelle Kauhane
Title President & CEO
Phone # 808-596-8155
Fax # 808-596-8156
E-mail info@hawaiiancouncil.org

3. TYPE OF BUSINESS ENTITY:
☐ NON PROFIT CORPORATION INCORPORATED IN HAWAII
☐ FOR PROFIT CORPORATION INCORPORATED IN HAWAII
☐ LIMITED LIABILITY COMPANY
☐ OTHER
☐ SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:
HAWAII INDIVIDUAL DEVELOPMENT ACCOUNTS

4. FEDERAL TAX ID NUMBER:

5. STATE TAX ID NUMBER:

7. AMOUNT OF STATE FUNDS REQUESTED:
FISCAL YEAR 2016: $177,403

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 $ 177,403
FEDERAL $ 17,000
COUNTY $ 
PRIVATE/OTHER $ 30,533

THERE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

President & CEO

AUTHORIZED SIGNATURE  NAME & TITLE  DATE SIGNED

RECEIVED 1/29/2015
Applicant: Council for Native Hawaiian Advancement

Application for Grants

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

I. Background and Summary

The Council for Native Hawaiian Advancement (CNHA) is a 501(c) 3, Hawaii nonprofit corporation, founded in 2001. CNHA’s mission is to enhance the well-being of Hawaii through the cultural, economic and community development of Native Hawaiians. Over the years CNHA has consistently focused on providing services to underserved communities throughout Hawaii (both Hawaiian and non-Hawaiian) through four primary program areas:

1) Policy Advocacy – we operate an active and robust Policy Center to engage our membership and the broader community on policies at the local, state and federal level to support the priorities as identified by local communities.

2) Access to Capital & financial education— CNHA is a Native Community Development Financial Institution (CDFI), certified by the US Treasury Department and a HUD certified housing counseling agency. We provide financial education and counseling services and access to capital with a focus on underserved communities throughout Hawaii.

3) Capacity Building – CNHA continuously strives to enhance the capacity of non-profit organizations serving our communities through training and technical assistance, fundraising, and supporting the next generation of leadership.

4) Annual Native Hawaiian Convention - CNHA coordinates the largest gathering of Native Hawaiians to effectively collaborate efforts to increase the productivity, impact and sharing of our common challenges and solutions.

CNHA’s objective related to this request is to start a state funded down payment assistance program that supports first time-homebuyers with homebuyer education, individualized pre-purchase housing counseling and matched savings grants; also known as individual development accounts (IDA’s). The primary goal of the proposed project is to assist 20 first time homebuyers with down payment/closing cost assistance through IDA’s that offer a 2:1 match. Specifically, prospective homebuyers would be required to save a minimum of $2,000 to receive a match of no more than $4,000 (2:1 match); to use towards a down payment/closing costs for the purchase of a home. An additional goal is to collaborate with other HUD certified housing counseling agencies in Hawaii to ensure all program participants receive first-time homebuyer education services from a provider of their choice to support sustainable homeownership throughout the state.
At 56.8%, Hawaii’s homeownership rate is one of the lowest in the United States. Hawaii is ranked 47 of 51 according to the CFED 2013 Assets and Opportunity Scorecard. Additionally, low-income families in Hawaii have significantly lower rates of homeownership. Specifically, households in the top income quintile are 2.7 times more likely to be homeowners than households in the bottom quintile (81.8% to 30% respectively). According to the Honolulu Board of Realtors, the state’s median housing price as of 2014 is $675,000 and its median income is $53,046 per Census Bureau, creating a gap in housing prices to earning that is greater than any other state. The extreme disparity between annual average pay rates and housing costs directly impacts the state’s low homeownership rate.

According to the Corporation for Enterprise Development (CFED) 2013 Assets and Opportunity Scorecard, Hawaii families rank last in the nation in average annual pay, earning $20,255 per year less than the average mainland United States family, while having one of the highest housing costs. In 2006, the Center for Housing Policy estimated that a family in Hawaii would need to earn $147,304 per year to afford a house at the median price of $430,000 (based on Hawaii’s median sales price back then). Today, higher costs require even more income. As such, adequate financial education in managing limited family resources as well as supportive asset building strategies to assist with cash requirements for down payment and closing costs are critical.

