

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING**

September 21, 2006

9:00 a.m.

**Department of Agriculture
4398A Pua Loke Street
Lihue, Kauai, Hawaii 96766**

AGENDA

I. CALL TO ORDER / ROLL CALL

II. APPROVAL OF MINUTES

Regular Meeting August 17, 2006

III. DISCUSSION AND/OR DECISION MAKING

- A. Approval of the Operating Budget for Calendar Year 2007 for the Federal Low Rent Program
- B. Adoption of Amendments to and Compilation of Chapter 17-2028 "Federally-Assisted Housing Projects", Hawaii Administrative Rules
- C. Status of Executive Director Search

IV. FOR INFORMATION

Homeless Programs Contract Details – FY 2007

V. REPORT OF THE EXECUTIVE DIRECTOR

Report on Contracts and Change Orders Over \$25,000

VI. EXECUTIVE SESSION

- A. Discussion of personnel matters, pursuant to Section 92-5(a)(2), Hawaii Revised Statutes, as it relates to the hire and evaluation of named candidates for the Executive Director position.
- B. Discussion of duties and liabilities, pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, as it relates to the following matters:
 - 1. Rodell Smith v. HCDCH, 3rd Circuit (Civil No. 04-1-0069K), Update of Settlement
 - 2. Mara Amone v. Averio, U.S. District Court (Civil No. 04-00508) Update of Settlement
 - 3. Jack Waters v. HCDCH, 1st Circuit (Civil No. 05-0815-05) Update of Settlement
 - 4. Audrey Kalai v. HPHA, U.S. District Court (Civil No. 06-00433 JML LEK)

The Board of Directors of the Hawaii Public Housing Authority anticipates convening in executive session, pursuant to Sections 92-5(a)(2) and 92-5(a)(4), Hawaii Revised Statutes, to consult with the Board's attorney on questions and issues pertaining to personnel matters and the Board's powers, duties, privileges, immunities, and/or liabilities as it relates to the foregoing matters.

VII. ADJOURNMENT

If any person requires special needs (i.e. large print, taped materials, sign language interpreter, etc.), please call the Secretary to the Board at (808) 832-3818 by close of business two days prior to meeting date.

HAWAII PUBLIC HOUSING AUTHORITY

MINUTES OF THE ANNUAL AND REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BLDG. L
ON THURSDAY, AUGUST 17, 2006,
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority met for their Annual and Regular Meeting at 1002 N. School Street, on Thursday, August 17, 2006 at 10:40 a.m.

The meeting was called to order by the Chairman Charles Sted and , on roll call, those present and absent were as follows:

CALL TO
ORDER/
ROLL CALL

PRESENT: Director Charles A. Sted, Chairman
Director Eric Beaver
Director Clarissa Hosino
Director Carol Ignacio
Director Charles Ridings
Director Linda Smith
Director Travis O. Thompson
Director Matilda Yoshioka
Designee Henry Oliva

STAFF PRESENT: Deputy Attorney General, Nalani Willson-Ku
Barbara Arashiro, Acting Contracts & Procurement

Officer

Shirley Befitel, Special Assistant
Dexter Ching, Public Housing Supervisor
Lili Funakoshi, Hearings Officer
Michael Hee, Contracts Administration Section Chief
Patti Miyamoto, Compliance Officer
Sandra Miyoshi, Homeless Program Section

Administrator

Edmund Morimoto, Construction Mgmt. Section Chief
Gary Nakatsu, Data Processing System Analyst
Dionicia Piiohia, Clerk Typist/OED
Allan Sagayaga, Program Specialist & Tenant Services
Rick Sogawa, Acting Resident Services Section Manager

OTHERS:

Doug Allen, Resident Advisory Board
Melissa Chun, PACT, Kuhio Park Terrace Family Center
Patricia Deliz, Wilikina Apartments, Tenant
Julia Estrella, Island Tenant on the Rise
Wendell Gau, Tenant
Jerry Ross Gomes, Tenant
Nancy Heck, Queen Liliuokalani Children Center
Dolly Kema, Koolau Village Resident Association Board
Vai Leatiota, Honolulu Community Action Program
Mary Manewa, Wahiawa Terrace
S. Mote, Honolulu Police Department
Marsha Rodrigues, Resident Association Board
John Unruh, Legal Aid
David Yaw, Resident Advisory Board

Chairman Sted declared a quorum present.

QUORUM

Director Ridings moved, seconded by Director Ignacio

That the minutes of the Annual and Regular Meeting held on
July 20, 2006 be approved as circulated.

APPROVAL
OF MINUTES
ANNUAL AND
REGULAR

Director Thompson requested an amendment on page 13, that the names of the volunteers for the Asset Management Task Force be listed.

Director Yoshioka moved, seconded by Director Ridings that the minutes be amended to indicate that:

Directors Sted, Smith, Thompson and Ignacio volunteered to be members on the Asset Management Task Force.

Director Thompson had a question that the Chairman is on every task force.

Director Smith and Deputy Attorney General Nalani Willson-Ku answered that it is okay for the Chairman to be on every task force.

The motion was unanimously carried.

Designee Oliva thanked Directors Hosino, Smith and Thompson for their participation in the Search Committee's work. He reviewed the committee's process of the search with the help of Shirley Befitel and Patty Taketa. There were twenty-one interested parties, interviews were conducted and a short list will be available for the Board members.

STATUS OF
EXECUTIVE
DIRECTOR
SEARCH

Director Thompson asked what would be the next step after the Board reviews the list.

Designee Oliva said he intends to have the Board decide whether they all want to participate in the selection or create another panel.

Chairman Sted asked if the Directors would like to be involved in the interview of the applicants or set up a task group. The majority preferred a task group.

Director Thompson asked if the recommendation of the task force be subject to the approval from the entire Board.

Chairman Sted said yes. He appointed Director Oliva to be the Chair of the group and volunteers were Directors Beaver, Ignacio, and Thompson.

Director Thompson, seconded by Director Yoshioka

To nominate Ms. Patti Miyamoto to serve as the Interim Executive Director until the Board selects a permanent Executive Director.

APOINTMENT
OF INTERIM
EXECUTIVE
DIRECTOR

Chairman Sted announced that Ms. Aveiro retired effective August 1, 2006. Pursuant to the By-Laws, Executive Assistant Pamela Dodson became the operational head.

Director Thompson added that his nomination reflected the suggestions and recommendations of both the prior Executive Director and her Executive Assistant.

The motion was unanimously carried.

Director Thompson announced that Ms. Dodson's father passed away and asked that a moment of silence be observed in respect of Ms. Dodson. A moment of silence was observed and Director Thompson thanked everyone.

Chairman Sted said that he received a facsimile this morning from Mr. David Nakamura, Executive Director of the Mutual Housing Association of Hawaii (MHAH). He read the letter stating that MHAH remove the discussion on the

DISCUSSION
ON THE PRI-
VATIZATION

privatization of Palolo Valley Homes on the Agenda on behalf of the president of the Palolo Valley Homes Resident Ohana Association.

Chairman Sted said that we will honor this request and take the item off the agenda.

Director Smith suggested that the Legislature be informed that MHAH has asked to be taken off the Agenda. Otherwise we are not in compliance with what the Legislature has instructed this Agency to do.

Chairman Sted stated that a vote from the Board is needed to change the agenda.

Director Beaver questioned if the Concurrent Resolution stated that this has to be taken up at a particular time or just at some Board meeting?

Director Smith said that it says to expedite the privatization and renovation. It doesn't lock us into a specific time limit to consider it.

Director Thompson is concerned that the proceeding with the Board's discussion and review impacts the residents in the privatization. For example, there may be no changes on the residents' point of view; for the Board it's something we believe; Legislature encouraged it; and it makes financial sense. It has been over two years since the State's portion went private and the Board should have some discussion on this.

Director Beaver agreed to the discussion and wanted an understanding as to why and what happened at the meeting with the residents.

Ms. Miyamoto informed the Board that none of the residents from Palolo or MHAH were planning on attending today's meeting.

Director Thompson asked Ms. Miyamoto to give some background on the project.

Director Beaver asked if anyone from HPHA attended last night's meeting.

Ms. Miyamoto answered no and was not aware of it until Mr. Nakamura contacted her and asked that the item be pulled from the agenda.

Chairman Sted said that this agenda item is calendared for discussion. So we can leave it on the agenda and have this discussion.

Director Ridings stated it would be a reasonable approach that before we speculate on what was read, that MHAH didn't say they didn't want to do it. They said they are respecting the decision of the residents.

Chairman Sted read the letter and it says, "MHAH was supporting this resident initiative and now respects the community's change of heart."

Director Ridings said that they did not say they are only respecting the community. He suggested the Board's consideration to request that MHAH and/or the Resident Association clarify in writing more information, for the Board's future discussion.

Chairman Sted asked that an appropriate action would be a motion to defer in which we can request their presence to explain what's happening.

Director Beaver clarified that the residents signed a petition. Was there resident and community support at the time the concurrent resolution was passed.

Director Thompson said that the vast majority supported it, ninety plus percent.

Designee Oliva pointed out that the petition of signatures was dated in 2004.

Director Beaver moved, seconded by Director Oliva

That discussion on the privatization of Palolo Valley Homes

be deferred.

Chairman Sted asked if there were any discussion on the motion?

Director Smith suggested that MHAH be present and that we also ask that the Resident Association and as many residents as possible be present. Because it's important for us to hear directly from those individuals who were personally affected by this.

Director Thompson asked if the Chairman would entertain either a second motion later or an amendment to this motion to indicate that in accordance with Director Smith's expression that the Legislature also be notified of the actions we're taking and why?

Director Beaver moved, seconded by Designee Oliva that

That the motion be amended to indicate that the Hawaii Public Housing Authority communicate with the Legislature with regard to what has transpired and the Board's action to defer and to obtain additional information.

The motion was unanimously carried.

Director Thompson moved, seconded by Director Hosino

That the Board approve Resolution Number 02 Approving the Section 8 Management Assessment Program (SEMAP) Certification for Fiscal Year Ending June 30, 2006.

Ms. Miyamoto introduced Dexter Ching, Public Housing Supervisor to present the For Action.

Mr. Ching reported that the SEMAP is a management assessment system that the Department of Housing and Urban Development (HUD) will use to measure the performance of all housing agencies that administer the Section 8 tenant-based rental assistance program annually. SEMAP sets 14 indicators to measure program performance. SEMAP enables HUD to ensure program integrity and accountability by identifying housing authority (HA) management capabilities and deficiencies and by improving risk assessment to effectively target monitoring and program assistance. The HA's can also use the SEMAP performance analysis to assist in their program operations. Mr. Ching explained what the indicators entailed on the list.

Mr. Ching noted that after analyzing the documents, the anticipated points that HPHA would like to declare for this fiscal year period would be 115 points out of a total of 145 points of which five points is coming from the de-concentration bonus. This will put us at 79 percent. The amended For Action reflects HUD's confirmatory review.

Director Ridings had several amendments to the For Action. On page 2 under item 9, second line. The word "lease" should be "least"; on number 11 on the first line the word "united" should be "units." The questions I have are, the total is different from the maximum points. The maximum points are 150, and the second question along with that, says the SEMAP certification is being submitted for fiscal year ending June 30, 2005. Then it says 125 out of 145. I'm not sure where 125 is coming from.

Director Ignacio said that it should be June 30, 2006.

Mr. Ching explained that the denominator is 145. Under indicator 15 there are bonus points that are not calculated into the denominator. The concentration bonus is not part of the maximum points. It's a bonus point. The maximum points you can gain from de-concentration is either zero or five.

Director Beaver commented that it was 125?

Mr. Ching answered yes. He explained that the anticipated points is 115 points. However, under the maximum point total, it will be 145. It should be 115 over 145.

Chairman Sted asked if the corrections that Director Ridings suggested is correct.

Mr. Ching said he agreed.

Directors Ridings and Ignacio at this point had questions to Item D of the Agenda.

Director Smith explained to the Directors that what we're looking at now is our Section 8 program where we give vouchers to people to be able to run in private sector housing. The next tab is about our public housing units, the 8,000 that we're responsible for managing. What we're looking at right now is scoring how well we manage this Section 8 voucher program. She asked if is this either a zero points or all points because on our scoring on page 3 of the Resolution, that we're looking at, we either have zero or we have the maximum points. Does that mean I can't get a 2 a 3 or a 4 or 7 or 8?

Mr. Ching said correct and explained that certain indicators like indicator 13, is either zero, 15, or 20 and some are just all or nothing. Indicator 3 and 13, you can take partial points.

Director Smith confirmed that HUD has already looked at this and is comfortable with the 115 points.

Mr. Ching said that is correct.

Director Yoshioka said that Indicators 7, 10, and 13 says they are zeros. Do you have any plan?

Mr. Ching said yes, that Indicator 7 in our Public Housing Administrative (PHA) Plan has no written policies on how we're supposed to go about expanding the opportunities. Several months ago the new document included this component and was presented to the previous Board but it was deferred. The new PHA Plan that will be introduced to the Board in the future and will include that component.

Director Yoshioka said then we would be in compliance.

Mr. Ching said yes and when we reviewed our files, we found errors and reported it to HUD. HUD conferred with our findings. So that's how we got zero. Under the lease-up, we opened up our waiting list which was closed since 1999. We literally exhausted the eligible names on that list. Because the list was closed, action was taken to amend the PHA Plan. The five-year PHA Plan stated that the wait list would remain closed. Our decision was to wait until the new fiscal year to come out with the opening of the Section 8 wait list this past July.

Director Beaver asked what does it mean to lease up, rental assistance, or rent Section 8.

Mr. Ching explained that HUD looks at two ways of utilizing your monies. They give 3,058 vouchers as a baseline figure. About two years ago, HUD reviews the budget utilization based on monies that are given out, and are telling the PHA's to now manage within that HA's \$50 million. There are two ways of measuring your lease-up. HUD reviews if you can reach your voucher amount. If you are not able to do that, then are you utilizing your monies? At this time, indicator 13 lease-up on the baseline of 3,058 vouchers is 63 percent. Our budget utilization for the last fiscal year has reached 93.4 percent. We are about five to six points away from hitting a hundred percent of utilization.

Director Beaver asked what does it take to get additional points.

Mr. Ching believes it was 95 to 97 percent for 15 points.

Director Thompson wanted clarification on indicator 13, you said that the list was closed so that meant that we couldn't enter into housing assistance payments, is that correct?

Mr. Ching said that is not correct. The waiting list was closed and the program was still active. We were still pulling names off that list when it was closed back in 1999.

Director Thompson said the reason we got zero points is because it's our own assessment.

Mr. Ching explained that it is not only our own assessment. It comes from data that we submit to HUD. It is the combination of the two. I generally use our figures because that's all I can prove. It is based on either the amount of vouchers used or the budget utilization.

Director Smith added that we would either have used up all 3,058 vouchers or all \$50 million and we would have gotten twenty points. In this particular case we used \$47.9 million, about 93 percent of it. So we didn't quite hit that 95 percent threshold. Again our voucher level is very low because there just aren't affordable housing units out there for people to rent. The reason why we get the dollar figure is because our rents are high. So we can gobble up the money, but not the vouchers.

Mr. Ching said that's correct. One of the indicators we have is the payment standards. HUD sets a fair market rent across for our county. The HPHA and the City and County of Honolulu recognize that there are higher rents. In October 2005, we increased our payment standards up to 110 percent. Ten percent more than what HUD will allow. So we increased it effective December 2005 and January 2006.

Director Thompson asked if Mr. Ching knew what score the City and County had. Mr. Ching said no, but last year they were standard performance.

Director Smith commented that for the benefit of everybody new to the Board, the City and County of Honolulu runs exactly the same program, a Section 8 program with about 5,000 that they are responsible for managing and getting out into the community.

Director Ignacio had two questions. If we would look at the 93 percent of the money part, we use about 93 percent of the \$15 million? Mr. Ching answered correct. If we didn't do the voucher very well, you cannot calculate that to come up with an average? Mr. Ching said no. The second question is you said that months back you provided the prior Board, with a document about expanding the housing opportunities.

Mr. Ching said no, we wanted the Board's action on approval of the new PHA Plan which included the expanded housing opportunities. He explained that in June the Board tabled or deferred the For Action.

Director Smith added that she recalls it was because we realized that this organization was going to be split into two different Boards, and we wanted to give this new Board the opportunity to look at your plan and to make sure we had a comfort level. That's why the old Board, even though we knew it was going to lose its points, decided let's wait.

Director Beaver recalled Mr. Ching reported that right now you are actually doing work to expand housing opportunities. But it's not being recorded and captured, and there is no current policy to direct you.

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Mr. Ching said that there are no instructions written. We always did it internally for our program's livelihood. If we don't have owners out there, we are not going to have a program, regardless of how many participants or applicants we have. In the past, HUD has always given us the points. They looked at what are we doing, not the written aspect, the written administrative plan. They pick and choose certain things they want to look at. This year was rent reasonableness, expanding housing opportunities, and adjusted income. In the past HUD concentrated on different indicators. This year they looked at that indicator. For our program if we have it in writing and continue to do what we have been doing, hopefully we can get the points.

Director Ignacio questioned the expanding housing opportunities and asked are we looking at creating incentives for landlords to open some of their units for Section 8?

Mr. Ching explained that every year we have an outreach inviting current and new landlords, the private sector or those not in the program and invite them to come to a one-day symposium. We explain the program as to what it can and cannot do for them. We also introduce information on landlord/tenant codes. An attorney is on site to answer questions and this is done in conjunction with the City and County of Honolulu. Landlords were asked two years ago what were their needs. Their comments and our needs were compiled and presented it the outreach symposium.

Director Ignacio suggested looking at the private sectors models in developing a tenant solution program. Such as landlords opening up units, but we provide a required case management and a 24-hour call. We also have a working staff to handle issues that landlords face and they don't know what to do. I am encouraging us to think outside of the box on how is it that we can hype landlords.

Mr. Ching said that we always look for new ideas to attract landlords. Whether it's financial incentives or something. At this point our Section 8 programs are in the position to do that. Like assisting them with rent deposit. We don't have enough resources to track that, but we encourage any type of ideas.

Director Smith thanked Director Ignacio for the encouraging ideas. For the record, Oahu's chapter of property management owners are either people who own buildings and rent them out or realtors who are in the business of property management. Oahu's chapter is the single largest chapter in United States, over 300 members. And it is an excellent forum. They meet monthly with all major owners and managers of rental apartments, at least on this island. They have chapters on all the neighbor islands to explain to them our Section 8 program and ask the very questions that Director Ignacio was suggesting in terms of what can we do to work with you to open up their units for Section 8 tenants. So I would like to encourage talking to that group.

Mr. Ching said that the HPHA and the city was invited to one of their chapter meetings, and spoke to them about the program, encouraging the property managers to be participants in the program.

Director Thompson asked to call the question.

Chairman Sted said a question has been called by Director Thompson. All in favor of the motion?

The majority: Aye.

The motion was unanimously carried.

RESOLUTION NO. 02

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION APPROVING THE SECTION 8 MANAGEMENT ASSESSMENT PROGRAM
(SEMAP) CERTIFICATION

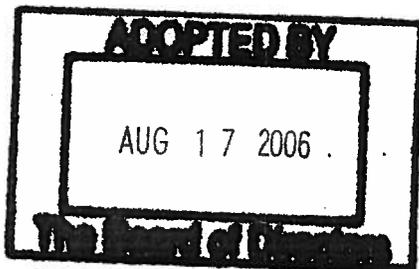
WHEREAS, the Board of Directors of the Hawaii Public Housing Authority, in compliance with the U.S. Department of Housing and Urban Development (HUD) management performance requirements for Fiscal Year 2006, has reviewed the Section 8 Management Assessment Program (SEMAP) Certification, herein attached, and

WHEREAS, the Section 8 Management Assessment Program (SEMAP) provides policies and procedures for HUD's use in identifying Public Housing Agency management capabilities and deficiencies, and

WHEREAS, HUD will utilize and allow the Section 8 Management Assessment Program (SEMAP) to practice accountability, monitoring, and risk management.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority hereby approve the SEMAP Certification for FY ending June 30, 2006.

The UNDERSIGNED, hereby certifies that the foregoing Resolution was duly adopted by the Directors of the Housing and Community Development Corporation of Hawaii on August 17, 2006.



Charles Sted, Chairperson

Director Smith moved, seconded by Director Thompson

That the Board approve Resolution No. 03 Approving the Public Housing Assessment System (PHAS) Certification for fiscal year ending June 30, 2006.

Ms. Miyamoto presented the For Action. The attachments are the individual scores starting off with vacant unit turnaround on page four. The average unit turnaround day is 149.78 days so we're not getting any points there. In order to get any points for vacant unit turnaround, the vacated unit must be made ready within 25 days. Down time is counted from time the unit is vacated to the effect of the new lease. This is worth 8 points. The next sub-indicator is capital fund where the maximum point is 7. We will take the entire 7 points for capital funds. The next indicator for work orders is broken down into two categories, emergency and non-emergency. For emergency work orders completed or abated within 24 hours, our percentage comes down to 87.75 percent. To get any points we have to be at 95 percent.

