



HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

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HEALTH PLANNING
& DEV. AGENCY

STANDARD APPLICATION - CERTIFICATE OF NEED PROGRAM

Application Number: # 25-11 Date of Receipt:
To be assigned by Agency

APPLICANT PROFILE

Project Title: Establishment of 8 bed Special Treatment Facility
Project Address: 73-4592 Hawai'i Belt Rd, Kailua-Kona, HI 96740
Applicant Facility/Organization: Hawaii Island Sober Living, LLC
Name of CEO or equivalent: John Burke
Title: Founder
Address: 73-4592 Hawai'i Belt Rd, Kailua-Kona, HI 96740
Phone Number: (808) 698-9964 Fax Number: NA
Contact Person for this Application: Ernesto Noblejas
Title: Compliance consultant
Address: 2747 S. Kihei Rd. Unit H205, Kihei, HI 96753
Phone Number: (818) 584-1197 Fax Number: NA

CERTIFICATION BY APPLICANT

I hereby attest that I reviewed the application and have knowledge of the content and the information contained herein. I declare that the project described and each statement amount and supporting documentation included is true and correct to the best of my knowledge and belief.

Signature

Ernesto Noblejas
Name (please type or print)

Ernesto Noblejas

Date:

January 20, 2026
Title (please type or print)

Compliance Consultant

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1. TYPE OR ORGANIZATION: (Please check all applicable)

- Public _____
- Private _____
- Non-profit _____
- For-profit _____
- Individual _____
- Corporation _____
- Partnership _____
- Limited Liability Corporation (LLC) _____
- Limited Liability Partnership (LLP) _____
- Other: _____

2. PROJECT LOCATION INFORMATION:

a. Primary Service Area(s) of Project: (Please check all applicable)

- Statewide: _____
- O`ahu-wide: _____
- Honolulu: _____
- Windward O`ahu: _____
- West O`ahu: _____
- Maui County: _____
- Kaua`i County: _____
- Hawai`i County: _____

3. DOCUMENTATION (Please attach the following to your application form):

- a. Site Control documentation (e.g. lease/purchase agreement, DROA agreement, letter of intent)
 - i. See attachment 1 & 1a
- b. A listing of all other permits or approvals from other government bodies (federal, state, county) that will be required before this proposal can be implemented (such as building permit, land use permit, etc.)
 - i. See attachments 2-7
- c. Your governing body: list by names, titles and address/phone numbers
 - i. See attachment 8
- d. If you have filed a Certification of Need Application this current calendar year, you may skip the four items listed below. All others, please provide the following:
 - Articles of Incorporation, see attachment 9
 - By-Laws -Not applicable
 - Partnership Agreements, see attachment 10
 - Tax Key Number (project's location), see attachment 11

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4. **TYPE OF PROJECT.** This section helps our reviewers understand what type of project you are proposing. Please place an "x" in the appropriate box.

	Used Medical Equipment (over \$400,000)	New/Upgraded Medical Equip. (over \$1 million)	Other Capital Project (over \$4 million)	Change in ownership	Change in service/ establish new service/facility	Change in Beds
Inpatient Facility					X	
Outpatient Facility						
Private Practice						

5. **TOTAL CAPITAL COST:** \$2,311,900

6. **BED CHANGES.** Please complete this chart only if your project deals with a change in your bed count and/or licensed types. Again, this chart is intended to help our reviewers understand at a glance what your project would like to accomplish. Under the heading "Type of Bed," please use only the categories listed in the certificate of need rules.

Type of Bed	Current Bed Total	Proposed Beds for your Project	Total Combined Beds if your Project is Approved
STF	0	8	8
TOTAL	0	8	8

7. **CHANGE IN SERVICE.** If you are proposing a change in service, then please briefly list what services will be added/modified. Be sure to include the establishment of a new service or the addition of a new location of an existing service. Please consult Certificate of Need Rules Section 11-186-5 for the categories of services. If you are unable to determine which category best describes your project, please consult with agency staff.

A. Honu House is seeking to establish a Specialized Treatment Facility in Kailua Kona to support addiction recovery in the county of Hawaii. While we currently offer outpatient

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therapy, we've found that providing residential care with 24/7 staff alongside the therapy appointments has a significant positive impact on the clients and their recovery.