The State of Hawaii does not provide funding for direct lending or financial education for first time homebuyers. CFED’s Asset & Opportunity Scorecard also indicates Hawaii’s affordability of homes is 7.5 times higher than the average median income. The scorecard places our state dead last in affordability. This means Hawaii has the highest housing cost burden in the nation.

To address Hawaii’s low homeownership rate, CNHA proposes state funded IDA matched savings grants that are more than a social service program. The HIDA project should be considered an economic development tool that helps people with lower incomes enter the financial mainstream. The proposed project will be limited to 20 families receiving IDA’s in the first year. However, CNHA would like to demonstrate the success of such a program and secure initial funding from the state. This will allow us to compete federally for leverage funds with the goal of building a long standing Individual Development Account Program (IDA) to support families throughout Hawaii achieve and sustain homeownership in our high cost market.

The overall goal of the project is to support homeownership so Hawaii can stay home to our local families. CNHA has identified a growing trend of families receiving pre-purchase one on one counseling services who are forced to relocate out of state. We see first-hand, the real struggle of working class families, who are out priced from their own home. With down payment and closing costs being the number one barrier to achieving homeownership, we see an integral role for the state to play.
There are many good reasons for the state of Hawaii to support individual development accounts given the high housing costs:

- There is strong precedent for asset-building programs. The Homestead and Land Grant Acts of 1862 and the GI Bill of 1944 illustrate that an appropriate public role is to invest in its citizenry.
- IDAs are a wise investment; there is a direct return on investment by leveraging federal and private funds. CNHA hopes to receive seed funding from the state in an effort to leverage federal funds as well as local and national private funding.
- IDAs are good for communities. They help families become more stable, put down roots and climb the economic ladder. In turn, communities grow and prosper, broadening their tax base and creating new jobs.
- IDAs provide economic opportunities in rural areas as well as urban centers.
- There is a low foreclosure rate among IDA homeowners.

The proposed program will target Hawaii residents statewide who are “prospective homebuyers” defined as individuals who are at least 18 years of age and are low-income (up to 50% HUD AMI), moderate income (up to 80% HUD AMI) and/or low wealth (net worth is below the national median), and do not currently own or hold title to, or pay a mortgage on a residence.

II. Service Summary and Outcomes

Scope of Work: CNHA proposes to provide a homebuyer IDA program (HIDA) to Hawaii residents who qualify as first time homebuyers as defined above. CNHA will implement the proposed program to promote homeownership and financial success for Hawaii residents through the following:

**HIDA Objective.** CNHA will support 50 first time homebuyers with homebuyer education and individualized counseling. In addition, 20 families will receive a match savings grant/IDA to use towards the down payment and/or closing costs associated with a home purchase. The program will promote homeownership and financial success among Hawaii residents with the following four base goals:

1. **Knowledge & Action** - Increase the financial knowledge and decision-making capabilities of 50 prospective homebuyers (to increase what clients know in order to improve what they do). Homebuyer and financial education as well as individualized counseling will be provided to 50 families to achieve this goal. Services will be offered statewide by both CNHA and our HUD Housing Counseling partners.
2. **Financial Stability** – CNHA will assist 50 prospective homebuyers to develop monthly budgets, build personal savings, reduce debt, improve financial stability, and set and reach financial goals. Individualized counseling sessions and financial coaching will support this goal. Again, participants may seek these services from CNHA or our HUD Housing Counseling partners.

3. **Short & Long Term Savings** - Educate at least 50 prospective homebuyers on HIDA and how the matched savings grants help to build savings for short and long term goals. HIDA orientations will be provided by CNHA staff clearly explain the HIDA program specifics and requirements for participation.