For non-emergency work orders, our average completion days are 33.45. We could take points with a total of 33.45 days, except we would have to show that we have reduced the number of days it took us to close out those work orders by at least fifteen days, and we have not. We actually increased over the last year. Again, we are not taking these points for non-emergency work orders. The next one is annual inspection of dwelling units and systems. Percentage of units inspected by PHA is only at 58.53 percent. We are not taking any points for unit inspection. Building and systems is at 29.41 percent. Again, we can't take any points for any of the annual inspections.

Director Thompson asked where do we need to be to get points.

Ms. Miyamoto said for the units, annual unit inspections must be at least 93 percent inspected. For building and systems at least 60 percent of buildings and systems needs to be inspected.

Security is worth a possible 4 points. We anticipate getting all 4 points. That consists of tracking crime-related problems, screening of applicants, lease enforcement, and grant program goals. The last indicator is economic self-sufficiency. We met our goal and we're at 100 percent, taking the 7 full points which brings us to a total of 18 out of the 30 points. Out of a possible 100 points, we anticipate getting 70 and we're anticipating physical inspection to score about 21 points.

Until the Real Estate Assessment Center (REAC) actually comes and conducts the physical inspections, our score is an estimate. For financial indicator, we won't know until April of next year. We do expect that score to drop a little because of the current ratio. We are anticipating getting about 22 points. We also anticipate 9 points for the resident services satisfaction. That brings us to a total of 70 out of 100, which is a standard performance.

Director Thompson asked how much margin do we have? Sixty?

Ms. Miyamoto pointed out on the second page of the For Action it identifies how we classify a high performer, standard performer, or trouble. Standard performer score is not less than sixty percent of total available points. We would be going in as a standard performer. HUD would then come in and do a confirmatory review once we submit to confirm that score.

Director Beaver asked for a short summary be given on the indicators and why we are not taking any points or planning on achieving those points.

Ms. Miyamoto explained that on indicator 3, emergency and non-emergency work orders, we had a lot of open work orders not completed or work wasn't done within 24 hours and we can't count that. Emergency work order is supposed to be completed or abated within 24 hours. In some cases it was not done within 24 hours or it wasn't even abated. Another training session with the management units

APPROVAL OF
RESOLUTION
NO. 03
APPROVING
THE PUBLIC
HOUSING
ASSESSMENT
SYSTEM
(PHAS) CER-
TIFICATION
FOR FISCAL
YEAR ENDING
JUNE 30, 2006

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to review the work orders will be done. Non-emergency work orders will also be addressed in the training. We have a lot of open work orders. Ms. Dodson has been working with and monitoring each of the management unit staff to find out exactly what the problem is. It's a combination of the work not being done or work orders not closed out.

Director Beaver said there was an actual increase in that number from last year to the previous year? Ms. Miyamoto answered Correct.

Director Ignacio commented that it's getting worse than better? Ms. Miyamoto said exactly, worse.

Chairman Sted said that it is one of these things that having about four years on duty we hear over and over. If you push, it slips. You push, and it slips. A lot of it is reporting.

Director Ignacio commented that this kind of thing would not be acceptable in the private sector. I know the system is broken, but I'm hoping that we just don't accept, that's how business is done. Are we going to finding out why are those work orders not being handled? In the private sector if the work order is ordered and in 24 hour it's supposed to be done, and if the manager doesn't do it, he's out. What is causing this? I don't think this is acceptable. I think it's a disgrace for us as a Public Housing Authority to accept the low standards. We should be shooting to be a high performer.

Mr. Doug Allen from the audience thanked Director Ignacio.

Chairman Sted said that there's support for your comments a hundred percent. Thank you.

Director Beaver commented that it would be helpful just to have in the next meeting a report why we have this unfinished paperwork or open work orders or whatever the causes might be.

Director Thompson commented that it would be helpful for the edification of the Board to review with them where and what we've been doing, what the Agency has been doing to work on this thing, and recommend what you think we can do. The Board wants you to do better and if we could get some actions put together, on a time line and say how we're going to do better, there's got to be a way we can do better.

Director Ignacio commented that we've got to make sure we're asking the right people those questions. If we go and ask the managers in the property or the workers themselves, they are going to give us one point of view. When we go to the housing complex, it's a different story. It is our responsibility not to just have a managers meeting and listing this is why this didn't happen, that one was on Worker's Comp or whatever, we need to be responsible. I'm willing to give my time. But to go to those low performing areas and ask the residents so what is the scoop here? Because it is only then can we start getting improvements.

Director Hosino commented that on this sub-indicator five under security, what is the percentage you said on that? I wanted to get a refresher on that.

Ms. Miyamoto said on security, crime-related, our score is 91 percent.

Director Hosino asked if that is all documented.

Ms. Miyamoto said yes and that each management unit has to submit their log of what was reported. Based on that, that's how we come up with our score to verify.

Director Beaver said on to sub-indicator 4, why the inspections of the common areas, dwelling units, and systems are 58 percent.

Ms. Miyamoto said that for both the unit inspection and the building and system

inspection, it's not that inspections weren't done. But we have a form that we use that utilizes the Uniform Physical Condition Standard Protocol that HUD provides. By following that, they have to fill it out a certain way, open the work order on the day of inspection, and that starts the clock ticking. In auditing those inspection reports, many of the reports were not filled out correctly, so we can't count them. Because HUD comes in for a confirmatory, that's going to be taken away.

Director Beaver asked if it was paperwork again.

Ms. Miyamoto said in some cases paperwork. In some cases they actually did not do the inspection. And we know which management units those are.

Director Ignacio asked if there were any kind of consequences for those actions that weren't taken.

Ms. Miyamoto said that because it was a personnel matter, when we found those discrepancies, it was passed on to the supervisor. In the case for public housing it was Ms. Dodson who has been working with different areas. This year one my staff has been looking at every single inspection report and noting all the deficiencies. We just didn't want to take points when we shouldn't be taking points.

Director Ignacio commented that we'll always be in that position if we don't change the system that's creating this.

Director Ridings asked to go back to what is the criteria for putting vacancy days that are exempted for capital fund? Is where you put a unit in the capital fund and you come up with that exemption?

Ms. Miyamoto said that it's very specific on the capital fund program.

Director Ridings asked is it possible for a resident or tenant to continue to live in a unit if a unit has been put into this capital fund exemption classification? The criteria for putting the vacancy days into the capital fund?

Mr. Edmund Morimoto, Construction Management Section Chief explained that there are actually two types of criteria. If we have a scheduled modernization and I have a block of 75 units that I'm going to be doing, the minute I go in and say to HUD I want to do the 75 units, it goes into a Public Housing Agency (PHA) plan which HUD has to approve. On the day that HUD approves that plan, the 75 units that was put in for modernization are exempt.

Director Ridings asked if these are vacant units.

Mr. Morimoto explained that they may not be at that point in time. During the period of exemption, we'll do the design. We'll move the people out, do the construction and when everything is finished, we move the people back in. On the date of return from construction, it leaves the exemption, and it becomes another unit that has to be filled. The second criteria is we have units that are vacant because they are in really bad shape and are classified as A's, B's, and C's. The units that we are exempt from are the ones that our management people cannot do. So we identify these units, put them on a schedule to be repaired, and it goes back into the PHA plan again. The day that the PHA plan is approved to do the very bad units, those units now are exempted from the count.

Director Ridings gave an example about Kahului Terrace which was looked at. The units that the stove needed to be replaced even though no one lives there. Would that not be in the capital funds exemption?

Mr. Morimoto said no, it would have to be something like the floors in the building are heaving, people can't walk through there without having the potential of falling and getting hurt.

Director Ignacio asked who keeps track of the vacancies.

Mr. Morimoto believes it would be the management people.

Director Ignacio gave an example of the elderly housing project in Honokaa where five units have been vacant for over two years needing very little repair and new appliances.

Mr. Morimoto said that the management unit manager is supposed to be keeping track of whatever vacancies there are, and they enter the vacancies into our computer system to be tracked.

Director Ignacio asked if the Honokaa elderly housing had a management company sometime last year or before.

Ms. Miyamoto answered that the Request for Proposal (RFP) should be going out shortly to procure a management agent for that area. Right now we have staff in Honolulu flying to do repairs and to do the management.

There being no further discussion,

The motion was unanimously carried.

RESOLUTION NO. 003

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION APPROVING THE PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)
MANAGEMENT OPERATIONS CERTIFICATION

WHEREAS, the Board of Directors of the Hawaii Public Housing Authority, in compliance with the U.S. Department of Housing and Urban Development (HUD) management performance requirements for Fiscal Year 2005, has reviewed the Public Housing Assessment System (PHAS) Management Operations Certification, herein attached, and

WHEREAS, the Public Housing Assessment System (PHAS) provides policies and procedures for HUD's use in identifying Public Housing Agency management capabilities and deficiencies, and

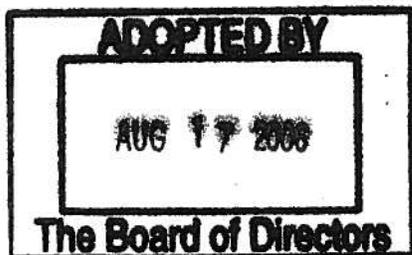
WHEREAS, HUD will utilize and allow the Public Housing Assessment System (PHAS) to practice accountability, monitoring, and risk management.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority hereby approve the PHAS Management Operations Certification for FY ending June 30, 2006.

The UNDERSIGNED, hereby certifies that the foregoing Resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on August 17, 2006.



Charles Sted, Chairperson



HAWAII PUBLIC HOUSING AUTHORITY

Chairman Sted suggested moving to the next item on reappointment, the crime and safety item on the agenda, then meet in Executive Session, having lunch at the same time to deal with the legal matters that are calendared for the Executive Session.

Director Thompson moved, seconded by Director Oliva

That the Board reappointment of Ms. Thelma Akita-Kealoha to the Maui Eviction Board for a two-year term expiring August 31, 2008.

The motion was unanimously carried.

Director Hosino introduced the item For Information on Crime and Safety in Public Housing and introduced Mr. David Yaw, the Chairman for our Resident Advisory Board, and that he is also the Resident Association for Kamehameha Homes and Kaahumanu Homes. Mr. Yaw has concerns with the crime and safety in public housing and would like to address the Board.

Mr. Yaw thanked the Board Members for allowing him to speak at the meeting. He said that the main reasons for being here was the confusion of information provided to the Board as to what the Housing and Community Development Corporation of Hawaii (HCDCH) staff received from the Resident Advisory Board (RAB) on crime and safety. There are incidences of drugs, gangs, managers involved in putting tenants against tenants. Three years ago the previous Board went to Big Island to see the dilapidated state of our housing projects that also came out in the media. A lot of tenants feel submissive when they come in front of the HA because they feel they will be intimidated by eviction or reprisals. He and other tenants we have been given Temporary Restraining Order (TRO) when we spoke out about issues in our communities, trying to find out what happened to financial resources within our community. It affected my family, we were threatened by management who is overly involved with tenants and not being fair with everybody. I may be perceived as a trouble maker, but I am a person who cares for the community. I have always been outspoken when it comes to the rights of tenants.

Mr. Yaw has been involved on the Windward side, Wahiawa, Waianae, all over Honolulu, and has talked to people in the communities gathering consensus of what is really going on. Such as vacant units which attracts more crime into the community. One of our concerns is, when is the agency going to fulfill the requirements of the Memorandum of Agreement (MOA) they're in? The MOA defines that these units needed to be put back on the market. Under the broken window theory, if you allow this to continue, it will just continue. What we're trying to get rid of will never disappear. It will always exist because of the type of things that's going on as far as management's responsibility. Maintenance staff lacks the skills and motivation. You can train these people all you like, but until you have them really fulfilling their obligations to what their responsibility of employment is, you're never going to have a community that will be stabilized and produce some kind of positive image in their community.

Mr. Yaw gave an example of Jack Hall Housing, a Section 8 complex, managed by a private management corporation and that the Board needs to look the project compared to the agency's public housing. Weed and Seed introduced three components, 1) the police would weed out all the crime elements and drug dealing; 2) tenant involvement and participation, we get undermined a lot when we get involved. Ms. Stephanie Aveiro's response to the crime and safety while doing the PHA Plan that tenants need to be involved. How much more do we need to be involved when we run security walks, equestrian programs, parenting classes, training, employment training classes, and various program. Till now the PHA has done several things over the last two years. They have made broken promises removing all monies from the PHA plan towards crime and safety to sustain the program in place. Also to initiate new programs bringing communities out of dilapidated state and revitalizing the landscape. These are all promises that the

REAPPOINTMENT OF MS. THELMA AKITA-KEALOHA TO THE MAUI EVICTION BOARD FOR A TWO-YEAR TERM EXPIRING ON AUGUST 31, 2008

DISCUSS CRIME AND SAFETY IN PUBLIC HOUSING

Weed and Seed initiated.

As Board Members, and I sit on the Advisory Board. Whatever this Agency does, it reflects on both Boards as being inadequate or insufficient. I don't want to be classified as that because of somebody's deficiency. I want to be known as I tried to make the correction. If they failed, they failed, I tried my best. That's why I'm here today to find some common ground in how we can attack this problem.

We have a wide range of racism going on. We had testimonies from nonprofits as well as tenants.

Director Ignacio asked to have copies of the testimonies.

Mr. Yaw said sure. He said that he stated to them that he made some initiation to HUD, not complaints but HUD got agitated. As a Resident Advisory Board member, talked about these issues continuously for the last three years and nothing is being done. So I called HUD in Washington D.C. and found out there is an issue within the PHA plan. You can hold back the plan and not forward it, but the consequence is that you hold back the funding. What we have done is hold back that one component of crime and safety and allow the PHA plan to go through. Mr. Yaw told the Board that he wasn't sure if they were aware of what he is talking about.

Director Yoshioka said no. We're all new here.

Mr. Yaw continued, and reiterated. I had not made a complaint, it was all informational. They recommended we go back on the table and start a special meeting to find ways to combat this problem that we have.

Director Ignacio asked is this what you're talking about (indicating)?

Mr. Yaw answered yes, and I'll talk a little bit about how important that is, and number two, is going back and doing new talks on those issues we had left back. A lot of important issues that had about crime and safety or various other issues that we had spoke about, but never got any response back from the Agency because we would look into those and we will study, and we will get back to that. And that's been three years, and we haven't had any response to that. I feel right now it is a perfect time with a new Board to find ways to do something constructive in removing all of these problems that we have in public housing by initiating programs that will implement and sustain itself. The Agency will only meet the minimal requirements and not complete it.

In the PHA Plan under Crime and Safety, the box to checks off asks what problems they are having in the communities, you will see that it's a high crime area. But the crime statistic report that was an attachment to the plan is missing. Number two, the physical need assessment for each community which tells you what is done by HUD is an underlying problem. A lot of it was infrastructure. Based on maintenance's lack or ability to control whatever is going on in their community and take care of that. That could range from vacant units to landscaping. I feel that with the amount of violence from kids, we see gangs. Recently in Mayor Wright's there were a few killings there. Four months ago two stabbings in Kuhio Park Terrace. Management and tenants are not calling a meeting to see what can be done so the community is left at this state. The Weed and Seed program ends in two years and that would be a shame. Because this program was initiated to help make our communities safe. We have complaints from elderly people in the community who are being abused, robbed, intimidated, afraid to go to the laundry room, ride elevators or come home late at night. Their schedule is limited to socialize or do anything because of that fear.

Mr. Yaw has spoken to multi-family communities and they also are afraid to send their child out around 10:00 at night to go to the mailbox or to do the trash because of the problems going on, drinking and crime, and no one is taking care of that problem. And when you do, management will allow this person who you are complaining on to know that you made that complaint, ad now we have a

retaliation factor there.

Mr. Yaw mentioned that he had a problem with his son who had gotten into a fight with his neighbor. He went to the managing office to solve the problem with the neighbor and if they continue this, then move for eviction. I have to make sure that I focus on the entire community and not favor my family, but the meeting never happened so these issues reentered and festered up again. After five months a meeting was finally called, trying to be intimidated by the spurring of this manager, and fights broke out around the office and five or six people almost got arrested because of the lack in ability to handle this type of mediation. The manager used foul language, and that's the type of attitude that we detest. We need to get rid of that because that's part of the problem. I think that you have been filled with part of the truth, not the whole truth. I applaud what they said where you have to go out and talk to these residents. If you don't get firsthand information and allow the residents to know that, by talking to me you don't get into trouble, no reprisals is going to take place. And they might start to feel comfortable. But because of past incidences where people got TROs, they are going up for eviction. Mr. Yaw gave other incidences and problems they encountered between tenants and management.

Director Ignacio again asked Mr. Yaw to provide the Board as soon as possible with the names of those management agencies, names of those individuals, and said that she personally is not making any promises as to what can take place, but promises that we are going to investigate.

Mr. Yaw agreed and said that we need to have some other voice than just our own. He is concerned if a complaint is made, will the manager allow that person we complained about to know this thing. He wants to see changes in the community and tenants self sufficient and excel and not only meet the minimal requirements.

Chairman Sted asked process wise, how would the information Director Ignacio just asked for come to the Board, through Ms. Miyamoto or through the RAB process?

Mr. Yaw said that he has been working with Director Hosino.

Chairman Sted said that Mr. Yaw has expressed to the Board what's going on and opened up our eyes to more of what's happening in your view. He asked if the Directors had questions for Mr. Yaw.

Mr. Yaw said that there are guests here that would like to comments to the issues because tenants are spread around the islands and we don't want to misinterpret what we're doing here. We're trying to find an avenue of collaboration between the Board, the Agency, and the residents. Mr. Yaw mentioned incidents and communications between tenants, the RAB, the Agency and staff.

Director Yoshioka asked Ms. Miyamoto about the discussion of funding that is now gone and if that was for crime and security.

Ms. Miyamoto said yes that was a HUD special grant called Public Housing Drug Elimination Grant and it was done away with. Now to fund any of those activities, it comes out of operating subsidy and that grant is no longer available.

Chairman Sted added that Congress didn't continue the funding of it.

Mr. Yaw commented that they requested money from the operating subsidy to continue the program because that was promised to the community to implement Weed and Seed, and to continue this zero tolerance program. But the tenants that had their house raided for drugs still live there. He read some of the solutions the RAB came up with. Overlapping staff hours so staff could be on site when incidents take place. Staff would be able to make a judgment on the tenants' status in housing. Problems are not solved when the police is call in, problem still exists in the housing. Staff should know exactly what went on and take action. Uniform security is not working, there are incidents of racism, fights, and the security cannot do anything because it's not under their contract. They only man the parking lot

areas, and gate to these communities. We want the Agency to do a survey on what the needs are especially in those high volatile communities also these communities could be manned by two off duty police officers roaming all communities during the times where crime mostly exists late at night. You have to deal with the people drinking, loud disturbances and fights. I go back to what happens after management receives those reports? Nothing. We're asking that they either hire off duty police officers or remove that stalemate between the State and the City as to who is responsible for state property. Is it the sheriffs or the police department?

Director Smith asked Mr. Yaw if he remembered that we got the law changed. It's clear now that for those of you who weren't here previously, they used to say our public housing was private property so the police could not go on that private property, even though there was a call made. So we got the law changed to allow now that the police officers if you call 911, they will come in to public housing projects. She asked if that made any difference.

Mr. Yaw said no, they tried initiating the No Trespass Bill, and that was defeated by the Police Department and the Attorney General's office.

Director Smith said that we need to reintroduce that, it didn't pass, they put too much pressure on the Legislature.

Mr. Yaw added that problem is by going that route and not using the staff in that situation has made that an impossible task for the police department. They would spend too much time deciphering where this person belonged to and they weren't in the mood to go investigate for no trespassing.

Director Beaver asked is the issue if under the trespass law the land owner's representative has to be there to tell the police officer that this person does not live here, therefore, should not be on this property. And apparently that's got to be done in the presence of the police? Is that kind of the issue?

Director Smith answered exactly, you have to have somebody who verifies whether or not the individual is or is not a resident.

Director Beaver said then your recommendation that you have staff at those hours?

Mr. Yaw said yes, that would make a difference since 1) staff knows exactly who lives in that household. If they don't, they have access to that information; 2) staff should know what infractions have taken place. If not, they have the access to that information and; 3) staff members would know what procedures to use; 4) Neighborhood Watch signs we received some from the police department, we have to get permission from the Association and managing unit to put up the signs revitalizing of communities; 5) we want the Agency to provide 911 phones so when they call 911 they want to be anonymous because they won't give an address, you can meet that officer someplace else and keep that anonymity of no one knowing who you are. Tenants are fearful when they make complaints. They put themselves on the line.