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8. PROJECT COSTS AND SOURCES OF FUNDS (For Capital Items Only)

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A. List All Project Costs:

AMOUNT:

- 1. Land Acquisition _____
- 2. Construction Contract _____
- 3. Fixed Equipment _____
- 4. Movable Equipment _____
- 5. Financing Costs _____
- 6. Fair Market Value of assets acquired by lease, rent, donation, etc. \$2,311,900
- 7. Other: _____

TOTAL PROJECT COST: \$2,311,900

B. Source and Method of Estimation

Describe how the cost estimates in Item "A" were made, including information and methods used:

The building at 73-4592 Hawaii Belt Road has a total market value of \$2,311,900.

C. Source of Funds

AMOUNT:

- 1. Cash _____
- 2. State Appropriations _____
- 3. Other Grants _____
- 4. Fund Drive _____
- 5. Debt _____
- 6. Other: FMV of leased property to be paid by monthly rent \$2,311,900

TOTAL SOURCE OF FUNDS: \$2,311,900

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9. **IMPLEMENTATION SCHEDULE:** Please present a projected time schedule for the completion of this project from start to finish. Include all of the following items that are applicable to your project:

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- a) Date of site control for the proposed project,
 - a. The site is already controlled and leased by Honu House.
 - b) Dates by which other government approvals/permits will be applied for and received,
 - a. A Certificate of Occupancy application has already been sent in with the county building department.
 - b. Once we acquire the SHPD Certificate of Need, we will immediately put our STF application in with the state's Office of Healthcare Assurance (OHCA).
 - c) Dates by which financing is assured for the project,
 - a. The building is already being leased and that lease is funded by current operating expenses from the outpatient therapy operations of Honu House.
 - d) Date construction will commence,
 - a. NA
 - e) Length of construction period,
 - a. NA
 - f) Date of completion of the project, and
 - a. NA
 - g) Date of commencement of operation.
 - a. Upon notification of STF license approval from OHCA.

Please remember that the Agency does monitor the implementation of Certificates approved. Non-implementation of a project as described in your application may result in a fine and/or withdrawal of the Certificate of Need.

10. **EXECUTIVE SUMMARY:** Please present a brief summary of your project. In addition, provide a description of how your project meets each of the Certificate of Need criteria listed below. If a new location is proposed, please attach an easy to read map that shows your project site.

A. Honu House is requesting a CON for an 8 bed Special Treatment Facility in Kailua Kona, Hawaii to support addiction recovery. The facility will provide the services of residential addiction recovery and rehabilitation. While we currently operate an outpatient program, we've seen great success with residential services and our patients following through on their appointments.

- a) Relationship to the State of Hawai'i Health Services and Facilities Plan
 - a. The goals of the HSFP state that there is a "focus on increasing cost-effective access to necessary health care services." Honu House is currently not working with insurance, but the care provided is done so at a reasonable rate. Additionally, the organization is evaluating EMR options in order to meet a number of insurance provider requirements to expand the availability of services to the insured.
- b) Need and Accessibility
 - a. The STF will be a needed addition for patients in the addiction recovery in Hawaii County. Current STF bed count in the entire county of Hawaii according to the

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SHPDA 2023 report is 40, which is surprisingly low when compared to the 656 STF beds available to the people of Honolulu County.

- c) Quality of Service/Care
 - a. Honu House is already utilizing evidence-based practices in the addiction recovery field. With the establishment of a Special Treatment Facility, we will continue to expand the full spectrum and scope of services that we are already providing to the under-served population. We already have policies and procedures in place to ensure that patients' needs will be met to the highest quality of care and in accordance with best practice.
- d) Cost and Finances (include revenue/cost projections for the first and third year of operation)
 - a. Please see Section D: Exhibit D-2
- e) Relationship to the Existing Health Care System
 - a. There exists currently only 5 Specialized Treatment Facilities for addiction recovery in the county of Hawaii to serve a population of 207,790 (as of 2024.) Honu House is finding that the majority of STF's operate in Honolulu, and we're creating access to critical services for the underserved population of Hawaii County.
- f) Availability of Resources
 - a. Honu House already operates in an outpatient setting using well established processes that have been utilized in other organizations on the mainland. We have the staff and clinicians available to meet the needs of the community and they are already well experienced in working with patients on addiction recovery.