**HIDA Approach.** CNHA will deliver the HIDA program over a 12 month period of time, from the time funds are dispersed. The HIDA program will provide a minimum of 50 first time home buyers with homebuyer education and individualized counseling and 20 first time home-buyers with matched savings grants in the amount of $4,000 each to use towards the purchase of a home. The $4,000 state IDA combined with the $2,000 savings by participant families will provide families with $6,000 to use towards the down payment and/or closing costs for new home purchases. Program approach will include:

**Outreach** – CNHA will do statewide outreach to recruit HIDA participants by working closely with other HUD certified housing counseling agencies and housing assistance programs. Outreach for the HIDA program will be ongoing throughout the project period starting in month one and continuing through month 10. During the entire project period, CNHA will include HIDA information on our website, create messaging for social media, develop and print flyers for distribution and meet with program partners to promote the program.

**Compliance with eligibility requirements** – CNHA will intake each prospective HIDA client and complete a baseline assessment of intake qualification to determine program eligibility based on the defined income/wealth criteria. Intake and compliance of new HIDA participants will start in month 2 of the project. In month one of the project, CNHA will develop HIDA intake forms with criteria to evaluate for income and wealth compliance based on 2015 income/wealth thresholds.

**Case Management** – this component focuses on one-on-one financial counseling sessions as required by participants to understand the home buying process. Once clients have completed homebuyer education, they will be offered case management services by CNHA that will focus on financial assessments and loan qualifying capacity. Individualized counseling will be made available as soon as we are funded to proceed. Even prior to advertising the HIDA program, CNHA is still able to begin individual counseling sessions because this is an ongoing service we provide.

**Financial literacy & homebuyer education training** – will be available from CNHA and our partners. This training is incorporated as part of the homebuyer education classes required to enroll in the HIDA program. It is also incorporated into HIDA orientation.
sessions to further instill good habits into program participants. Trainings will be provided throughout the project based on participant enrollment.

**Matched Savings grants**- will be provided as the core product of the HIDA program. State funds will match participant savings of up to $2000 with a 2:1 match. Savings accounts will be held by First Hawaiian Bank with CNHA as the custodial for all HIDA participant accounts. Effective immediately, CNHA will be ready to open accounts with FHB. In the first month of the project period, CNHA will meet with FHB to update them on the status of our HIDA program and new funding sources.

**Follow up services** – Any HIDA participant is eligible for follow up services by CNHA for post-closing assistance offered by the organization.

CNHA has a current quality assurance and evaluation plan as a HUD housing counseling agency that would be applicable for the requested funds. Pre and post assessments are completed by participants during enrollment and after completion of the HIDA program. In addition, evaluations of homebuyer education and individualized counseling services are standard procedure for CNHA as a HUD-Certified Housing Counseling Agency. The assessments, evaluations and managerial monitoring of individual counseling case files all support the need to monitor, evaluate and improve the project results. With feedback from program participants, managerial file monitoring and evaluations, CNHA is able to provide quality services to its clients.

CNHA will report the following measures of effectiveness as they relate to the project:

- 50 participants will increase financial knowledge & capabilities
  - participants will complete homebuyer education class
  - participants will complete one on one individual counseling
- 20 families will purchase homes using HIDA match grants
- 20 families will increase savings to achieve 2:1 match

### III. Financial

1. A detailed cost of the request is included on the budget form provided as attachment A & A-1.

2. CNHA anticipates quarterly funding requests for the fiscal year 2016 as follows:

<table>
<thead>
<tr>
<th>Quarter 1</th>
<th>Quarter 2</th>
<th>Quarter 3</th>
<th>Quarter 4</th>
<th>Total Grant</th>
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</thead>
<tbody>
<tr>
<td>24,350.75</td>
<td>24,350.75</td>
<td>44,350.75</td>
<td>84,350.75</td>
<td>177,403</td>
</tr>
</tbody>
</table>

3. CNHA offers the following listing of all other sources of funding that we are seeking for fiscal year 2016. (Not all sources of funds are directly applicable to the proposed request)
• Office of Hawaiian Affairs
• Administration for Native Americans
• Assets for Independence
• Kresge Foundation

4. N/A - CNHA has not been granted any state and federal tax credits within the prior three years. Additionally, we will not apply for any tax credits pertaining to a capital project.

5. CNHA has included a listing of all government contracts & grants it has and will be receiving for program funding in 2016 as attachment B. Please note, only a portion of the CDFI funding will be allocated to the proposed project.