Mr. Yaw mentioned how he helps the community to volunteer, but the community needs a safe place to live, if not, all of those programs are worthless. Something can be done if we put some constructive plans in place. Rather than spending time on towing people's cars out of the complexes, why not get people out that don't belong there committing crimes, taking and selling drugs. They emphasized more was on material things, such as the parking lot, versus crime and safety. I appreciate coming to the Board, there's so much opportunity for dialogue, with everyone in public housing, to bring a broader aspect and to speak with more tenants other than myself. Mr. Yaw wants to see changes within the public housing to help people that need the help. He asked if there were any questions.

Chairman Sted said that, that's what I would like to do. And asked if anyone else here today that would like to come up or make comments?

Mr. Douglas Allen of Waianae, said that the problem mentioned about the

management companies not doing their job and not able to control the management companies, should be found and to get rid of them. If they don't do the job and they are working for this company, tell them to go. You got somebody else. These people are ripping you off because they are not doing the job, and you all will put up with it and next year you hire them back again.

Ms. Marsha Lee from Wahiawa, Kauhale Nani, said that in their community they have a lot of drinking, kids running around late at night, stealing of bicycles, stealing of gasoline, and stealing of car equipment. But thinks we can have our community together. Our management is like, if you tell them something Mr. Allen said, you shouldn't go back and tell them so and so said you were making noise last night or they saw you stealing something last night. It should be confidential where you can go to your management and tell them something's happening, and then it's all confidential. Then if evictions come up and you have to go and testify, that should be confidential too where you don't have to show your face. It takes time to get evicted. When you tell a tenant, oh, well she said that you did it, and then you have to go back to your home and live in there. You're going to see retaliation with the families. I have a TRO on one of my tenants because he calls my job, what time do I start? What time do I finish? All these kinds of things. He has five TROs on him so far. But it should be kept confidential. You have to say something to somebody and you see something going on, you take pictures. If you have pictures showing them with a can of beer in their hand or out there having a party, then that should be enough. You shouldn't have to call in to say you took pictures and you were the one who was doing it. Then nobody will want to say anything. Everything will shut down, and they will be having their parties and doing what they want to do. And the tenants would just shut down. And they are afraid. It should be confidential where you go and tell your management I see this and that. I think that would be much better. But other than that, that's the only thing the tenants want confidential.

Director Ignacio asked the guests what housing project they are from and what management company.

The projects and management companies were Wahiawa Terrace, Hawaii Affordables, Waimaha-Sunflower, Waianae, Urban Management, and Kaahumanu Homes.

A woman's voice said "I'm with Hawaii Affordables too. But I have no problem with my manager. It's individual." Another said some of those tenants attack the management also.

Director Ignacio asked Mr. Yaw who is your management company.

Mr. Yaw said Kaahumanu Homes, state-run. He introduced Ms. Melissa Chun from Parents and Children Together, the Agency that works out in one of the public housing complexes.

Ms. Chun thanked the Board for allowing her to say a few words. Mr. Yas has some of my statements in writing. They are personal concerns of mine because I meet with families regularly. And they share concerns about safety and crime. I know that there was recently a highly publicized stabbing where a man allegedly murdered his girlfriend or wife. And probably after being arrested, within a couple of days he was brought back to his unit, lived there. His neighbors were very upset. They requested that he be moved or that they be moved. And they started moving his neighbors to other units within the community and left him there. The crime scene, I don't know if it was told that there was blood and other things that were of concern in the neighborhood right around that unit. So it wasn't cleaned up right away. I don't know whether that was due to management and maintenance or whether it was because of the Honolulu Police Department's (HPD's) involvement. There have also been several stabbings. As David said, a lot of times conflicts do arise between residents. We do have 24-hour security on site. We have been told though that police are not able to intervene in situations. I wasn't aware of the law that had been introduced. So I also know that the management company in terms of security places trespasses on people in the community at their will.

HAWAII PUBLIC HOUSING AUTHORITY

Director Ignacio asked who was the management company.

Ms. Chun said Urban Real Estate Company. I also get many maintenance concerns. Plumbing and sewage problems that don't get fixed. Several residents that live in one corner of the high rise buildings tell me that sewage is spilling in from several floors above and has ruined all of their belongings, and they haven't been reimbursed for that through insurance. They have been told that they can have their belongings replaced or they can be compensated for it. But they haven't seen anything yet. Instead they have been moved to other units. Then I also have several residents that I know of that are elderly and disabled. And they live in the high rise buildings. A Lot of times there are medical emergencies that happen. And they are unable to get in and out of the building. Sometimes they barely leave their unit because the elevators are broken most of the time. They are lucky if they have one elevator working in each of the high rise buildings. So those are just some of the concerns that I've heard directly from residents.

Director Smith said that we've got a legal issue we're following on that one.

Chairman Sted thanked everyone and for coming today. He said it is an opportunity we've not had to connect directly. And I think we see our focus now is much sharper and allows us to have this kind of connection.

Mr. Yaw thanked the Board and expressed his appreciation and reminded them that he is not here as a complainer. But to find ways that we can attack this problem and remove that stigma in public housing and away from tenants because this is the time we have a lot of tenant involvement.

Mr. Allen said he has been telling the Board since 1999 that we're trying to work with you not against you because we all want the same thing, and we want to be treated like the best. He thanked the Board for listening to them.

Directors Hosino, Ridings and Beaver requested from Mr. Yaw something in writing and the list of testimonies and signatures of the tenants.

Mr. Yaw said that he will do a full assessment of what he did and will put it all down and include the testimonies of the nonprofits.

Director Ignacio asked when can he get it to the Board. Mr. Yaw said two weeks.

Director Ignacio said if he can get it to the Board on September 1, 2006.

Mr. Yaw said that's fine. Will do.

Director Beaver said it would be good too if in whatever you submit to us you give us an idea of you said you went around and you talked to a number of people, give us some sense in terms of how many people you talked to so we understand the basis for what you're bringing.

Mr. Yaw thanked everyone.

Director Ridings moved, seconded by Director Beaver

That the Board move into Executive Session at 12:40 p.m.

The motion was unanimously carried.

* * * * *

Director Ridings moved, seconded by Director Beaver

That the meeting reconvened in regular session at 1:00 p.m.

EXECUTIVE SESSION

RECONVENED

HAWAII PUBLIC HOUSING AUTHORITY

The motion was unanimously carried.

Chairman Sted left the meeting at 1:02 p.m., and Vice-Chairman Thompson called the meeting to order.

Ms. Miyamoto reported that the Office of Information Practices (OIP) reported to the Board that the decision where the Housing and Community Development Corporation of Hawaii (HCDCH) withheld the asset management report that was requested by Senator Donna Mercado Kim was proper. A complaint was filed with the OIP.

Director Smith added that Senator Kim claimed that Chairman Sted was withholding information that should have been in the public arena.

Director Yoshioka asked if this was part of the whole discussion we went for confirmation hearing.

Director Smith said correct and essentially the judgment was that this is a pre-decisional document, that it contains highly confidential proprietary information. That it is a document that we are using to try and make some determination about the assets and the best use of the assets that are under the purview of this Board. We had the OIP, Les Cumber come and hear comments from our predecessor Board. And based on the information he collected plus the rules that he has to follow under Freedom of Information requirements and open records practice, he made a determination that the bulk of the report is not releasable, but certain specific factual information. Like the name and address of each one of the properties that we own does have to be released back to the Senate.

Vice Chairman Thompson added that the Board was looking at the possibility of spinning off certain properties and we commissioned or retained a consultant to essentially look at the properties, and we gave them a very comprehensive list, and make recommendations, establish criteria to make recommendations. He provided the Board with a draft copy of the information. A task force was formed and we were reviewing the criteria to determine what needs to be done, and the report has not yet been finalized. Senator Kim felt that she should have our concern in the process, for your information. The OIP complaint was filed and our Chairman did the right thing at the right time.

Director Ignacio asked for a copy of the Asset Management Report.

Vice Chairman Thompson explained that copies of the report were given to the people the Asset Management Task Force to keep the confidentiality of it.

Vice Chairman Thompson added that after the Asset Management task force work on what they have to do, then they will report to the Board.

Director Ignacio has commented that she has a problem that if we cannot trust the Board Members.

Director Smith commented that she doesn't think it was a matter of trust, but once it's distributed to all the Board member, then it becomes in the public arena. Therefore, it can no longer be kept confidential, and that the ruling was made by OIP with our attorney.

Vice Chairman Thompson explained that there is a draft and the Asset Management Task Force, if they have anything to report, will make a report. So that would be a standing part of our agenda. Ms. Miyamoto, from this point on would start to show us what the three committees have.

Director Beaver asked why did Senator Kim come up with the complaint that she registered.

Director Smith said that she filed a request with the OIP subsequently to writing

OIP DECISION
07-01, (JULY
26, 2006)
CONSULTANT
ASSET MAN-
AGEMENT
REPORT
(APPEAL 06-03)

and asking the previous Chairman whether or not she could have a copy. And his decision was no. And as a result she then filed the complaint.

Vice Chairman Thompson said that under the freedom of information it's been sustained. The subcommittee has not made any decisions. There were different options of which properties you look at, different criteria, different values, and how we would realize it.

Director Smith added that it was one of our concerns that this entity, and we actually contracted with the Navy, put a valuation on each one of the assets. She gave an example. Two years from now we want to go out and sell property X, this information was out in the public. They would know that this asset was valued at \$100 million because it's in the study. Again that puts us at a negotiating disadvantage to have it in the public arena. So some of the information we felt was highly proprietary or confidential to the kinds of decisions that this Board may need to make. And as a result it would go against the public interest to have that information released at this time. And that was the judgment that the OIP had made, and they concurred with us that it would be against the public interests to release that type of information.

Director Yoshioka asked out of curiosity, how did this study come about and what was the background behind that.

Vice Chairman Thompson said that we're basically in financial problems. One of the ways we see is that we could, a) expand the housing that was available to people. This would be to take an asset that we already have, realize we'll pick a \$100 million for that, take that \$100 million, and keep the asset and put it in the private sector, retain it as inventory as affordable housing, and take that \$100 million and leverage that into additional properties. That was basically the thinking. If you look across the spectrum of our public housing, the average age is in excess of forty years, we don't have enough money to maintain it or do security.

Director Smith stated that this is a national trend that HUD is recommending that public housing agencies look at their asset base, determine where you can Monetize that base to really leverage both, to build more affordable housing as well as better utilize or manage your assets. They have been encouraging entities such as ours to look at your assets, the value of your assets, and what you should be doing in terms of spending, the law, increasing densities, and the whole spectrum of options. We are responding in part to that suggestion, a push from HUD.

Vice Chairperson Thompson added that there is about a \$2 billion program which came through the military where they are identifying all their properties to either demolish and build new ones or refurbish or get rid of.

Director Smith explained why the contractor is with the Navy is because they have had experience through their privatization. They have spun off a lot of their properties to organizations such as active farm, forest industries in Hawaii, and have turned those not well maintained and managed to the Department of Defense housing projects into models. The company that we subcontracted with through the Navy was the same firm that had helped the Navy here in Hawaii with some of those deliberations and decisions. She said that everything we do is paid for by taxpayer money, and everything that we fund has to be appropriated by the Legislature who appropriates everything.

Director Beaver commented that after hearing all of the reports from staff, the Agency and independents at his first meeting, his big question is whether or not the program is truly a good sustainable program right now. He pointed to several things that he has seen and heard today that are evidence and is not surprised when someone mentioned this item on the agenda. He assumed that on the previous Board someone was thinking that this equation is not balancing. When I hear that the buildings are old and sewer is dropping from above, is there any effort to correct that. Because if we're going to do something, we should do it well.

Vice Chairman Thompson welcomed him and to the challenges of the Board. As

we go through the challenge, we've had others. We were totally under the thumb of HUD for more than a year.

Director Smith said that it was a team effort. Ms. Miyamoto led that team to pull us out. We were on the brink of receivership and that is not over. We at least know how much we have to have done.

Director Ignacio asked if the tenants' concerns today are valid.

Ms. Miyamoto said that the concerns that the tenants bring up I agree are valid. We take each complaint that comes through to the office individually and investigate to see whether there is merit to the complaint, whether there are other factors involved. Sometimes there are other situations that brought that situation on. We have to address that. It's a variety of reasons as to why some of these complaints are voiced.

Director Ignacio asked with all the complaints, is there a central data information bank of records kept and what were the actions taken by us, and where are we now because when we do an analysis, there's usually trends that show up. There's usually a couple of employees that keep showing up or management companies that keep showing up. Do we do that? I don't want to be a part of something that just says, okay, let's plug this hole, and four more holes are coming out without saying where is the water coming from in the first place? Is there that information available to us?

Ms. Miyamoto said that she will check to see that it was actually implemented. We did set up a database system to track all the complaints. That was coming out of the office of the Executive Director. There was one point person, Tai Tuimalealifano who would take all the complaints and follow up on all those complaints.

Vice Chairman Thompson said that I have never seen a greater management challenge in my life. You've got this whole array. Every step we're taking, as you'll see when you start getting management reports to see which units are very poor when it comes to collection, the vacancies, and you will recognize that there are a hundred out 400 authorized positions down. They don't have people for them. You will recognize as we go out to hire an Executive Director that the salary level for the Executive Director is a very small percentage of what it should be. All these things fit in. And the open positions, Pam Dodson, who is the Executive Assistant, she has been heading up the Property Management branch. That's not her thing. But there's nobody else. But you're going to find that you've got some really good folks that are working.

Director Beaver commented that hearing the tenants problems and the physical upkeep of the facilities, neighbors not getting along, a lot of people and human relations kinds of issues. And as part of the orientation perhaps in our next meeting, someone can brief the Board on the scope of our responsibilities.

Vice Chairperson Thompson said that the Board's role is essentially to provide general policy direction, to assure that processes are in place that allow our current Agency to be looking at this and to make sure that the treatment is fair handed. And that's where the Board comes in. For example the meeting in Kona where the Board found awful situations and ended up firing the manager.

Director Hosino commented that when she moved to Kalanihuia she encountered problems and asked to be relocated. It took six months to relocate and that unit needed to be corrected and since November of 2005 until today. The renovation of the building shifted my ceiling where the asbestos fell. They used the wrong glue for the tiles to replace the floor. Now they didn't want to change it because they found asbestos in the glue that is in the tile. They will not come and change any fluorescent lights, due to the ceiling is full of asbestos. The problem is not the manager. It's the workers who will not going to touch that because of the asbestos. To my knowledge once they get these people into the units, they are neglected. It's fine to fill all the vacant units. But if it's not up to standards, don't put people in

there because you're dealing with their health issues. Many people are put into vacant units but after you move in, you start finding all the problems.

My husband is very sick and of course I'm going to fight for where I live, I want my ceiling to be taken care of and my tiles not to have asbestos. You put in a work order, but they don't want to touch it. What can you do? They say you have to subcontract, get it outside. Then when you do that, then you have the union coming in to cause the problem. So no matter what way you try to solve the problem, you're always going to come up to obstacles.

Vice Chairman Thompson said that as a member of the Board don't ever lose that thought and don't stop fighting. You can help all of us get those insights because some of this is managerial, some just the whole system, but we have to fix it. Every one of us has the responsibility. It's for the benefit of every person in the housing project. You're our best window and I want those guys talking to you. You have to be articulate and get on the agenda.

Director Hosino said that her biggest concern is that when they appointed her to become a part of this Board, she wanted to make sure that she still had that input with the RAB, the Association, and all the other things that she was doing to help the residents.

Vice Chairman Thompson said that he and Ms. Miyamoto went to St. Paul where they saw an operation, their facilities were older but they were pristine. If you didn't pay your rent, they had a part-time person come in, and you were told you've got a week or you're out. We can do the same thing.

Director Beaver said that one of the principles in property management is you need a property manager that will be fair and objective and be firm with the rules and consistent.

Vice Chairman Thompson asked the Board on their comments for the Hawaii Public Housing Authority (HPHA) long and short term goals and objective.

Director Ignacio said that she wants the agency to be high performing and not accepting just the standard performance. She suggested looking at the system from all angles. Restructuring the Agency and this organization. I would express that as a short-term that we do or at least have access to the work that has been done by the prior Board as to identifying what the strengths, the weaknesses, the opportunities and threats are as a Public Housing Authority. I think the short-term goal is for the Board to be brought up to speed as to what has been done with those issues that you said have been identified and what's the plan to start working at it.

The long-term is my vision that public housing in Hawaii will be a place that any one of us would be proud to be a resident.

Director Ridings commented that we should go out of the business. We should not be in the we don't know how to do it. We can't figure out how to do it right. We have a very simple goal. When I listen to these tenants this morning, the very simple goal is to provide clean, safe, and secure housing to people in the low income arena. And I will quote then Mayor Lingle in 1992 when we did our blessing at our Homeless Resource Facility, she said there are some things that the private sector can do more efficiently, more economically, and more timely than the public sector. And one of those is housing. We shouldn't be in housing. We were the guinea pigs. And we continue to be the guinea pigs through three successful administrations. I've been fortunate enough to go to two of the facilities, Kahekili Terrace and Wilikina, and both of those are a disgrace to their respective communities. Our goal should be to begin to privatize those projects that can be privatized. And that is to be able to refurbish them so they can be used. And for the rest of them, you probably have some fairly valuable land around that we could sell off if we got out of that business to be able to fund the private sector to be able to do this. I'm not saying we give complete control to the private sector because we could by the way the County controls ours is they own the land

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underneath it. That way they know that the people that are going to provide this service will do it correctly or they will get fired. And there should be restrictive covenants that say it will remain that way into perpetuity.

Travis has heard me preach this before. We're in the wrong business. We shouldn't be here. We have a lot of money we could put towards going to the private sector. That is the long-term goal.

The short-term and immediate term goal is to substantially improve the facilities that we currently have to be able to allow people to live in a safe and secure environment. It can be done. It's not easy, but I listened to these people today and they see fresh faces here. And once more I think they are hoping and praying that something is going to happen. We need to do that, if we don't do that, we have all failed in our jobs. It's easy to go put security lighting in. It's easy to go in and work to be able to administer some of the laws we have in place to be able to get rid of drug dealers, drug activities, domestic violence, and other things. I'm not saying that by somebody who is just making this up in a vacuum. On a small scale we are doing it every day over in Maui. We don't tolerate it. We get rid of it. But it's not easy to do. You've got to get the people that have the heart for it. And these management companies don't have the heart. They don't. So my strong recommendation, and I know I'm just one voice, is that we really should set ourselves up to put ourselves out of business. But in the interim put in the appropriate money, time, and dedication to let people live in a clean, safe, and secure environment so that we can then get them ready to go into the housing that they really deserve. Because if you look at it, nobody wants to live in public housing. They are there because in most cases, almost all cases, they don't have a choice. But we are taking advantage of that because they don't have any alternatives. I bet you if somebody had an alternative, they would get out. We're taking advantage of them. And because of that, we should be ashamed of ourselves as a state. I'm suggesting that it's time for us to face up to the sins of our past predecessors and move this thing forward and don't dilly-dally. We don't have much time. And get it done and get it done quickly.

Director Beaver said I want to make one comment, but I'll defer. I just need to learn a lot more. One thing that was kind of disturbing was that to me health and safety, are critical, and we need to get on top of those right away. The issue of people not being able to feel safe when they call 911, that is very disturbing. If you can't rely on criminal enforcement, or law enforcement, I don't see that being one of our responsibilities, to get out there and have our management and our staff people ensure, you know, the safety against crime or criminals. I can't imagine as I was listening to the tenants, you know, saying, hey, your manager's got to be there, they have to be there after hours and so forth. Okay. I understand the feeling. But I'm thinking, okay, how would our staff feel interjecting themselves in a dispute and feeling like they are putting their life out there on the line too? So if we all can't depend on the police, that's an issue. And I have had some experience with the trespass law and have been frustrated to the hilt with that. We finally worked with the police to create a relationship whereby on our properties we could have immediate action. Because if not, they come out, the poor policeman is saying is this your property? Give me a map. It's got to be a surveyed, stamped. Like you have time for that. I think at least the short-term goal, one of them that I see is we've got to address the immediate safety and public safety and health issues. Thank you.

Director Hosino commented that first of all, the crime and safety is very important. And so is the health and safety of the living environment. I have sent out a survey to each association and managers of what we can do to try to improve the safety guidelines in the projects that we live. And I have given all these questions and hopefully I'll get a reply back. I feel that if each association and manager is concerned with the safety of each resident that lives in their project, they will respond to that survey. To me that survey is very important.

She gave an experience of a friends situation in hiring a worker who needs a job and one who wants to work. A feels that, that's the biggest problem we have in our housing. Our people are taking advantage of the system of coming to work, punching in the morning, and leaving. And out of the whole eight hours of their

work time, they are only giving three hours of their time, and the other five they are goofing off. They are not doing their jobs. And I think that would really kind of help the situation too with the housing industry. That's all I have to say. Thank you.