6. CNHA’s balance of unrestricted current assets as of December 31, 2014 was $2,016,637.

IV. Experience and Capability

A. Necessary Skills and Experience

CNHA has extensive experience in providing housing counseling, financial education, asset building and individual development account (IDA) services. We have a reputable history of developing and delivering these relevant services throughout our tenure. We present the top 4 most notable projects with direct correlation to this request.

Hawaii Family Finance Project was a $3.1 million federally funded project to improve the capacity of low-income families in the state of Hawaii to build assets through homeownership, increasing credit scores, and improving skills to manage family finances. The project was locally leveraged by OHA to enable CNHA to expand its reach to Native Hawaiian families. The impact of the project was an increase in the productivity of partners through collaboration that supported excellent statewide service coverage. The project served over 3,000 families in financial education, IDA services and home purchase transactions. CNHA aims to develop a project of the same magnitude in partnership with the state to provide consistent service to Hawaii residents.

Home Ownership Assistance Program (HOAP) was a program developed, delivered and transitioned to DHHL to service homestead beneficiaries with assistance in preparing for homeownership to take a land lease award. The impact of the project was an increase in productivity in reaching beneficiaries across the state, the development of a statewide database to analyze trends; and efficiency in direct service delivery that supported nearly 4,000 homestead beneficiaries with mortgage qualification assistance.
Hawaii Individual Development Accounts (HIDA) is a matched savings product developed by CNHA that originally supported prospective homebuyers on Hawaiian Homelands with down payment assistance. Over the years the program has grown to serve residents throughout Hawaii, both Hawaiian and Non-Hawaiian, depending on funding sources. The HIDA product was offered as part of the HFFP program as an asset building strategy to support down payment and closing cost requirements for first time homebuyers. The program has directly supported 87 families realize their dream of homeownership through the support of matched savings funds to reduce the costs associated to home purchase transactions. The program has also increased short and long term savings habits among participants. Our goal with the current request is include the state as a HIDA partner to support our request for federal funding that creates a long standing IDA program for Hawaii residents.

Homestead Self Help Program was developed by CNHA to promote affordable homeownership by Native Hawaiian beneficiaries of the Hawaiian Homes Commission Act. Funded by DHHL and leveraged by the CDFI Fund and USDA Rural Housing, the program developed 22 homes on Kauai and Oahu, for families who fell at or below 80% of the HUD area median income.

B. Facilities

CNHA leases office space located at 2149 Lauwiliwili Street in Kapolei, Oahu. The facility is a 3,200 sq. ft. commercial space with 4 private offices, a conference room and a moderate sized workspace with cubicle workstations. The facility is located on the second floor of the building and includes a conference room, kitchen/lunchroom area and restrooms. The facility is not ADA accessible and therefore, CNHA provides appropriate accommodations for customers/clients with special needs.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

A total of 6 CNHA staff will dedicate a portion of their time to the HIDA project representing a total of 1.45FTE to the program. The primary staff person responsible for implementation of HIDA is our Lending & Investments Program Manager who will allocate 50% of her full time position to housing counseling for participants and overall management of the HIDA program. The Program Manager will also do HIDA orientations with support from administrative staff and the Loan Fund Officer. CNHA’s loan fund officer will also allocate 30% of his full time position to baseline intake and assessment of HIDA participants as well as participating in HIDA orientations to discuss the home buying and loan process. The Loan fund officer will perform the initial review of the income documentation and verifies participant eligibility for approval by the program manager. CNHA’s President and CEO will allocate 10% of her full time position
to the HIDA program for infrastructure development, and building reporting templates. She will also oversee the reporting to the appropriate state agency and is responsible for general oversight of measuring impact, data compilation and efficiency of program delivery. The communications will allocate 20% of her time to the project while the project accountant will allocate 25% of her time to the project. The accountant will be responsible for tracking all expenditures related to the grant. The project accountant will work with the program manager to process match fund check requests for deposit into escrow. The accountant will also support the program manager to complete the quarterly expenditure reports for review by the CEO. The communications manager will do the outreach, marketing and advertising of the program. She will post information on social media, write press releases and insure we are reaching out to share the program with potential participants. She will also be responsible for creating program flyers for distribution to partner organizations. Finally, CNHA’s CFO will dedicate 10% of his time to oversee administrative staff and accounting functions related to the project.