Designee Olivia said that having been through some of the wars that we've seen since we first started and having looked at the progress that's been made and how far yet we still have to go, still I think today the inspiration I got from listening to people makes me realize why I'm here. It's not easy, but it's really hard work. I think we all desire the same thing for those that we serve, those that are serving, and for those that are making decisions. I just feel inspired today. The challenge is a big one, but I think I'm up to it. And whatever it's going to take for us to make the assessment of whether we're headed in the right direction, whether it's a change in direction, you know, for myself I'm doing the best I can to make sure we take care of those that depend on us for the things we are supposed to be providing for them. I don't really have that much more to say.

Director Yoshioka said that she just have to agree with Director Ridings. On Kauai you see the private sector doing low-end modern income housing, and they do such a great job. Because they don't have all these barriers that public housing and the government goes through. I just feel that we should dissolve public housing as we see it today and just have the private sectors. They are proving that it works. It can work. You don't need to have all these tenants coming in with all these complaints. So I just want to say that. I'll be quiet because I was in government too.

Vice Chairman Thompson asked if everybody received their HCDCH annual reports. The annual report spells out the goals and objectives and improving the housing for families and communities, and helping the homeless. There are a lot of aspects of what we're into that are challenging. We've made a lot of progress and it pains me so much when we do go and see the conditions of the housing, and we've seen it, and to see how it could be and it's not. To know the challenges that Ms. Aveiro and Ms. Miyamoto and all those who are working have in front of them. And we're here to help them. To be realistic and say, I know I'd like to get out, but I know we've got to find some options that will work. And maybe you know an exit strategy is one of them. But that's a three to five-year plan, fine, but if that's one of the ones we should take, we should think about that as a Board. And in the interim, we have a lot of challenges ahead of us and work to do. The financial side is one that continues to be an agency that is standard. I'd like to be way up there. I don't want to be troubled again. Because the Legislature in their wisdom felt that we were in such bad shape that there was a potential of being taken over and the assets, including State assets, would all accrue to the Federal. That's why the Board was split. Again, I will wait as the Board meetings continue. I want to identify the problems with Chairman Sted and Ms. Miyamoto. Some of the challenges are how do we handle a hundred and some people down? And yet we are losing \$1 million plus a year. How do we handle multi-island with the 24-hour rule on work orders when you have to come here and get them and go back? It takes information, help, direction and implementation by the organization.

Director Smith said that when Director Ridings quotes my boss, I have to agree with him. I think a vision a number of us share. I'm a quantified person, I need to quantify things. I see us as having three spheres of responsibility. One is 8,000 public housing units. The other is the 3,000 vouchers plus the small amount that is our statement supplement to utilize getting people into housing utilizing the private sector. We haven't even talked today about the homeless programs, emergency shelters, transitional shelters, as we know. Those are sort of the three pieces that we are responsible for. The three resources that we have to work with are our own staff. And out of four hundred people, we have a hundred vacancies approximately, including Executive Director. Our dollars, and we get about fifty million dollars for housing vouchers which goes out. That's just the bookkeeping. We get about \$13 million from the Feds to run all 67 of our public housing projects. As Director Thompson said, we're losing money. We're losing money big time. So we have to figure out how do we get a handle on our costs? We all want to renovate these units. But every time we renovate the units, we are deeper in the hole in terms of our finances. So that is a real challenge that the Board has to deal

with in the next couple of months.

The third piece of our resources after our staff and our dollars are our actual physical properties. And that is where I think we have some real opportunity if we are smart and think this is a real smart board to see how we leverage or work with those to get us out of this money oozing situation so that we can do all of the renovations so we can maybe get these properties to a point to where they become attractive or they are attractive, and we can work to put them in hands of people who can better manage them in the long run than we have been able to do. That's sort of how I see our responsibility.

Director Beaver commented that our budget every year, we're going back to the Legislature to get that money?

Director Smith said that the money that the Legislature gives us is essentially State money for the Homeless programs and a small amount that the State will supplement. Everything else is federal dollars, set by the Feds. We don't have a heck of a lot of choice.

Director Beaver asked if we get that every year.

Ms. Miyamoto said that we do a subsidy calculation every year.

Director Beaver asked if there is a multi-year program or budget in place do we live year to year?

Designee Oliva explained that the way the budget is put together, we normally do a two-year planning budget. And basically we have to wait each year on probation from the Legislature.

Director Yoshioka asked if the agency receives no State money for administrative costs. And that it has to come from each of those three programs. Ms. Miyamoto said correct.

Vice Chairman Thompson said that we are only at the point recently in the last three to five months when we've actually been able to sit down and identify that yeah verily we are not making it, and we do have to go to the Legislature and get additional money. And that hasn't been done.

Director Smith said that we may need an infusion.

Designee Oliva commented that the previous to the spin off we were able to cover a lot of our expenses from the Hawaii Housing Finance Development Corporation (HHFDC), which was a financial portion of the entity. So when they split us up, that portion actually took everything with them.

Director Smith said that the reason why they split us is because they worried that the Feds would come in and pick up all the stuff that got spun off to the HHFDC. We have big funds, multi-million dollars sitting there. Those were our money makers. So we were able to cover ourselves until July 1, 2006 because we could pull from the HHFDC and cover our costs. We don't have that anymore.

Vice Chairman Thompson said that we had to borrow money, in fact, to cover an outstanding debt to the Feds.

Director Yoshioka asked if we are paying it back. Ms. Miyamoto said the bulk has been paid back.

Director Ignacio asked if the legal settlements that we're dealing with, is going to come out of our budget.

Director Smith said that essentially from the state, basically we have what is called each year claims and settlements appropriations bill. Because we are not the only entity that gets sued. It's across the Board, particularly the Highways Department,

where they get millions of dollars of settlement. They are all put in lump sum, and they go to the Legislature saying these are the total claims of settlements not covered by insurance against the State of Hawaii.

Director Ridings asked if the other piece we aren't talking about are the revenues that are generated from the rentals of the units. That's a big source of the revenues.

Director Smith said that we are counting those. Those revenues are not big, and they don't cover our costs.

Director Ridings said that the longer it takes to turn a unit, the longer that unit sits in a capital fund, the more money we lose because we can't collect money in rents.

Vice Chairman Thompson said that we would ask the Executive Director, go forth and study this and come back with your recommendations and analysis of these because we only meet once a month. But there's no staff to do that. He asked how many people are we lacking in Finance.

Ms. Miyamoto said that we are about sixty percent vacancy in accounting.

Vice Chairman Thompson said that the normal place where you would get analytical and staff support is in the business administration. We don't have it. So you either have to do it yourself, which you're probably not and I probably wouldn't be qualified, or you have to consult and we haven't gone out with consultants. We don't have money.

Director Ridings moved, seconded by Director Beaver to

To defer further discussion until the next meeting, and that Interim Executive Director, Patti Miyamoto summarize the points discussed.

The motion was unanimously carried.

Ms. Miyamoto presented the report listing all contracts over \$25,000 that was executed the month of June of this year. The first three letters in the front of the contract number indicates what area it came from. So most of your Construction Management Section (CMS) contracts are capital fund. Homeless Programs Section (HPS) contracts are all your homeless contracts. And Resident Services Section (RSS) is through resident services. That's primarily for the various management units, as well as the Purchasing (PUR) contracts. The Property Management Branch is (PMB) property management contracts.

REPORT OF
THE
EXECUTIVE
DIRECTOR

REPORT ON
CONTRACTS
AND CHANGE
ORDERS OVER
\$25,000

Director Ignacio asked how the contracts are done. Could we entertain a process to make sure that the Hawaii Affordable Properties and the Urban Real Estate Management Corporation which has been identified by our tenants and who have recently been awarded contracts, that we be top of it so next year we are not back to the same situation. I don't know what leverage we have with these groups to ensure that some of their management methods get approved.

Ms. Miyamoto asked Mr. Hee, to explain what his office is doing in terms of contract monitoring of private management.

Director Smith said that we could ask Mr. Hee if it is correct to say the reason why all of these are showing up on this report is it's the beginning of the fiscal year so we just got all our annual contracts.

Mr. Hee explained that we had three-year contracts with these people, and they had options to extend. They were due at the same time with a lot of other contracts. We don't tie them to fiscal year but these happen to fall on that date. We don't have staff that just does contracts in our agency right now. The Purchasing Office helped us do that because we are short staffed. We are trying to monitor the PHAS types of indicators, and investigate complaints that are valid or not. Our job is to

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take care of these complaints and resolve them within the boundaries of our agency. We are trying to build staff do it and we have started to do that and meet monthly. HUD is watching us too. They are very interested in how we do this. That was part of the independent assessment that we need to do better contract monitoring.

Vice Chairman Thompson said that Director Ignacio was pointing out what would be your recommendation as an example to say at this time next year or hopefully sooner, how would you stimulate more bidding, more competition for such contracts as currently were either extended or awarded to urban and whoever else.

Mr. Hee said that it was looked at it before. We tried to do some outreach. But there are inherent problems dealing with public housing. First clientele, state procedures, also from the legal side, the indemnity clause that anybody who works for us has to indemnify us against all types of lawsuits, including frivolous lawsuits which their insurance companies have to take out before they get to us, that has been an issue. We've had a couple other managing agents who have done some projects. They've gotten out because they just could not deal with procedures and policies. These two people are in there because they got into it early. That's why they are doing it, they are not the best all the time. But we work with them to try and basically try to improve our situation. Sometimes it's the individual manager that's the problem. We try to get rid of those. We dealt with other projects, with other kinds of managing agents. They had the same problems. It is really difficult clientele and a lot of different rules and regulations they have to deal with, especially the federal part.

Designee Oliva asked as part of the review and the increased monitoring, have we included new language with regard to performance outcomes on the part of these contracts for these agencies?

Mr. Hee said that we basically concentrated on the PHAs indicators. Property management is such a broad spectrum of things that if you pick up on one thing, and it's hard to kick somebody out just because we didn't meet one particular issue. We are looking at trends to improve or whether they are bad or not. And if we were to fire them for, one issue, I don't know what we'd do. We certainly can't take over these projects. We've taken over two of them in the past.

Designee Oliva is looking at specifics like resident satisfaction and other maybe overarching issues, as opposed to specifics like that.

Mr. Hee said that in our contracts it states that they have to work with the resident association. But they take directions from the Agency where we are emphasizing certain things. They are supposed to cooperate with the resident associations change, and sometimes they don't have a resident association, they don't want one. And some resident associations want these types of things. The elderly has a different input. They have to be flexible and we have to be flexible in letting them deal with those particular issues. We do investigate all complaints. Sometimes there's merit, and sometimes there's not. Sometimes it is just a matter of miscommunications. However, we control all the capital projects. So that becomes an issue.

Vice Chairman Thompson pointed out that the Board that the Agency uses two different models. First, go outside and privatize. They go to property management firms, and solicit bids. Second, we do it ourselves. In his opinion, neither works.

Director Ignacio asked how it is decided as to which ones are privatize and which ones are done by the agency.

Mr. Hee said we geographically put them out. But the requirements for HUD increased and the distance of travel was a problem, it was decided to look for areas where we could geographically group them and put them out. The criteria for privatization or doing it ourselves is a combination of geographic and availability of staff at that time.

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Director Ignacio mentioned that Representative Dwight Takamine's idea to have a resident manager that's from that community. They have an investment that's going to make sure repairs are made, their dedication and then you can still have the management company to do repairs. He was specifically talking about the Honokaa program. If we had somebody there, those five units wouldn't have been vacant for two years. There are no incentives to keep the place full because you get paid whether it's empty or not.

Mr. Hee said he did not know the specifics, but the applications come from the Hilo office. There is a third model, a resident management model. It has been tried across the nation. A HUD worker said it hasn't worked too well because there is a lot of investment money to do that. When things get tough, like new rules come out or you have problems with tenants, they have to live there. And so there's often retaliation. They get ostracized. But that may be something to look at and study, not closing our eyes to it. There is one place in Kona, where they were talking about the elderly taking over the project, but thought of what is the future because if you're over 62, how long are you going to work?

Designee Oliva said instead of a resident manager, maybe a resident facilitator. If we at a point have other discussions about third or fourth options and we can look at how to best do it so we get the benefit for the residents. We give the benefit to your management company or the State or whomever else. I think that would be a good discussion.

Mr. Hee added that we have good resident associations who are looking at those kinds of things and they report to either the management company or us, and then there is some feedback and some reaction to that.

Director Ridings said in your management contract you control the capital money. Is the management company typically responsible for the minor repairs, non-capital repairs? Is that included in their payments?

Mr. Hee said yes. What we do is they propose their management costs, which includes salaries and that type of thing. Utilities and reimbursements for materials, we pay for. We have X amount of money set aside for contingencies. But it had to be held by the property management branch because there was not enough money to put it all out. Each project has their own money because we never had enough money to stretch that far. They buy through our sources and we pay for those. Labor is part of their management reimbursement. We do the billings and they are responsible for collections.

Vice Chairman Thompson asked that the discussion on contracts can be discussed separately. And move into Executive Session.

Deputy Attorney General Wilson-Ku said that an amendment has to be made.

Director Smith asked if we could express appreciation to the homelessness branch for getting those contracts out very quickly. She really pushed those through. Thank you.

Vice Chairman Thompson proposed an amendment to the agenda.

Director Smith moved, to amend the Agenda by including an Executive Session pursuant to Section 92-5(a)(2), Hawaii Revised Statute, for the purpose of considering the hire and named candidates for Executive Director. Director Ignacio seconded the motion, and by unanimous vote of all eight (8) members of the Board,

The motion was carried.

AGENDA
AMENDED

HAWAII PUBLIC HOUSING AUTHORITY

Director Beaver moved, seconded by Director Ridings,

EXECUTIVE
SESSION

That the Board meet in Executive Session at 2:32 p.m.

The motion was unanimously carried.

* * * * *

The Board moved out of Executive session at 3:05 p.m.

ADJOURNMENT

Vice Chairman Thompson declared

That the meeting be adjourned at 3:05 p.m.

The motion was unanimously carried.


MATILDA YOSHIOKA

Approved:



FOR ACTION

SUBJECT: Approval of the Operating Budget for Calendar Year 2007 for the Federal Low Rent Program

I. REQUEST

Approval of the Operating Budget for Calendar Year 2007 for the Federal Low Rent Program

II. FACTS

- A. The Department of Housing and Urban Development (HUD), allows Public Housing Agencies (PHAs) to submit an annual request for a Performance Funding System (PFS) operating subsidy.
- B. HUD requires that the PHA submit a board resolution certifying to the PHA's Board of Director's review of the operating budget. In the past the PHA's board approved both the operating subsidy and the operating budget.
- C. Under the PFS, operating subsidy is provided to PHAs to cover the difference between an allowance level of expenses and available income.

III. DISCUSSION

- A. The Final Rule (hereinafter referred to as the "final rule") published in the Federal Register On October 24, 2005 (70 FR 61355), stated that the new operating fund formula will be implemented beginning the Federal Fiscal Year (FFY) 2007.
- B. HUD will provide subsidy under the new operating fund formula to all PHAs from January 1, 2007 through December 31, 2007, regardless of their fiscal year. In accordance with the final rule, HUD has provided to each PHA project expense level (PEL), inflation factors, transition funding, etc.
- C. Under the new operating formula, HPHA has been identified as a "gainer", which basically means we can expect more from our operating subsidy.
- D. Our calculation for our operating subsidy totals \$17,140,715 for calendar year 2007. HUD will use the submitted documentation (see exhibits) and exercise all available adjustment powers, as needed to determine an appropriate operating subsidy level for the FFY 2007. HUD will then approve operating subsidy calculations at that level.
- E. The calculated subsidy amount has been incorporated into our operating budget. HUD has instructed us to include 100% of the calculated subsidy amount at this time. In the past, our subsidy amount has been reduced, up to as much as 85.5% of the calculated amount.
- D. The operating budget was developed with certain assumptions used, such as rent collection would remain the same and all needed positions are filled.
- E. Due to the declining amount of reserves in the federal low rent program certain expenditures had to be reduced or eliminated. This included such expenses as training and travel. The operating

budget reflects the federal low rent program only and does not include other federal funding such as Capital Funds and Section 8.

- F. HUD will provide operating subsidy at the PHA level. In FFY 2008 operating subsidy will be provided at the project level.

IV. RECOMMENDATION

That the Hawaii Public Housing Authority Board of Directors, adopt Board Resolution No. 004 Approving the Operating Budget for Calendar Year 2007 for the Federal Low Rent Program.

Attachments: Exhibit A Operating Budget (HUD-52564)
Exhibit B Schedule of Non-routine Expenditures (HUD-52567)
Exhibit C Schedule of Administration Expense Other than Salaries (HUD-52571)
Exhibit D Summary of Budget Data & Justification (HUD-52573)

Prepared by: Patti Y. Miyamoto, Chief Compliance Officer 

**Approved by the Board of Directors at its meeting on
SEP 21 2006**

FISCAL MANAGEMENT OFFICE

Please take necessary action


Interim **EXECUTIVE DIRECTOR**

RESOLUTION NO. 004

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION APPROVING THE OPERATING BUDGET FOR THE CALENDAR
YEAR 2007 FOR THE FEDERAL LOW RENT PROGRAM

WHEREAS, the Board of Directors of the Hawaii Public Housing Authority in compliance with the U.S. Department of Housing and Urban Development (HUD) annually request a Performance Funding System (PFS) operating subsidy to cover the difference between an allowable level of expenses and available income,

WHEREAS, THE PFS operating subsidy becomes a part of the operating budget to be used to determine the bottom line, and

WHEREAS, HUD's Final Rule published in the Federal Register On October 24, 2005 (70 FR 61355) requires PHAs to submit a board resolution certifying to the PHA's Board of Director's review of the operating budget.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority hereby approve the Operating Budget for Calendar Year 2007 for the Federal Low Rent Program.

The UNDERSIGNED, hereby certifies that the foregoing Resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on September 21, 2006.



Charles A. Sted, Chairperson



PHA Board Resolution
Approving Operating Budget

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing -
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026
(exp. 9/30/2006)

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Hawaii Public Housing Authority PHA Code: HI001

PHA Fiscal Year Beginning: 7/1/2007 Board Resolution Number: 004

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

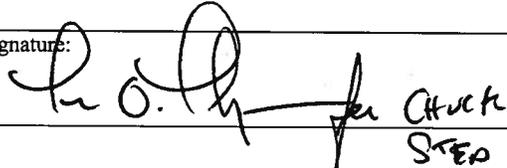
- | | <u>DATE</u> |
|---|-------------------|
| <input checked="" type="checkbox"/> Operating Budget approved by Board resolution on: | <u>09/21/2006</u> |
| <input type="checkbox"/> Operating Budget submitted to HUD, if applicable, on: | _____ |
| <input type="checkbox"/> Operating Budget revision approved by Board resolution on: | _____ |
| <input type="checkbox"/> Operating Budget revision submitted to HUD, if applicable, on: | _____ |

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name: Charles A. Sted	Signature: 	Date: 09/21/2006
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Operating Budget

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0026 (exp. 9/30/2006)

See page four for Instructions and the Public reporting burden statement

a. Type of Submission <input checked="" type="checkbox"/> Original <input type="checkbox"/> Revision No.: _____		b. Fiscal Year Ending 06/30/07	c. No. of months (check one) <input checked="" type="checkbox"/> 12 mo. <input type="checkbox"/> Other (specify) _____	d. Type of HUD assisted project(s) 01 <input checked="" type="checkbox"/> PHA/IHA-Owned Rental Housing 02 <input type="checkbox"/> IHA Owned Mutual Help Homeownership 03 <input type="checkbox"/> PHA/IHA Leased Rental Housing 04 <input type="checkbox"/> PHA/IHA Owned Turnkey III Homeownership 05 <input type="checkbox"/> PHA/IHA Leased Homeownership	
e. Name of Public Housing Agency / Indian Housing Authority (PHA/IHA) Hawaii Public Housing Authority					
f. Address (city, State, zip code) 1002 N. School Street - Honolulu, Hawaii 96817					
g. ACC Number HI001		h. PAS / LOCCS Project No. HI00100106D		i. HUD Field Office Honolulu	
j. No. of Dwelling Units 5,363	k. No. of Unit Months Available 63,828	m. No. of Projects 65			

Line No.	Acct. No.	Description (1)	Actuals Last Fiscal Yr. 2005 PUM (2)	<input checked="" type="checkbox"/> Estimates <input type="checkbox"/> or Actual Current Budget Yr. 2006 PUM (3)	Requested Budget Estimates			
					PHA/IHA Estimates		HUD Modifications	
					PUM (4)	Amount (to nearest \$10) (5)	PUM (6)	Amount (to nearest \$10) (7)
Homebuyers Monthly Payments for								
010	7710	Operating Expense						
020	7712	Earned Home Payments						
030	7714	Nonroutine Maintenance Reserve						
040		Total Break-Even Amount (sum of lines 010, 020, and 030)	\$0.00	\$0.00	\$0.00	\$0.00		
050	7716	Excess (or deficit) in Break-Even						
060	7790	Homebuyers Monthly Payments - Contra						
Operating Receipts								
070	3110	Dwelling Rental	\$206.06	\$226.17	\$212.17	\$13,542,379.00		
080	3120	Excess Utilities						
090	3190	Nondwelling Rental						
100		Total Rental Income (sum of lines 070, 080, and 090)	\$206.06	\$226.17	\$212.17	\$13,542,379.00		
110	3610	Interest on General Fund Investments	\$3.22	\$2.96	\$2.21	\$141,000.00		
120	3690	Other Income	\$48.47	\$33.75	\$22.66	\$1,446,500.00		
130		Total Operating Income (sum of lines 100, 110, and 120)	\$257.75	\$262.88	\$237.04	\$15,129,879.00		
Operating Expenditures - Administration								
140	4110	Administrative Salaries	\$68.79	\$67.97	\$1,156.20	\$9,970,024.00		
150	4130	Legal Expense	\$2.34	\$2.78	\$3.00	\$191,537.00		
160	4140	Staff Training	\$1.50	\$0.69	\$0.00	\$0.00		
170	4150	Travel	\$2.97	\$3.08	\$0.62	\$39,273.33		
180	4170	Accounting Fees						
190	4171	Auditing Fees	\$0.75	\$4.18	\$1.44	\$92,121.00		
200	4190	Other Administrative Expenses	\$19.98	\$25.60	\$24.89	\$1,588,798.00		
210		Total Administrative Expense (sum of line 140 thru line 200)	\$96.33	\$104.30	\$1,186.15	\$11,881,753.33		
Tenant Services								
220	4210	Salaries						
230	4220	Recreation, Publications and Other Services						
240	4230	Contract Costs, Training and Other		\$0.00	\$2.10	\$134,075.00		
250		Total Tenant Services Expense (sum of lines 220, 230, and 240)	\$0.00	\$0.00	\$2.10	\$134,075.00		
Utilities								
260	4310	Water	\$21.44	\$25.44	\$24.64	\$1,572,727.56		
270	4320	Electricity	\$37.03	\$51.86	\$52.21	\$3,332,581.35		
280	4330	Gas	\$17.04	\$23.85	\$23.09	\$1,474,057.63		
290	4340	Fuel						
300	4350	Labor						
310	4390	Other utilities expense	\$22.32	\$30.85	\$31.06	\$1,982,306.55		
320		Total Utilities Expense (sum of line 260 thru line 310)	\$97.83	\$132.00	\$131.00	\$8,361,673.09		

EXHIBIT A

Name of PHA / IHA

Fiscal Year Ending

Hawaii Public Housing Authority

06/30/07

Line No.	Acct. No.	Description (1)	Actuals Last Fiscal Yr. 2005 PUM (2)	<input type="checkbox"/> Estimates <input type="checkbox"/> or Actual Current Budget Yr. 2006 PUM (3)	Requested Budget Estimates			
					PHA/IHA Estimates		HUD Modifications	
					PUM (4)	Amount (to nearest \$10) (5)	PUM (6)	Amount (to nearest \$10) (7)
Ordinary Maintenance and Operation								
330	4410	Labor	\$58.54	\$87.16	\$58.50	\$3,733,644.60		
340	4420	Materials	\$18.18	\$15.09	\$10.13	\$646,270.80		
350	4430	Contract Costs	\$80.90	\$74.45	\$49.97	\$3,189,372.20		
360	Total	Ordinary Maintenance & Operation Expense (lines 330 to 350)	\$157.62	\$176.70	\$118.60	\$7,569,287.60		
Protective Services								
370	4460	Labor						
380	4470	Materials						
390	4480	Contract costs	\$33.20	\$25.75	\$23.50	\$1,500,000.00		
400	Total	Protective Services Expense (sum of lines 370 to 390)	\$33.20	\$25.75	\$23.50	\$1,500,000.00		
General Expense								
410	4510	Insurance	\$5.24	\$2.90	\$12.96	\$826,965.00		
420	4520	Payments in Lieu of Taxes	\$11.47	\$16.51	\$10.80	\$689,467.00		
430	4530	Terminal Leave Payments	\$1.35	\$1.10	\$1.10	\$70,461.30		
440	4540	Employee Benefit Contributions	\$47.60	\$57.07	\$62.48	\$3,988,009.60		
450	4570	Collection Losses	\$4.05	\$2.34	\$2.80	\$178,706.25		
460	4590	Other General Expense	\$0.23	\$1.14	\$0.71	\$45,000.00		
470	Total	General Expense (sum of lines 410 to 460)	\$69.94	\$81.06	\$90.85	\$5,798,609.15		
480	Total	Routine Expense (sum of lines 210, 250, 320, 360, 400, and 470)	\$454.92	\$519.81	\$1,552.20	\$35,245,398.17		
Rent for Leased Dwellings								
490	4710	Rents to Owners of Leased Dwellings						
500	Total	Operating Expense (sum of lines 480 and 490)	\$454.92	\$519.81	\$1,552.20	\$35,245,398.17		
Nonroutine Expenditures								
510	4610	Extraordinary Maintenance	\$28.57	\$4.32	\$0.00	\$0.00		
520	7520	Replacement of Nonexpendable Equipment	\$5.04	\$3.92	\$7.35	\$469,000.00		
530	7540	Property Betterments and Additions						
540	Total	Nonroutine Expenditures (sum of lines 510, 520, and 530)	\$33.61	\$8.24	\$7.35	\$469,000.00		
550	Total	Operating Expenditures (sum of lines 500 and 540)	\$488.53	\$528.05	\$1,559.55	\$35,714,398.17		
Prior Year Adjustments								
560	6010	Prior Year Adjustments Affecting Residual Receipts						
Other Expenditures:								
570		Deficiency in Residual Receipts at End of Preceding Fiscal Yr.						
580	Total	Operating Expenditures, including prior year adjustments and other expenditures (line 550 plus or minus line 560 plus line 570)	\$488.53	\$528.05	\$1,559.55	\$35,714,398.17		
590		Residual Receipts (or Deficit) before HUD Contributions and provision for operating reserve (line 130 minus line 580)	-\$230.78	-\$264.41	-\$321.04	-\$20,491,563.37		
HUD Contributions								
600	8010	Basic Annual Contribution Earned - Leased Projects-Current Year						
610	8011	Prior Year Adjustments - (Debit) Credit						
620	Total	Basic Annual Contribution (line 600 plus or minus line 610)						
630	8020	Contributions Earned - Op. Sub - Cur. Yr.(before year-end adj)	\$176.09	\$181.62	\$268.55	\$17,140,715.00		
640		Mandatory PFS Adjustments (net)						
650		Other (specify)						
660		Other (specify)						
670		Total Year-end Adjustments/Other (plus or minus lines 640 thru 660)						
680	8020	Total Operating Subsidy-current year (line 630 plus or minus line 670)	\$176.09	\$181.62	\$268.55	\$17,140,715.00		
690	Total	HUD Contributions (sum of lines 620 and 680)	\$176.09	\$181.62	\$268.55	\$17,140,715.00		
700		Residual Receipts (or Deficit) (sum of line 590 plus line 690) Enter here and on line 810	-\$54.69	-\$82.79	-\$52.49	-\$3,350,848.37		

Name of PHA / IHA Hawaii Public Housing Authority	Fiscal Year Ending 06/30/07
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Operating Reserve		PHA/IHA Estimates	HUD Modifications
Part I - Maximum Operating Reserve - End of Current Budget Year			
740	2821 PHA / IHA-Leased Housing - Section 23 or 10(c) 50% of Line 480, column 5, form HUD-52564		

Part II - Provision for and Estimated or Actual Operating Reserve at Fiscal Year End			
780	Operating Reserve at End of Previous Fiscal Year - Actual for FYE (date) 6/30/05	\$16,029,332.00	
790	Provision for Operating Reserve - Current Budget Year (check one) <input type="checkbox"/> Estimated for FYE <input checked="" type="checkbox"/> Actual for FYE 6/30/06	-\$5,066,800.33	
800	Operating Reserve at End of Current Budget Year (check one) <input type="checkbox"/> Estimated for FYE <input checked="" type="checkbox"/> Actual for FYE 6/30/06	\$10,962,531.67	
810	Provision for Operating Reserve - Requested Budget Year Estimated for FYE 6/30/07 Enter Amount from line 700	-\$3,443,804.17	
820	Operating Reserve at End of Requested Budget Year Estimated for FYE 6/30/07 (Sum of lines 800 and 810)	\$7,518,727.50	
830	Cash Reserve Requirement - _____ % of line 480		

Comments

PHA / IHA Approval

Name _____

Title _____

Signature _____ Date _____

Field Office Approval

Name _____

Title _____

Signature _____ Date _____

Public reporting burden for this collection of information is estimated to average 116 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income housing program and provides a summary of proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the PHA and the amounts are reasonable and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

Instructions for Preparing Form HUD-52564, Operating Budget

Separate Operating Budgets must be prepared for each separate Annual Contributions Contract (ACC). However, the supporting documentation can be combined for each Turnkey III project within an ACC, provided it clearly separates the cost by program and/or ACC number. Prepare all of the supporting documentation (Forms HUD-52573, HUD-52566 and HUD-52571) prior to finalizing the Operating Budget.

The headings for items a. through m. are self-explanatory.

Columns:

Column (2): Obtain actual P.U.M. amounts from the Statement(s) of Operating Receipts and Expenditures (Form HUD-52599) for the year preceding the current budget year.

Column (3): Include the actual (if available) or estimated PUM amounts for the current budget year.

Columns (4) and (5): Enter amounts on applicable lines from HUD Schedules and/or HA worksheets in column (5). After completing column (5) compute the P.U.M. amounts for Column (4) by dividing each figure in Column (5) by the No. of Unit Months of Availability, item k.

Columns (6) and (7): Leave blank. If HUD modifies the HA estimates as a condition for approval, HUD will complete these columns and return a copy to the HA.

Line Items

Lines 010 through 060 are specific to the Turnkey III Owned Homeownership Program. These lines correspond to accounts 7710 through 7790, see Accounting Handbook 7510.1.

Line 460: Use this line, if applicable, for showing estimated interest on Administrative and Sundry Loans.

Line 490: This line is specific to the Section 23, Leased Rental Program.

Line 560: Use this line, if applicable, only in connection with budget revisions.

Line 570: Use this line, if applicable, for such items as carry-overs of unabsorbed deficiencies in residual receipts from prior years.

Line 630: Operating Subsidy Eligibility for the requested year before year end adjustments.

Lines 640 to 660: Year end adjustments to be funded in the requested budget year.

Line 700: An estimated decrease cannot be more than the amount available in the operating reserve at the beginning of the requested budget year (line 800).

Special Instructions, Budget Revisions

Budget revisions must be approved by the end of the PHA fiscal year.

When using this form for budget revisions, the following additional instructions are applicable:

No changes are to be made to Column (2) or Column (3).

No changes are to be made in the amount for Operating Subsidy Eligibility before year end adjustments (Line 630, or in Part I - Maximum Operating Reserve-End of Current Budget Year.

Operating Reserves

Operating reserves are calculated by individual Annual Contributions Contract except that the operating reserves for Section 23 Leased Housing Projects, Turnkey III Homeownership Projects (HA Owned or Leased) must be separately calculated and reported by project.

Line 780: Enter amount as of the last previous fiscal year (year preceding current budget year).

Line 790:

a. Enter estimated amount, if original budget, or actual amount, if revised budget.

b. Enter negative balance in parentheses. (The negative balance may not exceed the amount on line 780.)

Line 800: Enter sum of lines 780 and 790.

Line 810:

a. Enter estimated amount.

b. Enter negative balance in parentheses. (The negative balance may not exceed the amount on line 800.)

Line 820: Enter sum of lines 800 and 810.

Line 830: Enter percent of routine operating expenses (or minimum dollar amount) currently used by HUD as a performance measure to evaluate the cash requirements and/or operating reserve adequacy.

Operating Budget
Schedule of Nonroutine Expenditures

U.S. Department of Housing
 and Urban Development
 Office of Public and Indian Housing

OMB Approval No. 2577-0026 (Exp. 9/30/2006)

See back of page for Instructions and Public reporting burden statement

Local Housing Authority			Locality				Fiscal Year Ending			
Hawaii Public Housing Authority			1002 N. School Street, Honolulu, Hawaii 96817				2007			
Work Project Number (1)	Description of Work Project (List Extraordinary Maintenance and Betterments and Additions separately) (2)	Housing Project Number (3)	Total Estimated Cost (4)	Percent Complete Current Budget Year End (5)	Requested Budget Year		Description of Equipment Items (List Replacements and Additions separately) (8)	Requested Budget		
					Estimated Expenditure In Year (6)	Percent Complete Year End (7)		No. of Items (9)	Item Cost (10)	Estimated Expenditure In Year (11)
		Various	1469,000				Appliances - See attached			469,000

EXHIBIT B

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income housing program and provides a summary of proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the PHA and the amounts are reasonable and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

Instructions for Preparation of Form HUD-52567

Prepare this form to describe each work project, or job, of extraordinary maintenance, property betterments and additions, and replacement or addition of nonexpendable equipment scheduled for accomplishment in whole or in part during the Requested Budget Year.

Identification: The identification boxes at the top of the form are self-explanatory.

Extraordinary Maintenance and Betterments and Additions

Column (1) Work Project Numbers: For work projects to be started during the Requested Budget Year assign consecutive numbers to identify them with the classification of work and the LHA Fiscal Year, and enter the numbers in this column. For example: For Extraordinary Maintenance jobs to be started during the LHA Fiscal Year 1966, the number would be EM-66-1, EM-66-2, etc. and for Betterments and Additions jobs the numbers would be BA-66-1, BA-66-2, etc.

Column (2) Description: Describe each work project concisely, but sufficiently to give a full understanding of its nature and scope. For work projects started in previous years, point out any significant changes in nature and scope.

Column (3) Housing Project Number: Opposite each work project number and description enter the number of the Housing Projects at which the work is located.

Column (4) Total Estimated Cost: Enter a realistic estimate of the total cost of each work project based, to the extent practicable, on a thorough study of detailed specification of the work. If any part of the work is to be performed by Project staff the estimated cost should include the appropriate portion of their salaries. If there has been a change in the total estimated cost of work started in previous years, the revised total estimate should be entered and note to this effect included in the description column.

Column (5) Percent Complete Current Budget Year End: For work projects started in previous years, enter a realistic estimate of the percentage of work that will have been completed at the end of the Current Budget Year. This percentage may or may not correspond to the percentage of total estimated cost that will have been expended at that time.

Requested Budget Year:

Column (6) Estimated Expenditure In Year: For each work project enter a realistic estimate of the portion of Total Estimated Cost that will be expended during the Requested Budget Year. These estimates should include the appropriate portion of salaries of Project staff which is to perform any of the work.

Column (7) Percent Complete Year End: For each work project enter a realistic estimate of the percentage of work that will have been completed at the end of the Requested Budget Year. This percentage may or may not correspond to the percentage of total estimated cost that will have been expended at that time.

Equipment Requirements

Column (8) Description: Under a heading "Replacement of Equipment" list each type of nonexpendable equipment to be replaced, and separately under a heading "Property Additions" list each new type of nonexpendable equipment to be acquired. Give a brief description of each type and identify the Housing Project to which it is to be assigned.

Column (9) Number of Items: Enter the number of items of each type of equipment to be purchased for each Housing Project designated in Column (8).

Column (10) Item Cost: Enter estimated net cost of each item of equipment, e.g. purchase price, less discounts, trade-in allowances, and/or proceeds from disposition of equipment being replaced.

Column (11) Estimated Expenditure In Year: For each type of equipment, enter the estimated cost obtained by multiplying the number of items in Column 9 by the item cost in Column 10. Also, enter total cost of equipment listed under each of the headings "Replacement of Equipment" and "Property Additions."

Totals

- a. The total in Column 6 for Extraordinary Maintenance should be entered on Line 510, Column 5, of form HUD-52564.
- b. The total in Column 11 for Replacement of Equipment should be entered on Line 520, Column 5, of form HUD-52564.
- c. The sum of the totals in Columns 6 and 11 for Property Betterments and Additions should be entered on Line 530, Column 5, of form HUD-52564.

Housing and Community Development Corporation of Hawaii
Appliance IFB 2005-03

MU	Project #	Project Name	City	Refrigerators				
				14.0 cu	16.0 cu	18 c.u.	20 c.u.	Disposal
				\$414.53	\$418.91	\$453.90	\$705.46	\$10.94
1	1026	Puuwai Momi	Aiea	8		8		
1	1027	Hale Laulima	Pearl City	27				
1	1038	Waipahu I	Waipahu	12		4		
1	1039	Waipahu II	Waipahu	12	0			
1	1066	Salt Lake	Honolulu	23	0			
		Management Unit 1 TOTAL		82	0	12	0	
2	202	Puahala Homes I	Kalihi	11				
2	202	Puahala Homes II	Kalihi	5				
2	202	Puahala Homes III	Kalihi	11				
2	202	Puahala Homes IV	Kalihi	6				
2	1005	Kalihi Valley Homes	Honolulu	22		42	4	
2	2201	Hauiki Homes	Honolulu	7		0		
		Management Unit 2 TOTAL		62	0	42	0	
3	1003	Mayor Wright Homes	Honolulu	165		98	0	
3	1009	Ka'ahumanu Homes	Honolulu	35		0	25	
3	1099	Kamchameha Homes	Honolulu	0		10	0	
		Management Unit 3 TOTAL		200	0	108	25	
4	1012	Makua Alii (Elderly)	Honolulu	2			2	
4	1036	Paoakalani (Elderly)	Honolulu	2			2	
4	1062	Kalakaua Homes - Low Rise	Honolulu	0		4	0	
4	1062	Kalakaua Homes - Mid Rise	Honolulu	4			0	
		Management Unit 4 TOTAL		8	0	4	4	
5	1011	Punchbowl Homes (Elderly-High)	Honolulu	1				
5	1011	Punchbowl Homes (Family-Mid)	Honolulu	4				
5	1024	Kalaniihulia (Elderly)	Honolulu	20				
5	1046	Makamae (Elderly)	Honolulu	31				
5	1047	Pumehana (Elderly)	Honolulu	5				
5	1073	Spencer House	Honolulu	10				
		Management Unit 5 TOTAL		71	0	0	0	
40	1007	Kuhio Homes	Honolulu	76	0			
40	1010	Kuhio Park Terrace - Bldg. A	Honolulu	48	0			
40	1010	Kuhio Park Terrace - Bldg. B	Honolulu	53	0			
40	1010	Kuhio Park Terrace - Low Rise	Honolulu	9	0			
		Management Unit 40 TOTAL		186	0	0	0	
42	2401	Hale Po'ai (Elderly)	Kalihi	56	0	84		
42	2404	Halia Hale (Elderly)	Honolulu	10	0			
		Management Unit 42 TOTAL		66	0	84	0	
44	1033	Maili I	Maili	20				
44	1035	Nanakuli Homes	Nanakuli	20				
44	1042	Maili II	Maili	0				
44	1057	Waimaha - Sunflower	Waianae	0				
44	1091	Kau'iokalani	Waianae	0				
		Management Unit 44 TOTAL		40	0	0	0	
45	1025	Waimanalo Homes	Waimanalo		0	9		
45	1030	Koolau Village	Kaneohe		0	10		
45	1069	Kaneohe Apartments	Kaneohe		0	7		
45	1072	Hookipa Kahaluu	Kaneohe		0	15		
45	1090	Kauhale Ohana	Waimanalo		0	9		
		Management Unit 45 TOTAL		0	0	50	0	
48	2403-a	Kamalu (Elderly)	Waipahu	25				
48	2403-b	Ho'olulu (Elderly)	Waipahu	25				
		Management Unit 48 TOTAL		50	0	0	0	
49	115	Wahiawa Terrace	Wahiawa	0	0	17		
49	1050	Kupuna Home O' Waialua	Waialua	0	0	14		
49	1056	Kauhale Nani	Wahiawa	0	0	20		
49	2402	Lai'ola (Elderly)	Wahiawa	50	0	0		
		Management Unit 49 TOTAL		50	0	51	0	
80	1008	Palolo Valley Homes	Palolo	10	0	8		
		Management Unit 80 TOTAL		10	0	8	0	
Private	651	Banyan Street Manor	Honolulu	0	0	12	0	
Private	652	Wilikina Apartments	Wahiawa	0	0	10	0	
Oahu TOTAL QUANTITY				825	0	381	29	1235
Oahu TOTAL COST				\$ 886,317.23	\$341,986.84	\$0.00	\$172,937.61	\$20,458.44
								\$13,512.14