CNHA’s program manager over lending & investments will have direct oversight of the proposed program with support from both the CEO and CFO. The program manager is a certified housing counselor with direct supervision over CNHA’s loan fund and housing counseling activity. CNHA’s CEO has over 15 years of direct experience in managing affordable housing, financial education and lending programs. CNHA’s CFO will provide administrative direction relative to the request with oversight of the accounting, funds requests and escrow account management.

B. Organization Chart

An Organizational Chart is attached to illustrate the position of each staff and line of responsibility/supervision.

C. Compensation

Compensation – of the three highest paid officers, directors, or employees of the organization by position

<table>
<thead>
<tr>
<th>Position</th>
<th>Annual Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td>$90,000</td>
</tr>
<tr>
<td>Chief Financial Officer</td>
<td>$90,000</td>
</tr>
<tr>
<td>Program Managers</td>
<td>$45,000</td>
</tr>
</tbody>
</table>

VI. Other

A. Litigation

N/A - CNHA has no pending litigation to which we are a party.

B. Licensure or Accreditation
CNHA is a HUD Certified housing counseling agency and a Native Community Development Institution (CDFI) certified by the US Treasury Department. CNHA has a solid track record of more than a decade, supporting financial education and asset building initiatives for underserved families throughout Hawaii.

C. **Federal and County Grants**

CNHA has separately specified the amount of federal and county grants awarded since July 1, 2014 - refer to attachment B.

D. **Private Educational Institutions**

None of the proposed grant will be used to support or benefit a sectarian or non-sectarian private educational institution.

E. **Future Sustainability Plan**

CNHA is seeking state support for an IDA program in an effort to attract both federal and private funds for this asset building initiative. It is critical to have state support for such a project to grow the program in a meaningful way. It is our hope that the state will remain a contributor of IDA’s that support local families to achieve and sustain homeownership. Many states provide direct loans or down payment/closing cost assistance programs to support their residents in achieving and sustaining homeownership. In Hawaii, we have extremely high housing costs and an opportunity to support local families with what has been identified as the greatest barrier to homeownership (sufficient funds for down payment and closing costs). The largest federal funding source of IDA accounts (Assets for Independence) requires a 1:1 local match. CNHA hopes that the states interest in supporting local families will encourage greater local participation by the private sector, providing us with the ability to be more competitive on the national level to bring federal funding to Hawaii. CNHA has the ability and historical success in capturing federal funding and it is the goal to building a long standing and stable state IDA account program for Hawaii families to achieve homeownership.

F. **Certificate of Good Standing (If the Applicant is an Organization) – included.**
# BUDGET REQUEST BY SOURCE OF FUNDS

**Period:** July 1, 2015 to June 30, 2016

**Applicant:** Council for Native Hawaiian Advancement

<table>
<thead>
<tr>
<th>BUDGET CATEGORIES</th>
<th>Total State Funds Requested (a)</th>
<th>Total Federal Funds Requested (b)</th>
<th>Total County Funds Requested (c)</th>
<th>Total Private/Other Funds Requested (d)</th>
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<tbody>
<tr>
<td><strong>A. PERSONNEL COST</strong></td>
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</tr>
<tr>
<td>1. Salaries</td>
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<td>22,658</td>
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<td>2. Payroll Taxes &amp; Assessments</td>
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<td>2,250</td>
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<td>3. Fringe Benefits</td>
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<td></td>
<td>5,625</td>
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<td><strong>TOTAL PERSONNEL COST</strong></td>
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<td>10,000</td>
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<td><strong>B. OTHER CURRENT EXPENSES</strong></td>
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</tr>
<tr>
<td>1. Airfare, Inter-Island</td>
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<tr>
<td>2. Insurance</td>
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<td>3. Lease/Rental of Equipment</td>
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<td>4. Lease/Rental of Space</td>
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<tr>
<td>5. Staff Training</td>
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<tr>
<td>6. Supplies</td>
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<tr>
<td>7. Telecommunication</td>
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<td>8. Utilities</td>
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<td>9. Match Grant Funds</td>
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<td>10. Postage</td>
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<tr>
<td>11. Printing/Copying</td>
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<tr>
<td>12. Drinks/snacks for training events</td>
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<td><strong>TOTAL OTHER CURRENT EXPENSES</strong></td>
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<td><strong>C. EQUIPMENT PURCHASES</strong></td>
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<tr>
<td><strong>D. MOTOR VEHICLE PURCHASES</strong></td>
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<tr>
<td><strong>E. CAPITAL</strong></td>
<td><strong>TOTAL (A+B+C+D+E)</strong></td>
<td>177,403</td>
<td>17,000</td>
<td>30,533</td>
</tr>
</tbody>
</table>