Project MU	#	Project Name	Gas Range			
			20"	30"	Conversion	Disposal
			\$322.65	\$310.62	\$10.94	\$10.94
1	1026	Puuwai Momi				
1	1027	Hale Laulima				
1	1038	Waipahu I				
1	1039	Waipahu II				
1	1066	Salt Lake				
Management Unit 1 TOTAL			0	0		
2	202	Puahala Homes I		0		
2	202	Puahala Homes II		6		
2	202	Puahala Homes III		3		
2	202	Puahala Homes IV		8		
2	1005	Kalihi Valley Homes		0		
2	2201	Hauiki Homes		0		
Management Unit 2 TOTAL			17	0		
3	1003	Mayor Wright Homes		40	0	
3	1009	Ka'ahumanu Homes		30	0	
3	1099	Kamehameha Homes		0	0	
Management Unit 3 TOTAL			70	0		
4	1012	Makua Alii (Elderly)		0	0	
4	1036	Paoakalani (Elderly)		2	0	
4	1062	Kalakaua Homes - Low Rise		0	0	
4	1062	Kalakaua Homes - Mid Rise		0	0	
Management Unit 4 TOTAL			2	0		
5	1011	Punchbowl Homes (Elderly-High)				
5	1011	Punchbowl Homes (Family-Mid)				
5	1024	Kalanihuia (Elderly)				
5	1046	Makamae (Elderly)				
5	1047	Pumehana (Elderly)				
5	1073	Spencer House			13	
Management Unit 5 TOTAL			0	13		
40	1007	Kuhio Homes	20	45		
40	1010	Kuhio Park Terrace - Bldg. A	30	35		
40	1010	Kuhio Park Terrace - Bldg. B	37	43		
40	1010	Kuhio Park Terrace - Low Rise	0	16		
Management Unit 40 TOTAL			87	139		
42	2401	Hale Po'ai (Elderly)				
42	2404	Halia Hale (Elderly)				
Management Unit 42 TOTAL			0	0		
44	1033	Maili I				
44	1035	Nanakuli Homes				
44	1042	Maili II				
44	1057	Waimaha - Sunflower				
44	1091	Kau'iokalani				
Management Unit 44 TOTAL			0	0		
45	1025	Waimanalo Homes		8		
45	1030	Koolau Village		11		
45	1069	Kaneohe Apartments		0		
45	1072	Hookipa Kahaluu		0		
45	1090	Kauhale Ohana		10		
Management Unit 45 TOTAL			0	29		
48	2403-a	Kamalu (Elderly)				
48	2403-b	Ho'olulu (Elderly)				
Management Unit 48 TOTAL			0	0		
49	115	Wahiawa Terrace	20	0		
49	1050	Kupuna Home O' Waialua	0	20		
49	1056	Kauhale Nani	20	0		
49	2402	Lai'ola (Elderly)	50	0		
Management Unit 49 TOTAL			90	20		
80	1008	Palolo Valley Homes	4	9		
Management Unit 80 TOTAL			4	9		
Private	651	Banyan Street Manor	0	0		
Private	652	Wilikina Apartments	0	0		
Oahu TOTAL QUANTITY			270	210	480	480
Oahu TOTAL COST			\$87,116.72	\$65,230.52	\$5,251.68	\$5,251.68

Housing and Community Development Corporation of Hawaii
Appliance IFB 2005-03

MU	Project #	Project Name	Electric Ranges					
			20 "	24"	30"	36"	4 Prong	Disposal
			\$270.93	\$274.53	\$274.53		\$25.00	\$10.94
1	1026	Puuwai Momi			8			
1	1027	Hale Laulima			32			
1	1038	Waipahu I			18			
1	1039	Waipahu II			12			
1	1066	Salt Lake			21			
		Management Unit 1 TOTAL	0	0	91	0		
2	202	Puahala Homes I	0		0			
2	202	Puahala Homes II	0		0			
2	202	Puahala Homes III	0		0			
2	202	Puahala Homes IV	0		0			
2	1005	Kalihi Valley Homes	7		61			
2	2201	Hauiki Homes	0		5			
		Management Unit 2 TOTAL	7	0	66	0		
3	1003	Mayor Wright Homes	0		0			
3	1009	Ka'ahumanu Homes	0		0			
3	1099	Kamehameha Homes	0		0			
		Management Unit 3 TOTAL	0	0	0	0		
4	1012	Makua Aii (Elderly)	2					
4	1036	Paoakalani (Elderly)	2		0			
4	1062	Kalakaua Homes - Low Rise	0		1			
4	1062	Kalakaua Homes - Mid Rise	0		0			
		Management Unit 4 TOTAL	4	0	1	0		
5	1011	Punchbowl Homes (Elderly-High)	3					
5	1011	Punchbowl Homes (Family-Mid)	0					
5	1024	Kalanihuia (Elderly)	20					
5	1046	Makamac (Elderly)	13					
5	1047	Pumehana (Elderly)	10					
5	1073	Spencer House	0					
		Management Unit 5 TOTAL	46	0	0	0		
40	1007	Kuhio Homes						
40	1010	Kuhio Park Terrace - Bldg. A						
40	1010	Kuhio Park Terrace - Bldg. B						
40	1010	Kuhio Park Terrace - Low Rise						
		Management Unit 40 TOTAL	0	0	0	0		
42	2401	Hale Po'ai (Elderly)	204		0			
42	2404	Halia Hale (Elderly)	0		10			
		Management Unit 42 TOTAL	204	0	10	0		
44	1033	Mali I			0			
44	1035	Nanakuli Homes			0			
44	1042	Mali II			0			
44	1057	Waimaha - Sunflower			0			
44	1091	Kau'iohalani			0			
		Management Unit 44 TOTAL	0	0	0	0		
45	1025	Waimanalo Homes		0	0			
45	1030	Koolau Village		0	0			
45	1069	Kaneohe Apartments		0	5			
45	1072	Hookipa Kahaluu		8	8			
45	1090	Kauhale Ohana			0			
		Management Unit 45 TOTAL	0	8	13	0		
48	2403-a	Kamalu (Elderly)			25			
48	2403-b	Ho'olulu (Elderly)			25			
		Management Unit 48 TOTAL	0	0	50	0		
49	115	Wahiawa Terrace	0					
49	1050	Kupuna Home O' Waialua	0					
49	1056	Kauhale Nani	0					
49	2402	Lai'ola (Elderly)	50					
		Management Unit 49 TOTAL	50	0	0	0		
80	1008	Palolo Valley Homes						
		Management Unit 80 TOTAL	0	0	0	0		
Private	651	Banyan Street Manor	0	0	0	0		
Private	652	Wilikina Apartments	10	0	6	0		
Oahu TOTAL QUANTITY			321	8	237	0	566	566
Oahu TOTAL COST			\$86,969.01	\$2,196.24	\$65,064.32	\$0.00	\$14,150.00	\$6,192.04

MU	Project #	Project Name	City	Refrigerators				
				14.0 cu	16 c.u.	18 c.u.	20 c.u.	Disposal
				\$480.15	\$487.81	\$517.35	\$757.96	\$49.21
East Hawaii-Hilo								
7	1051	Hale Aloha O Puna (Elderly)	Keeau	24	0			
7	1052	Hale Olaloa (Elderly)	Hilo	0	0			
7	1097	Kauhale O' Hanakahi	Hilo	0	20			
7	1004	Lanikila I	Hilo	0	40			
7	1013	Lanikila II	Hilo	0	0			
7	1014	Lanikila III	Hilo	0	30			
7	2206	Lokahi	Hilo	0	30			
7	1045	Pahala, Ka'u (Elderly)	Pahala	25				
7	1029	Pomaikai Homes (Elderly)	Hilo	21				
7	1028	Punahele Homes	Hilo	0				
				70	120	0	0	190
Teacher Hsg.	Kau		Pahala			2		2
	Pahala		Pahala			1		1
						3		
West Hawaii								
43	1053	Hale Hookipa (Kona Elderly)	Kealahou		5			
43	1061	Ka Hale Kahaluu	Kailua-Kona		0			
43	1032	Kaimalino	Kailua-Kona		4			
43	1070	Kealahou	Kailua-Kona		7			
43	1063	Nani Olu Eld. (Puna Housing)	Kealahou		2			
				0	18	0	0	18
46	1031	Hale Hauoli (Elderly)	Honokaa	5	0	0		
46	1097	Ke Kumu 'Ekolu	Waikoloa	0	0	3		
46	2207	Kekumu Elua - Waikoloa	Waikoloa	0	5	0	5	
46	1071	Noelani I	Kamuela	2	0	0		
46	1078	Noelani II	Kamuela	1	0	7		
46	197	Waikoloa	Waikoloa	0	0	0		
				8	5	10	5	28
Teacher Hsg.	Waimea		Kamuela		1	2		
	Honokaa		Honokaa			2		
					1	4		5
Kauai								
8	1021	Hui O Hanamaulu	Hanamaulu		6			
8	1022	Kalaheo Homes	Kalaheo		1			
8	1054	Hale Nani Kai O Kea (Elderly)	Kapaa		2			
8	1018	Kapaa (Kapaa Family)	Kapaa		6			
8	1019	Hale Hoolulu (Elderly)	Kilauea		0			
				0	15	0	0	15
41	1020	Eleele Homes	Eleele		4			
41	1055	Hale Hoonanea (Elderly)	Eleele		4			
41	1064	Kekaha Ha'aheo	Kekaha		10			
41	1064	Kawailehua - Federal	Koloa		10			
41	2204	Kawailehua - State	Koloa		0			
41	1023	Home Nani (Elderly)	Waimea		2			
				0	30	0	0	30
Maui								
9	1044	Piilani Homes (Elderly)	Lahaina		1			
9	1016	David Malo Circle	Lanaina		1			
9	1097	Makani Kai Hale	Waiehu		1			
9	1017	Kahekili Terrace	Wailuku		12			
9	1017	Kahekili Terrace	Wailuku					
				0	15	0	0	15
Teacher Hsg.	Hana		Hana			3		
Teacher Hsg.	Hana		Hana			1		
						4		4
Molokai								
47	1088	Kahale Mua - Federal	Maunaloa	6	6			
47	2205	Kahale Mua - State	Maunaloa	0	0			
				6	6	0	0	12
Teacher Hsg.	Molokai		Kaunakakai			2		
Neighbor Island TOTAL QUANTITY				84	210	23	5	322
Neighbor Island TOTAL COST				\$40,332.98	\$102,439.89	\$11,898.95	\$3,789.82	\$15,846.75

Project MU #	Project Name	Gas Range			
		20"	30"	Conversion	Disposal
		\$372.97	\$366.41	\$10.94	\$49.21
East Hawaii-Hilo					
7	1051 Hale Aloha O Puna (Elderly)	0	0		
7	1052 Hale Olaloa (Elderly)	0	0		
7	1097 Kauhale O' Hanakahi	0	18		
7	1004 Lanikila I	0	6		
7	1013 Lanikila II	0	0		
7	1014 Lanikila III	0	0		
7	2206 Lokahi	0	0		
7	1045 Pahala, Ka'u (Elderly)	0	0		
7	1029 Pomaikai Homes (Elderly)	21	0		
7	1028 Punahele Homes	0	0		
		21	24	45	45
Teacher Hsg. Kau Pahala					
West Hawaii					
43	1053 Hale Hookipa (Kona Elderly)		0		
43	1061 Ka Hale Kahaluu		0		
43	1032 Kaimalino		2		
43	1070 Kealakehe		0		
43	1063 Nani Olu Eld. (Puna Housing)		0		
		0	2	2	2
46	1031 Hale Hauoli (Elderly)	5	0		
46	1097 Ke Kumu 'Ekolu	0	3		
46	2207 Kekumu Elua - Waikoloa	0	2		
46	1071 Noelani I	0	0		
46	1078 Noelani II	0	0		
46	197 Waikoloa	0	0		
		5	5	10	10
Teacher Hsg. Waimea Honokaa					
Kauai					
8	1021 Hui O Hanamaulu	0	4		
8	1022 Kalaheo Homes	0	0		
8	1054 Hale Nani Kai O Kea (Elderly)	0	0		
8	1018 Kapaa (Kapaa Family)	0	2		
8	1019 Hale Hoolulu (Elderly)	0	0		
		0	6	6	6
41	1020 Eleele Homes	0	0		
41	1055 Hale Hoonanea (Elderly)	0	4		
41	1064 Kekaha Ha'aheo	0	10		
41	1064 Kawailehua - Federal	0	8		
41	2204 Kawailehua - State	0	0		
41	1023 Home Nani (Elderly)	0	0		
		0	22	22	22
Maui					
9	1044 Piilani Homes (Elderly)	0	0		
9	1016 David Malo Circle	0	0		
9	1097 Makani Kai Hale	0	0		
9	1017 Kahekili Terrace	6	1		
9	1017 Kahekili Terrace	0	9		
		6	10	16	16
Teacher Hsg. Hana Teacher Hsg. Hana					
Molokai					
47	1088 Kahale Mua - Federal	0	11		
47	2205 Kahale Mua - State	0	0		
		0	11	11	11
Teacher Hsg. Molokai					
Neighbor Island TOTAL QUANTITY		32	80	112	112
Neighbor Island TOTAL COST		\$11,935.06	\$29,312.64	\$1,225.39	\$5,511.91

Project MU #	Project Name	Electric Ranges					
		20"	24"	30"	36"	4 Prong	Disposal
		\$325.93		\$339.06		\$9.84	\$49.21
East Hawaii-Hilo							
7	1051 Hale Aloha O Puna (Elderly)	34					
7	1052 Hale Olaloa (Elderly)	0					
7	1097 Kauhale O' Hanakahi	0					
7	1004 Lanikila I	0					
7	1013 Lanikila II	0					
7	1014 Lanikila III	0					
7	2206 Lokahi	33					
7	1045 Pahala, Ka'u (Elderly)	28					
7	1029 Pomaikai Homes (Elderly)	0					
7	1028 Punahele Homes	0					
		95	0	0	0	95	95
Teacher Hsg.	Kau			1			
	Pahala			1			
				2			
West Hawaii							
43	1053 Hale Hookipa (Kona Elderly)	5		0			
43	1061 Ka Hale Kahaluu	0		0			
43	1032 Kaimalino	0		0			
43	1070 Kealakehe	0		7			
43	1063 Nani Olu Eld. (Puna Housing)	3		0			
		8	0	7	0	15	15
46	1031 Hale Hauoli (Elderly)			0			
46	1097 Ke Kumu 'Ekolu			0			
46	2207 Kekumu Elua - Waikoloa			0			
46	1071 Noelani I			8			
46	1078 Noelani II			7			
46	197 Waikoloa			0			
		0	0	15	0	15	15
Teacher Hsg.	Waimea			2			
	Honokaa			2			
				2			2
Kauai							
8	1021 Hui O Hanamaulu	0					
8	1022 Kalaheo Homes	0					
8	1054 Hale Nani Kai O Kea (Elderly)	2					
8	1018 Kapaa (Kapaa Family)	0					
8	1019 Hale Hoolulu (Elderly)	2					
		4	0	0	0	4	4
41	1020 Eleele Homes	0					
41	1055 Hale Hoonanea (Elderly)	4					
41	1064 Kekaha Ha'aheo	0					
41	1064 Kawailehua - Federal	0					
41	2204 Kawailehua - State	0					
41	1023 Home Nani (Elderly)	2					
		6	0	0	0	6	6
Maui							
9	1044 Piilani Homes (Elderly)						
9	1016 David Malo Circle						
9	1097 Makani Kai Hale						
9	1017 Kahekili Terrace						
9	1017 Kahekili Terrace						
		0	0	0	0	0	0
Teacher Hsg.	Hana			1			
Teacher Hsg.	Hana			2			
				3			3
Molokai							
47	1088 Kahale Mua - Federal						
47	2205 Kahale Mua - State						
		0	0	0	0	0	0
Teacher Hsg.	Molokai						
Neighbor Island TOTAL QUANTITY		113	0	29	0	135	140
Neighbor Island TOTAL COST		\$36,830.15	\$0.00	\$9,832.61	\$0.00	\$1,328.20	\$6,889.89

Operating Budget
 Schedule of Administration
 Expense Other Than Salary

**U.S. Department of Housing
 and Urban Development**
 Office of Public and Indian Housing

OMB Approval No. 2577-0026 (Exp. 9/30/2006)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income housing program and provides a summary of proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the PHA and the amounts are reasonable and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

Name of Housing Authority Hawaii Public Housing Authority	Locality 1002 N. School Street, Honolulu, Hawaii 96817	Fiscal Year End 2007
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	(1) Description	(2) Total	(3) Management	(4) Development	(5) Section 8	(6) Other
1	Legal Expense (see Special Note in Instructions)	307,118	191,537	0	41,077	74,504
2	Training (list and provide justification)	0				
3	Travel Trips To Conventions and Meetings (list and provide justification)	54,273	39,273	15,000	0	0
4	Other Travel Outside Area of Jurisdiction	0	0	0	0	0
5	Within Area of Jurisdiction	0	0	0	0	0
6	Total Travel	54,273	39,273	15,000	0	0
7	Accounting	0	0	0	0	0
8	Auditing	400,000	92,121	0	92,121	215,758
9	Sundry Rental of Office Space	0	0	0		
10	Publications	21,191	9,160	4,750	3,570	3,711
11	Membership Dues and Fees (list organization and amount)	0		0		
12	Telephone, Fax, Electronic Communications	135,192	90,155	0	9,318	35,719
13	Collection Agent Fees and Court Costs	178,821	178,706	0	0	115
14	Administrative Services Contracts (list and provide justification)	0	0	0	0	0
15	Forms, Stationary and Office Supplies	124,174	84,496	4,600	17,690	17,388
16	Other Sundry Expense (provide breakdown)	1,798,436	1,226,281	0	139,194	432,961
17	Total Sundry	2,257,814	1,588,798	9,350	169,772	489,894
18	Total Administration Expense Other Than Salaries	3,019,205	1,911,729	24,350	302,970	780,156

To the best of my knowledge, all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of authorized representative & Date

X

EXHIBIT C

Instructions for Preparation of Form HUD-52571

Prepare this form to reflect detailed estimates of Administration Expense, other than salaries, and the distribution to all programs administered by the Housing Authority.

The identification boxes in the upper right hand corner are self-explanatory.

1. **Legal Expense:** Enter in Column (2), Line 1 the estimated cost of legal service. Enter in Columns (3) through (6) the pro rata shares of amounts in Column (2) chargeable to programs administered by the Housing Authority.

Special Note: The amount entered on Form HUD-52564 should also include salaries of Staff Attorneys as shown on Form HUD-52566 and included on line for "Other" in the Summary of Staffing and Salary Data section of Form HUD-52573.

2. **Training:** List and provide justification for all training.

Travel Expense: Justification must be provided for travel.

3. **Trips to Conventions and Meetings:** Under Justification/Breakdown, List each convention and meeting to be attended by commissioners and staff, with the location. Enter the number of persons expected to attend and show the aggregate number of travel days and the estimated total cost of each trip including subsistence allowance, cost of transportation, and reimbursable miscellaneous expenses. Enter the sum of the total costs of all trips in Column (2). Enter in Columns (3) through (6) the pro rata shares of amounts in Column (2) chargeable to programs administered by the Housing Authority.

4. **Other Travel: Outside Area of Jurisdiction:** Enter in Column (2), Line 4 the estimated cost for travel by commissioners and staff, including subsistence, transportation, and reimbursable miscellaneous expenses. Follow instructions 3 above for columns (3) through (6).

5. **Other Travel: Within Area of Jurisdiction:** Enter in Column (2), Line 5 the estimated cost for travel, including fixed monthly allowances for reimbursement on a mileage basis for use of privately owned automobiles; and reimbursement for authorized use of local public transportation. Follow instructions 3 above for columns (3) through (6).

6. **Total Travel:** Sum Lines 3, 4, and 5 for Columns (2) through (7) and enter total for each on Line 6 "Total Travel."

7, thru 16. **Accounting, Auditing and Sundry:** Enter the estimated total for all programs in Column (2) for each item of expense in Lines 7 through 16. In Columns (3) through (6) enter the pro rata share of amounts shown in Column (2) chargeable to all programs administered by the Housing Authority.

14. **Administrative Services Contracts:** List and provide justification for all contracts (excluding accounting contracts).

16. **All Other Sundry Expense:** List all items identified under this expense.

18. Total Administration Expense Other Than Salaries:

Add the amounts on the following Lines:

Line 1 Legal Expense

Line 2 Training

Line 6 Total Travel

Line 7 Accounting

Line 8 Auditing

Line 17 Total Sundry

On Line 18 enter the appropriate totals in Columns (2) through (6). The amount shown in Column (3), lines 1, 2, 6, 7, 8, and 17, should be carried forward to Lines 150 through 200 of Form HUD-52564, Operating Budget.

Operating Budget
Summary of Budget Data and Justifications

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0026 (Exp. 9/30/2006)

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This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income housing program and provides a summary of proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the PHA and the amounts are reasonable and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

Name of Local Housing Authority	Locality	Fiscal Year Ending
Hawaii Public Housing Authority	1002 N. School Street, Honolulu, Hawaii 96817	2007

Operating Receipts

Dwelling Rental. Explain basis for estimate. For HUD-aided low-rent housing, other than Section 23 Leased housing, state amount of latest available total HA monthly rent roll, the number of dwelling units available for occupancy and the number accepted for the same month end. Cite HA policy revisions and economic and other factors which may result in a greater or lesser average monthly rent roll during the Requested Budget Year. For Section 23 Leased housing, state the number of units under lease, the PUM lease price, and whether or not the cost of utilities is included. If not included, explain method for payment at utility costs by HA and/or tenant.

Based on actual rent collections for FY2006

Excess Utilities. (Not for Section 23 Leased housing.) Check appropriate spaces in item 1, and explain "Other". Under item 2, explain basis for determining excess utility consumption. For example, Gas; individual check meters at OH-100-1, proration of excess over allowances at OH-100-2, etc. Cite effective date of present utility allowances. Explain anticipated changes in allowances or other factors which will cause a significant change in the total amount of excess utility charges during the Requested Budget Year.

1. Utility Services Surcharged: Gas Electricity Other (Specify) _____

2. Comments

Nondwelling Rent. (Not for Section 23 Leased housing.) Complete Item 1, specifying each space rented, to whom, and the rental terms. For example: Community Building Space - Nursery School - \$50 per month, etc. Cite changes anticipated during the Requested Budget Year affecting estimated Non-dwelling Rental Income.

1.	Space Rented	To Whom	Rental Terms
	None		

2. Comments

Interest on General Fund Investments. State the amount of present General Fund investment and the percentage of the General Fund it represents. Explain circumstances such as increased or decreased operating reserves, dwelling rent, operating expenditures, etc., which will affect estimated average monthly total investments in the Requested Budget Year. Explain basis for distribution of interest income between housing programs.

Other Comments On Estimates of Operating Receipts. Give comments on all other significant sources of income which will present a clear understanding of the HA's prospective Operating Receipts situation during the Requested Budget Year. For Section 23 Leased housing explain basis for estimate of utility charges to tenants.

Operating Expenditures

Summary of Staffing and Salary Data

Complete the summary below on the basis of information shown on form HUD-52566, Schedule of All Positions and Salaries, as follows:

- Column (1)** Enter the total number of positions designated with the corresponding account line symbol as shown in Column (1), form HUD-52566.
- Column (2)** Enter the number of equivalent full-time positions allocable to HUD-aided housing in management. For example: A HA has three "A-NT" positions allocable to such housing at the rate of 80%, 70%, and 50% respectively. Thus, the equivalent full-time positions is two. (8/10 + 7/10 + 5/10).
- Column (3)** Enter the portion of total salary expense shown in Column (5) or Column (6), form HUD-52566, allocable to HUD-aided housing in management, other than Section 23 Leased housing.
- Column (4)** Enter the portion of total salary expense shown in Column (5) or Column (10), form HUD-52566, allocable to Section 23 Leased housing in management.
- Column (5)** Enter the portion of total salary expense shown in Column (5) or Column (7), form HUD-52566, allocable to Modernization programs (Comprehensive Improvement Assistance Program or Comprehensive Grant Program).
- Column (6)** Enter the portion of total salary expense shown in Column (5) or Column (9), form HUD-52566, allocable to Section 8 Programs.

Note: The number of equivalent full-time positions and the amount of salary expense for all positions designated "M" on form HUD-52566 must be equitably distributed to account lines **Ordinary Maintenance and Operation—Labor, Extraordinary Maintenance Work Projects, and Betterments and Additions Work Projects.**

Account Line	Total Number of Positions (1)	Equivalent Full-Time Positions (2)	HUD-Aided Management Program			
			Salary Expense			
			Management (3)	Section 23 Leased Housing Only (4)	Modernization Programs (5)	Section 8 Program (6)
Administration—Nontechnical Salaries ¹	139	107.59	\$2,700,909.00	\$0.00	\$804,685.00	\$524,368.00
Administration—Technical Salaries ¹	94	86.51	\$2,012,204.00	\$0.00	\$268,800.00	\$1,067,561.00
Ordinary Maintenance and Operation—Labor ¹	104	95.35	\$3,755,564.00	\$0.00	\$0.00	\$0.00
Utilities—Labor ¹	60	56.12	\$1,343,985.00	\$0.00	\$0.00	\$0.00
Other (Specify) (Legal, etc.) ¹	4	4	\$157,362.00	\$0.00	\$31,878.00	
Extraordinary Maintenance Work Projects ²	0	0	\$0.00	\$0.00	\$0.00	\$0.00
Betterments and Additions Work Projects ²	0	0	\$0.00	\$0.00	\$0.00	\$0.00

¹ Carry forward to the appropriate line on HUD-52564, the amount of salary expense shown in Column (3) on the corresponding line above. Carry forward to the appropriate line on HUD-52564 (Section 23 Leased Housing Budget), the amount of salary expense shown in Column (4) on the corresponding line above.
² The amount of salary expense distributed to Extraordinary Maintenance Work Projects and to Betterments and Additions Work Projects is to be included in the cost of each individual project to be performed by the HA Staff, as shown on form HUD-52567.

Specify all proposed new positions and all present positions to be abolished in the Requested Budget Year. Cite prior HUD concurrence in proposed staffing changes or present justification for such changes. Cite prior HUD concurrence in proposed salary increases for Administration Staff or give justification and pertinent comparability information. Cite effective date for current approved wage rates (form HUD-52158) and justify all deviations from these rates.

Travel, Publications, Membership Dues and Fees, Telephone and Telegraph, and Sundry. In addition to "Justification for Travel to Conventions and Meetings" shown on form HUD-52571, give an explanation of substantial Requested Budget Year estimated increases over the PUM rate of expenditures for these accounts in the Current Budget Year. Explain basis for allocation of each element of these expenses.

None

Utilities. Give an explanation of substantial Requested Budget Year estimated increases over the PUM rate of expenditures for each utility service in the Current Budget Year. Describe and state estimated cost of each element of "Other Utilities Expense."

None

Ordinary Maintenance & Operation—Materials. Give an explanation of substantial Requested Budget Year estimated increases over the PUM rate of expenditures for materials in the Current Budget Year.

Ordinary Maintenance & Operation—Contract Costs. List each ordinary maintenance and operation service contracted for and give the estimated cost for each. Cite and justify new contract services proposed for the Requested Budget Year. Explain substantial Requested Budget Year increases over the PUM rate of expenditure for Contract Services in the Current Budget Year. If LHA has contract for maintenance of elevator cabs, give contract cost per cab.

Insurance. Give an explanation of substantial Requested Budget Year estimated increases in the PUM rate of expenditures for insurance over the Current Budget Year. Cite changes in coverage, premium rates, etc.

Employee Benefit Contributions. List all Employee Benefit plans participated in. Give justification for all plans to be instituted in the Requested Budget Year for which HUD concurrence has not been given.

Collection Losses. State the number of tenants accounts receivable to be written off and the number and total amount of all accounts receivable for both present and vacated tenants as of the month in which the estimate was computed.

Extraordinary Maintenance, Replacement of Equipment, and Betterments and Additions. Cite prior HUD approval or give justification for each nonroutine work project included in the Requested Budget and for those for future years which make up the estimate on form HUD-52570. Justifying information incorporated on or attached to form HUD-52567 need not be repeated here.

Contracts. List all contracts, other than those listed on page 3 of this form under Ordinary Maintenance & Operation (OMO). Cite the name of the contractor, type of contract, cost of contract, and contract period. Justification must be provided for all contract services proposed for the Requested Budget Year (RBY). Explain substantial RBY increases over the PUM rate of expenditure for these contracts in the Current Budget Year.

FOR ACTION

SUBJECT: Adoption of Amendments to and Compilation of Chapter 17-2028
"Federally-Assisted Housing Projects", Hawaii Administrative Rules

I. FACTS

- A. Act 196, Session Laws of Hawaii (SLH) 2005, as amended by Act 180, SLH 2006, separated the housing financing and development functions from the Housing and Community Development Corporation of Hawaii (HCDCH) and created the Hawaii Housing Finance and Development Corporation (HHFDC), and the Hawaii Public Housing Authority (HPHA). Act 196 became effective on July 1, 2006. Act 196 provided that all HCDCH administrative rules would remain in effect until amended.
- B. Amendments to Chapter 17-2028, Hawaii Administrative Rules (HAR), were approved by the HCDCH Board of Directors on March 17, 2005, and went into effect on July 21, 2005. These amendments specifically addressed the adoption of new utility allowance standards and calculation methodology.
- C. The HPHA has subsequently adopted several changes to its Admissions and Continued Occupancy Policy (ACOP) for federal public housing that will require the adoption of administrative rule amendments to implement.

II. DISCUSSION

- A. The proposed amendments to Chapter 17-2028 fall into two categories:
 - 1. Housekeeping, grammatical, and clarifying amendments; and
 - 2. Amendments to implement program changes.
- B. The housekeeping amendments are as follows:
 - 1. All references to the HCDCH were amended to refer instead to the HPHA.
 - 2. All references to chapter 201G, HRS were amended to refer to the new HPHA chapter in the HRS. The new HPHA chapter is not yet codified, a process that is not expected to be completed until late Fall 2006. Accordingly, a placeholder chapter number ("XXX") has been used in the appropriate places throughout the proposed amendments.
 - 3. Where practicable, exhibits were eliminated or incorporated into the body of the rules itself for the sake of clarity. For example, occupancy guidelines are currently located in exhibit "F" of chapter 17-2028. The proposed amendments incorporate the occupancy standards contained in exhibit "F" directly in §17-2028-5 (pages 2028-12 through 2028-13).
 - 4. Language was added throughout the rules to allow the HPHA to amend its policies to conform to mandatory HUD guidelines, policies, and standards without need for public hearing. For example, HUD publishes income limits on an annual basis. The HPHA has no discretion to adjust or change the income limits set by HUD. Accordingly, section 17-2028-3 (p. 2028-12) is being amended to allow the HPHA to adjust the income limits in accordance with HUD guidelines without a public hearing as required by section 91-3, HRS.

C. Amendments implementing program changes are as follows:

1. Preferences (§17-2028-34, pp. 2028-23 to 2028-24; §17-2028-35, p. 2028-25)
Amendments to this section implement reductions in the number of preferences for admission to federal public housing made in the ACOP. Preferences would only be available for families that have been involuntarily displaced by government action, are victims of domestic violence, or are homeless persons who are participating in or graduating from a homeless program and who are in compliance with a social services plan.
2. Number of Offers of a Housing Unit (§17-2028-35, p. 2028-25; §17-2028-39, pp. 2028-27 through 2028-29)
Applicants must accept an offer of a housing unit or be removed from the wait list, unless there is good cause for refusal of the offer.
3. Special Reexaminations (17-2028-55, p. 2028-32)
The HPHA may schedule special reexaminations of family income at any time necessary prior to the next annual reexamination, if at the time of admission or reexamination, a family's income cannot be reasonably anticipated for the next twelve-month period.
4. Minimum rents (§17-2028-61, pp. 2028-36 to 2028-37)
The minimum rent was reduced from \$50 per month to \$0.

III. RECOMMENDATION

That the HPHA Board of Directors:

1. Approve the proposed amendments to and compilation of Chapter 17-2028, Hawaii Administrative Rules;
2. Subject to the Governor's approval, authorize the Acting Executive Director or her designated representative(s) to conduct public hearings on the amendments to and compilation of Chapter 17-2028, Hawaii Administrative Rules;
3. Authorize the Acting Executive Director to make any non-substantive amendments to the draft amendments to and compilation of Chapter 17-2028, Hawaii Administrative Rules prior to or following the public hearing;
4. Authorize the Acting Executive Director to make all appropriate amendments to all HRS references in the proposed amendments to and compilation of Chapter 17-2028, Hawaii Administrative Rules; and
5. After the public hearings, authorize the Executive Director to transmit amendments to and compilation of Chapter 17-2028, Hawaii Administrative Rules, to the Governor for final approval provided that no substantive amendments are made.

Attachment: Exhibit "1" – Proposed Amendments to and Compilation of Chapter 17-2028, Hawaii Administrative Rules

Prepared by: Mavis Masaki, HHFDC Planner 

Reviewed by: Janice Takahashi, HHFDC Chief Planner 

HAWAII ADMINISTRATIVE RULES

TITLE 17

DEPARTMENT OF HUMAN SERVICES

SUBTITLE 5

~~[HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF
HAWAII]~~ HAWAII PUBLIC HOUSING AUTHORITY

CHAPTER 2028

FEDERALLY-ASSISTED HOUSING PROJECTS

Subchapter 1 General Provisions

§17-2028-1	Purpose
§17-2028-2	Definitions
§17-2028-3	Income limits
§17-2028-4	Asset transfers
§17-2028-5	Occupancy guidelines
§17-2028-6	Occupancy standards
§17-2028-7	Utility allowance
§17-2028-8	Verification of information
§17-2028-9	Misrepresentation

Subchapter 2 Eligibility

§17-2028-21	Applicants
§17-2028-22	Eligibility for admission and participation
§17-2028-23	Notification of eligibility
§17-2028-24	Informal hearing for applicants determined to be ineligible for admission

Subchapter 3 Tenant Selection

§17-2028-31	Nondiscrimination
§17-2028-32	Income targeting
§17-2028-33	Deconcentration
§17-2028-34	Local preferences
§17-2028-35	Loss of preference
§17-2028-36	Waiting list
§17-2028-37	Removal from waiting list
§17-2028-38	Closing the waiting list
§17-2028-39	Offers
§17-2028-40	Occupancy of accessible dwelling units

Subchapter 4 Occupancy and Rental Agreement

§17-2028-51	Rental agreement
§17-2028-52	Eligibility for continued occupancy
§17-2028-53	Reexamination
§17-2028-54	Reexamination results
§17-2028-55	Special reexamination
§17-2028-56	Interim rent adjustment
§17-2028-57	Tenant transfers
§17-2028-58	Backcharges
§17-2028-59	Rental agreement termination

Subchapter 5 Rents and Security Deposits

§17-2028-61	Minimum rents
§17-2028-62	Choice of rent
§17-2028-63	Security deposits

Subchapter 6 Family Self-Sufficiency Program

§17-2028-71	Family self-sufficiency program
§17-2028-72	Eligibility
§17-2028-73	Recruitment and outreach
§17-2028-74	Selection
§17-2028-75	Termination or withholding of service

Subchapter 7 Special Programs

- §17-2028-81 Special programs
- §17-2028-82 Occupancy by police officers
- §17-2028-83 Designated housing

Subchapter 8 Household Pets

- §17-2028-91 Pet ownership
- §17-2028-92 Conditions of pet ownership

Subchapter 9 Miscellaneous Provisions

- §17-2028-10 Severability
- §17-2028-102 Number and gender

Historical Note: Chapter 2028 of Title 17, Hawaii Administrative Rules, is substantially based upon Chapter 17-535, Hawaii Administrative Rules, [Eff 1/1/81; am and comp 2/11/85; am and comp 5/26/98; R 12/03/01], and Chapter 15-190, Hawaii Administrative Rules [Eff 12/03/01; R 7/21/05]

SUBCHAPTER 1

GENERAL PROVISIONS

§17-2028-1 Purpose. These rules are adopted under chapter 91, HRS, and shall govern the admission to and the continued occupancy of federally-assisted housing projects owned or operated by the ~~corporation~~ authority. [Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS Chapter XXX; 24 CFR Parts 5, 960, and 965)

§17-2028-2 Definitions. As used in these rules, except otherwise required by context:

"Accessible dwelling unit" means an apartment that is located on an accessible route and when designed, constructed, altered, or adapted can be approached, entered, and used by individuals with physical handicaps or an apartment which meets the requirements of applicable standards that address the particular disability or impairment of an individual.

"Adjusted income" means "annual income" minus any HUD allowable expenses and deductions as defined in 24 CFR §5.611 [~~which is incorporated by reference and attached as exhibit A~~] as may be amended from time to time.

"Annual income" means the gross amount of income anticipated to be received by the family during the twelve months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income which has been excluded by HUD, as defined in 24 CFR §5.609 [~~which is incorporated by reference and attached as exhibit B~~] as may be amended from time to time.

"Applicant" means an individual or family that submits an application for admission to the program but is not yet a participant in the program.

"Authority" means the Hawaii public housing authority.

"Assets" or "net family assets" means net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment as defined in 24 CFR §5.603 [~~which is incorporated by reference and attached as exhibit C~~] as may be amended from time to time.

"Assisted housing" means housing assisted under the United States Housing Act of 1937.

"Backcharge" means the amount of arrears in rent owed to the [~~corporation.~~] authority by the tenant.

"Broad range of income" means attaining a tenant population in a housing project with a broad range of

income that is generally representative of the range of income and the rent paying ability of lower income families.

"CFR" means the United States Code of Federal Regulations.

"Certification" means a written assertion, based on supporting evidence, which must be kept available for inspection by HUD, its Inspector General, and the public, which assertion is deemed to be accurate for purposes of this part, unless HUD determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

"Community service" means the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities.

"Community wide" means inclusive of any location that is under the jurisdiction of the [~~corporation-~~] authority.

"Continuously assisted" means that the applicant is currently receiving assistance under any program of the United States Housing Act of 1937, as amended, and there is no break in assistance to the family.

~~["Corporation" means the housing and community development corporation of Hawaii, and successor to the Hawaii housing authority.]~~

"Covered families" means families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

"Designated housing" or "designated project" means a project (or projects), or a portion of a project (or projects) that has been designated for occupancy by disabled families, elderly families, or

mixed populations of disabled families and elderly families.

"Disabled family" means a family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

"Displaced family" means a family that has been involuntarily displaced.

"Domestic violence" means the actual or threatened physical violence directed against a family member by a spouse or other household member who lives in the dwelling unit with the family.

"Drug related criminal activity" means the manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance as defined in 21 U.S.C. 802 and which activity is conducted on or near the premises of the assisted dwelling unit.

"Dwelling unit" means a residential unit in a housing project.

"Economic self-sufficiency program" means any program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work for such families.

~~"Elderly" or "elderly family" means [a family whose head, spouse, or sole member is a person who is at least sixty two years of age; or two or more persons who are at least sixty two years of age living together; or one or more persons who are at least sixty two years of age living with one or more live-in aides.]~~ households in which at least one member is sixty-two years of age, the spouse or partner has attained eighteen years of age, and the remaining members have attained the age of fifty-five years at the time of application to the project.

"Eligible family" means a family that meets the qualifications and requirements of the program.

"Exempt individual" means an individual who is exempt from complying with community service or self-sufficiency activities and which is further defined in 24 CFR §960.601(b) [~~which is incorporated by~~

~~reference and attached as exhibit D.]~~ as amended from time to time.

"Extremely low income family" means a family whose annual income does not exceed thirty per cent of the median income for the area, with adjustments for smaller and larger families, except that income ceilings higher or lower than thirty per cent of the median income for the area may be established if such variations are necessary because of unusually high or low family incomes.

"Family" means:

- (1) Two or more persons who live or intend to live together as a unit and whose income and resources are available to meet the family's needs and who may be related by blood, marriage, or operation of law and whose head of family has reached the age of majority. Family may include foster children and hanai children;
- (2) An elderly family;
- (3) A disabled family;
- (4) A displaced family;
- (5) The remaining member of a tenant family who is recorded as an authorized occupant on the current list of household members and who has reached the age of majority; or
- (6) A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

"Family self-sufficiency program" or "FSS program" means the program established by the corporation in accordance with 24 CFR Part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services.

"Federally-assisted housing projects" means the low-income federal assisted public housing projects as established by the United States Housing Act of 1937, as amended.

"Foster children" means a person or persons, under eighteen years of age who is not related to the

foster parent by blood, marriage, or adoption and who is in need of parenting care.

"Foster parent" means any adult person who gives parenting care and maintenance to a foster child pursuant to placement by an authorized agency.

"HAR" means the Hawaii Administrative Rules.

"Hanai children" means a person or persons, under eighteen years of age, for whom an applicant or participant provides food, nourishment and support for a minimum period of at least a year or has been recognized in the household for support by the department of human services and who is acknowledged as the applicant's or participant's child among friends, relatives and the community.

"Handicapped" means the same as "disabled family".

"Housing projects" means those rental projects owned or operated by the [~~corporation~~] authority.

"HRS" means the Hawaii Revised Statutes.

"HUD" means the United States Department of Housing and Urban Development.

"Imputed welfare income" means the amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

"Involuntarily displaced" means an applicant who has vacated or will have to vacate the dwelling unit where the applicant lives because of one or more of the following:

- (1) Displacement by disaster;
- (2) Displacement by governmental action; or
- (3) Displacement by action of housing owner for reasons beyond the applicant's control and despite the applicant meeting all previously imposed conditions of occupancy. The action taken by the owner is for reasons other than rent increase.