**SOURCES OF FUNDING**

| (a) Total State Funds Requested | 177,403 | Michelle Kauhane | 808-598-8155 | Phone |
| (b) Total Federal Funds Requested | 17,000 | Name (Please type or print) | Signature of Authorized Official | Date |
| (c) Total County Funds Requested | 0 | Michelle Kauhane | President/CEO | Name and Title (Please type or print) |
| (d) Total Private/Other Funds Requested | 30,533 | | | |

**TOTAL BUDGET:** 224,936
# BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

## Period: July 1, 2016 to June 30, 2016

Applicant: Council for Native Hawaiian Advancement

<table>
<thead>
<tr>
<th>POSITION TITLE</th>
<th>FULL TIME EQUIVALENT</th>
<th>ANNUAL SALARY A</th>
<th>% OF TIME ALLOCATED TO GRANT REQUEST B</th>
<th>TOTAL STATE FUNDS REQUESTED (A x B)</th>
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</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td>1</td>
<td>$90,000.00</td>
<td>10.00%</td>
<td>$9,000.00</td>
</tr>
<tr>
<td>Chief Financial Officer</td>
<td>1</td>
<td>$90,000.00</td>
<td>10.00%</td>
<td>$9,000.00</td>
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<td>Program Manager (Lending &amp; Investments)</td>
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<td>$45,000.00</td>
<td>60.00%</td>
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<td>Program Accountant</td>
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<td>$45,000.00</td>
<td>25.00%</td>
<td>$11,250.00</td>
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**TOTAL:** 72,150.00

**JUSTIFICATION/COMMENTS:**
GOVERNMENT CONTRACTS AND/OR GRANTS

Applicant: Council for Native Hawaiian Advancement

<table>
<thead>
<tr>
<th>CONTRACT DESCRIPTION</th>
<th>EFFECTIVE DATES</th>
<th>AGENCY</th>
<th>GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)</th>
<th>CONTRACT VALUE</th>
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<tbody>
<tr>
<td>1. CBED Accelerator Project</td>
<td>March 2015</td>
<td>DBEDT</td>
<td>State of Hawaii</td>
<td>TBD</td>
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<tr>
<td>2. Native Hawaiian Arts and Culture Caucus</td>
<td>July 2015- June 2016</td>
<td>Mayor’s Office of Arts and Culture</td>
<td>City and County of Honolulu</td>
<td>$5,000</td>
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<td>3. CDFI Loan Funds</td>
<td>08/26/2014- 09/30/2017</td>
<td>U.S. Treasury Department</td>
<td>U.S. Federal Government</td>
<td>$350,000</td>
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<td>4.</td>
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CERTIFICATE OF GOOD STANDING

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

COUNCIL FOR NATIVE HAWAIIAN ADVANCEMENT

was incorporated under the laws of Hawaii on 08/29/2001; 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 29, 2015

[Signature]

Director of Commerce and Consumer Affairs

To check the authenticity of this certificate, please visit: http://bce.hawaii.gov/documents/authenticate.html
Authentication Code: 225722-COGS_PDF-123336D2
DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS PURSUANT TO
CHAPTER 42F, HAWAI'I REVISED 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, Hawai'i 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, Hawai'i 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, Hawai'i 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, Hawai'i 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.

[Signature]  [Date]

Council for Native Hawaiian Advancement
(Typed Name of Individual or Organization)

Michelle Kauhane  President and CEO
(Typed Name)  (Title)

Application for Grants