"Live-in aide" means a person who resides with one or more elderly persons, or near elderly persons, or persons with disabilities, and who:

- (1) Is determined to be essential to the care and well-being of the persons;
- (2) Is not obligated for the support of the persons; and
- (3) Would not be living in the unit except to provide the necessary support services.

A live-in aide shall not be considered an assisted family member, has no rights or benefits under the program, and may not be considered as a remaining member of the tenant family.

"Location" means any site comprising a common geographic area undivided by natural or man-made barriers (such as rivers, highways, railroads, or other major obstructions) that block or impede normal pedestrian traffic and which may contain more than one project.

"Low income family" means a family whose annual income does not exceed eighty per cent of the median income for the area, with adjustments for smaller and larger families, except that income ceilings higher or lower than eighty per cent of the median income for the area may be established if such variations are necessary because of unusually high or low family incomes.

"Near elderly family" means a family whose head, spouse, or sole member is at least fifty years of age but below the age of sixty two, or two or more persons who are at least fifty years of age but below the age of sixty two living with one or more live-in aides.

"Part-time resident aide" or "nineteen hour tenant aide" means a tenant of a housing project, employed by the [~~corporation,~~] authority, who works not more than nineteen hours a week.

"PHA plan" means the [~~corporation's~~] authority's public housing agency plan that is prepared pursuant to 24 CFR Part 903.

"Refusal of an offer" means an applicant declines an offer made by the [~~corporation~~] authority for a specific unit from any waiting list or an applicant's failure to respond to a written offer from the [~~corporation~~] authority for a specific unit within the time specified in the offer.

"Rental agreement" means the agreement containing the conditions of occupancy entered into by the tenant and [~~corporation.~~] authority.

"Resident" means a United States citizen or a permanent United States resident who is able to demonstrate [~~his or her~~] the intent to reside in Hawaii. Intent to reside in Hawaii may be demonstrated by the following: length of time spent in Hawaii; leasing or renting of a home in Hawaii; filing of personal Hawaii income tax returns; registering to vote in Hawaii. Hawaii driver's license; record of Hawaii motor vehicle registration; notification of hire to work in Hawaii; records of employment in Hawaii; military records substantiating Hawaii residency; enrollment of minor children in Hawaii schools; establishment of bank accounts and other accounts in Hawaii; written reference from Hawaii residents, relatives, or social agencies; and any other indicia which could substantiate a claim of an intent [~~of~~] to reside.

"Security deposit" means a deposit required of each tenant prior to admission for the cost of loss or damage of the [~~corporation's~~] authority's property (reasonable wear and tear excepted) and non-payment of rent.

"Serviceman" means a person active in the Army, Navy, Air Force, Marine Corps or Coast Guard of the United States, and since July 29, 1945, the Commissioned Corps of the U.S. Public Health Service who has served therein at any time:

- (1) On or after April 6, 1917, and prior to November 11, 1918;
- (2) On or after September 16, 1940, and prior to July 26, 1947;
- (3) On or after June 27, 1950, and prior to February 1, 1955; or
- (4) On or after August 6, 1964 and prior to May 7, 1975.

"Staff" means the employees or agents of the [~~corporation.~~] authority.

"Substandard housing" means a unit that:

- (1) Is dilapidated;

- (2) Does not have operable indoor plumbing;
- (3) Does not have a usable flush toilet inside the unit for the exclusive use of a family;
- (4) Does not have a usable bathtub or shower inside the unit for the exclusive use of a family;
- (5) Does not have electricity, or has inadequate or unsafe electrical service;
- (6) Does not have a safe or adequate source of heat;
- (7) Should, but does not, have a kitchen; or
- (8) Has been declared unfit for habitation by an agency or unit of government.

"Tenant" means the person or persons who enter into a rental agreement with the [~~corporation~~] authority for a dwelling unit.

"U.S.C." means the United States Code.

"Utility allowance" means the value of utilities such as electricity, gas, and water costs that are included in the gross rent of the participant. This does not include telephone or cable television services.

"Utility reimbursement" means the amount, if any, by which the utility allowance for the unit exceeds the total tenant payment of the family occupying the unit.

"Very low-income family" means a family whose annual income does not exceed fifty per cent of the median income for the area, with adjustments for smaller and larger families, except that income ceilings higher or lower than fifty per cent of the median income for the area may be established if such variations are necessary because of unusually high or low family incomes.

"Veteran" means any person who served in the military or naval forces of the United States who has been discharged or released from active service under conditions other than dishonorable.

"Violent criminal activity" means any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

[Eff 7/21/05; am and comp] (Auth: HRS XXX-13) (Imp: HRS XXX-31; 24 CFR Part 5, Subparts A, D, F, 24 CFR §960.102)

§17-2028-3 Income limits. (a) Income limits for an applicant's admission to a housing project shall be as prescribed by ~~[exhibit E, which is incorporated by reference and attached.]~~ HUD annual income limit guidelines.

(b) The authority shall adjust the income limits as established and required by HUD.

(c) Because the HUD income limits are mandatory and the Authority has no discretion to amend or change the income limits, the income limits shall be established without a public hearing as provided in Chapter 91-3D, HRS. [Eff 7/21/05; am and comp] (Auth: HRS XXX-13) (Imp: HRS §201H Part I; 24 CFR §5.601)

§17-2028-4 Asset transfers. (a) All assets transferred or assigned to another person, within a twenty-four month period prior to ~~[submitting an application]~~ admission, or at any time during occupancy shall be included in determining an applicant's assets.

(b) The value of the assets shall be based on the fair market value. [Eff 7/21/05; am and comp] (Auth: HRS XXX-13) (Imp: HRS XXX-31; 24 CFR §5.603)

§17-2028-5 Occupancy guidelines. (a) The ~~[corporation]~~ authority shall establish occupancy guidelines to maintain the maximum usefulness of the dwelling units, while preventing excessive wear and tear or underutilization. ~~[The occupancy guidelines are incorporated by reference and attached as exhibit F.]~~

~~(b) The occupancy guidelines shall provide for minimum and maximum unit sizes depending on the number~~

~~of persons in a household for purposes of determining unit size for the wait list.]~~ The occupancy guidelines are not to be confused with the ~~[corporation's]~~ authority's occupancy standards, which are based on prevailing county building codes.

(b) The occupancy guidelines for determining unit size shall be applied in a manner consistent with fair housing guidelines. For purposes of this section, an adult is a person 18 years or older. All guidelines relate to the number of bedrooms in the unit.

(c) Dwelling units will be so assigned that one bedroom will be generally assigned for every two family members.

(d) The authority shall consider factors such as family characteristics including sex, age, or relationship, the number of bedrooms and the size of sleeping areas or bedrooms and the overall size of the dwelling unit. Consideration shall also be given for medical reasons and the presence of a live-in aide.

(e) Single person families shall be allocated one bedroom.

(f) The minimum number of persons in the household shall be:

- (1) For a 0 bedroom unit: 1 person;
- (2) For a 1 bedroom unit: 1 person;
- (3) For a 2 bedroom unit: 2 persons;
- (4) For a 3 bedroom unit: 3 persons;
- (5) For a 4 bedroom unit: 4 persons; and
- (6) For a 5 bedroom unit: 6 persons.

(g) The maximum number of persons in the household shall be:

- (1) For a 0 bedroom unit: 1 person;
- (2) For a 1 bedroom unit: 2 persons;
- (3) For a 2 bedroom unit: 4 persons;
- (4) For a 3 bedroom unit: 6 persons;
- (5) For a 4 bedroom unit: 8 persons;
- (6) For a 5 bedroom unit: 10 persons.

[Eff 7/21/05; am and comp] (Auth: HRS SXXX-13) (Imp: HRS SXXX-31; 24 CFR §960.202).

§17-2028-6 Occupancy standards. (a) Applicant and tenant shall abide by the occupancy standards for the admission and continued occupancy in housing projects. [~~as prescribed by the occupancy standards which are incorporated by reference and attached as exhibit G.~~]

(b) [~~The~~] In the City and County of Honolulu, the standards [~~follow~~] shall be the occupancy codes of the [~~county in which the units are located.~~] City and County of Honolulu.

(c) In all other counties, the occupancy standard shall be two persons per living area in the unit. [Eff 7/21/05; am and comp]
(Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §960.202).

§17-2028-7 Utility allowances. (a) The monthly rent for a tenant residing in a federally assisted housing project shall include utility allowances established in accordance with HUD's standards for utility allowances.

(b) Utility allowances shall be calculated by determining the utility rate then multiplying it by the applicable quantity allowance. [A] The schedule of applicable quantity allowances for lighting, electric domestic hot water heaters, miscellaneous electrical, gas domestic hot water heaters is incorporated by reference and attached as exhibit [H] A.

(c) The [~~corporation~~] authority shall conduct a review of utility rates in January of each year. Electric and gas rate schedules for all providers shall be collected and reviewed for each month from the preceding January through December of the calendar year prior to the fiscal year beginning July 1. These monthly rates shall be averaged over the year period.

(d) The new utility allowances shall be posted and [~~noticed~~] mailed to residents at least sixty (60) days prior to the implementation date, during which time residents shall have the opportunity to present written or oral comments. The applicable schedules

shall be publicly posted in a conspicuous manner at the [~~corporation's~~] authority's project offices and shall be furnished upon request. The implementation date for new allowances shall be July 1, or as soon thereafter as is practicable.

(e) Implementation of all new allowances or components of allowances, by utility, shall be required when there is more than a ten per cent change in rates. In cases when a utility is granted a substantial rate increase in between the annual review, a mid-year allowance adjustment may be required.

(f) The [~~corporation~~] authority may update the quantity allowances. To update the quantity allowance, units of various sizes in a sampling of different types of developments shall be surveyed to determine the types of existing equipment as well as to identify any factors affecting energy efficiency. If there is a variance in energy consumption factors among housing projects, the worst case scenario shall be identified and utilized for calculating the quantity allowances.

- (1) Allowances for lighting shall be developed by conducting a field survey of various units to determine the number and type of fixtures. The following factors shall be used to determine the kilowatt hour per month allowance for each unit size:
 - (A) The number of fixtures;
 - (B) Watts per fixture; and
 - (C) Hours of use per day.
- (2) Allowances for miscellaneous electric equipment shall be based upon usage of a television, radio, miscellaneous small appliances, and a fan.
- (3) The allowance for refrigerators is based on a new, but non-energy efficient model. For 0, 1, and 2 bedroom units a 14 cubic foot model utilizing 155 kilowatt hours per month is assumed. For a 3, 4 and 5 bedroom unit, a 16 cubic foot model utilizing 165 kilowatt hours per month is assumed.

- (4) Allowances for cooking shall be 930 kilowatt hours per year for 0, 1, and 2 bedroom units, and 1140 kilowatt hours per year for 3, 4, and 5 bedroom units, respectively.
- (5) Allowances for electric domestic hot water heating shall be based on engineering calculations for each bedroom size assuming a certain number of occupants. The data used in the calculations include estimated consumption per occupant per day, temperature of incoming water, temperature of hot water supply, efficiency of heater, and energy required to heat water to supply temperature.
- (6) Allowance for solar domestic hot water shall be based on a cost analysis of a domestic hot water heating system.
- (7) Gas consumption allowances shall be developed using the same methodology as the electric consumption allowance.

(g) The [~~corporation~~] authority shall provide medical disability allowances for residents who have provided proof of medical necessity to the corporation. The quantity allowances for medical equipment shall be as follows:

- (1) For window air conditioners, 229 kilowatt hours per month;
- (2) For oxygen concentrators, 219 kilowatt hours per month;
- (3) For nebulizers, 5 kilowatt hours per month;
- (4) For electric hospital beds, 1 kilowatt hour per month;
- (5) For alternating pressure pads, 51 kilowatt hours per month;
- (6) For low air-loss mattresses, 88 kilowatt hours per month;
- (7) For power wheelchairs or scooters, 33 kilowatt hours per month;
- (8) For CPAP machines, 9 kilowatt hours per month; [and]

(9) Feeding tube, 44 kilowatt hours per month; and

(10) For any other medical equipment, the quantity allowance shall be determined by taking the equipment's average energy consumption multiplied by the normal frequency of usage.

(h) A tenant shall pay for utility usage in excess of the applicable utility allowance.

(i) A tenant shall receive a utility reimbursement when the utility allowance exceeds the total tenant payment with the exception of tenants paying a flat rent. [Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §§5.603, 5.632, 960.253, Part 965 Subpart E, §966.4)

§17-2028-8 Verification of information. An applicant or tenant shall provide documentation to verify information upon request of the staff.

[Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §§960.202, 960.259)

§17-2028-9 Misrepresentation. An applicant may be denied admission to a housing project if the applicant has submitted false information, withheld information, or made willful misstatements. A tenant who does the same may be denied continued eligibility and have the rental agreement terminated.

[Eff 7/21/05; am and comp] (Auth: HRS § XXX-13) (Imp: HRS XXX-31; 24 CFR §966.4)

SUBCHAPTER 2

ELIGIBILITY

§17-2028-21 Applicants. (a) A person seeking admission to a housing project shall submit a completed pre-application form prepared by the [~~corporation.~~] authority. The applicant may file at any of the [~~corporation's~~] authority's in-take offices and apply for any and all waiting list areas prescribed in 17-2028-36.

(b) The initial pre-application review shall not require an interview. Only applicants who are determined to be eligible in the initial review shall be placed on the waiting list. A final eligibility review shall be conducted when the applicant reaches the top of the waiting list.

(c) An applicant who has misrepresented material information shall not be eligible to file an application with the [~~corporation~~] authority for twelve months from the date of written notification from the [~~corporation.~~] authority.

[Eff 7/21/05; am and comp] (Auth: HRS §XXX-13; 24 CFR §960.202) (Imp: HRS §XXX-13; 24 CFR §§960.204, 960.205)

§17-2028-22 Eligibility for admission and participation. (a) To be eligible for participation in the program, the applicant and household members or live-in aide shall meet all of the requirements of the pre-application and final-application phases as set forth below:

- (1) During the pre-application phase, the applicant and adult household members shall:
 - (A) Qualify as a family;
 - (B) Be income eligible as determined under section 17-2028-3;
 - (C) Not have an outstanding debt owed to the [~~corporation~~] authority as a participant in any of its programs;
 - (D) Not have an outstanding liability for unpaid rent or damages incurred while previously participating in any section 8 rental subsidy program;

- (E) Provide a social security number for all family members who are at least six years of age or certify that the person does not have a social security number;
- (F) Not have been evicted since March 1, 1985, from a public housing program administered by the ~~[corporation]~~ authority or its [predecessor,] predecessors, the housing and community development corporation of Hawaii, and the Hawaii housing authority;
- (G) Not have been evicted from assisted housing by reason of drug-related criminal activity for a three-year period beginning on the date of the eviction unless the evicted tenant successfully completes a rehabilitation program approved by the corporation;
- (H) Not have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal or state housing program;
- (I) Not be illegally using a controlled substance or give the ~~[corporation]~~ authority a reasonable cause to believe that the illegal use (or pattern of illegal use) of a controlled substance or abuse alcohol by a household member, (or pattern of abuse) may interfere with the health, safety, or right to peaceful enjoyment of a rental premises by other residents
 - (i) For the purposes of this subsection, "reasonable cause to believe" means by a preponderance of the evidence;
 - (ii) For the purposes of this subsection, in determining whether to deny eligibility based on a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol by a household

member, the [~~corporation~~]
authority may consider
rehabilitation as provided for
under 42 U.S.C. §13661(b) (2) (A) -
(C) [~~effective October 1, 1999,~~
~~which is incorporated by reference~~
~~and attached as exhibit I~~] as
amended from time to time;

- (J) Not currently or during a three year period preceding the date when the applicant household would otherwise be selected for admission be engaged in any drug-related criminal activity or violent criminal activity which would adversely affect the health, safety, right to peaceful enjoyment of the premises by other residents, the owner, or [~~corporation~~] authority employees;
 - (K) Not have been convicted in the manufacture, production, or distribution of methamphetamines; and
 - (L) Not subject to lifetime registration requirements under any State sex offender's registration program.
- (2) [~~During the final application phase, the~~] At all times, the applicant and all adult household members shall meet the requirements as set forth in (1), above, as well as the following requirements:
- (A) Not have engaged in or threatened abusive or violent behavior toward the [~~corporation's~~] authority's personnel. For purposes of this subsection, "threatened" means an oral or written threat or physical gestures that communicate intent to abuse or commit violence. Abusive or violent behavior may be verbal or physical and include use of expletives that are generally considered insulting, racial epithets, or other language, written or oral,

that is customarily used to insult or intimidate; and

- (B) Furnish evidence of citizenship or eligible immigrant status as provided for in 24 CFR §5.508 [~~which is incorporated by reference and attached as exhibit J.~~] as amended from time to time.

(b) An applicant who is continuously assisted under the U.S. Housing Act of 1937 [~~Housing Act~~], as amended, shall be admitted to the program as though the applicant was already a program participant. [Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §§5.216, 5.852, 960.202, 960.204, 960.205)

§17-2028-23 Notification of eligibility. (a) Upon making a determination of eligibility, the [~~corporation~~] authority shall mail a written notification to an applicant. The notification shall specifically state the reasons for determination.

(b) An eligible applicant shall be placed on the waiting list.

(c) An applicant determined to be ineligible for admission or participation in the program shall be provided an opportunity for an informal hearing pursuant to section 17-2028-24. [Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-13; 24 CFR §960.204)

§17-2028-24 Informal hearing for applicants determined to be ineligible for admission. (a) An applicant determined to be ineligible for admission or participation in the program may request an informal hearing by submitting a written request within fourteen working days from the date of notification of ineligibility.

(b) The informal hearing shall be scheduled within twenty-one working days from the date the written request is received and shall be conducted by

any person or persons designated by the [~~corporation,~~] authority, but shall not be a person who made or approved the determination of ineligibility or a subordinate of this person.

(c) The applicant shall be given the opportunity to present evidence, which shall be considered by the hearing officer, along with the data compiled by the [~~corporation,~~] authority.

(d) A written notice of the hearing officer's decision shall be mailed to the applicant within twenty-one working days after the hearing. The notice shall include an explanation of the reasons for decision. [Eff 7/21/05; am and comp]
(Auth: HRS §XXX-13) (Imp: §XXX-13; 24 CFR §960.202)

SUBCHAPTER 3

TENANT SELECTION

§17-2028-31 Nondiscrimination. Tenant selection and assignment shall be made without regard to race, color, sex, religion, marital status, creed, national or ethnic origin, age, familial status, handicap or disability or HIV infection. [Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-7; 24 CFR §960.103)

§17-2028-32 Income targeting. Not less than forty per cent of families admitted to the program during the fiscal year from the waiting list shall be extremely low income families. [Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-13; 24 CFR §960.202)

§17-2028-33 Deconcentration. (a) [~~For~~ ~~federally assisted housing projects, the corporation~~] The authority shall give priority to applicants to

ensure that, to the maximum extent feasible, the housing projects will include families with a broad range of income generally representative of low income families in the [corporation's] authority's area of operation. The [corporation] authority shall not allow dwelling units to remain vacant awaiting an applicant who meets the appropriate income range.

(b) The [corporation] authority may not concentrate very low-income families in dwelling units in certain public housing projects or certain buildings within projects. Additionally, the [corporation] authority may not concentrate higher income families in dwelling units in certain housing projects or certain buildings within projects.

[Eff 7/21/05; am and comp] (Auth: HRS SXXX-13) (Imp: SXXX-31; 24 CFR §§5.607)

§17-2028-34 Local preferences. (a) Eligible applicants shall be given preference for admission in the program in the order of the dates of their applications if, at the time they are seeking housing assistance, they fall within the following preference categories:

- ~~(1) The following preferences shall be given first priority but have equal weight within this group:
 - ~~(A) Involuntarily displaced;~~
 - ~~(B) Victims of domestic violence; or~~
 - ~~(C) Homeless families that are residing in transitional shelter for the homeless and who are in compliance with a social service plan.~~~~
- ~~(2) The following preferences shall be given second priority but have equal weight within this group:
 - ~~(A) Living in substandard housing; or~~
 - ~~(B) Paying more than fifty per cent of annual income for rent.~~~~
- ~~(3) The following are other preferences having equal weight:~~

- ~~(A) Veterans and veterans' surviving spouse;~~
- ~~(B) Residents who live and/or work in the jurisdiction (by county);~~
- ~~(C) Families that contribute to meeting the corporation's income targeting requirements;~~
- ~~(D) Victims of reprisals or hate crimes; or~~
- ~~(E) Working families and those unable to work because of age or disability.]~~

- (1) Involuntarily displaced;
- (2) Victims of domestic violence who are participating in or graduated from a program with case management in a domestic violence shelter or clearance house; or
- (3) Homeless persons who are participating or graduating from a homeless program (which includes transitional shelters, supportive housing programs, and unsheltered homeless programs), and who are in compliance with a social service plan.

(b) Each preference in each priority group is of equal weight and an applicant who qualifies for any of the preferences shall receive assistance before any other applicant who is not so qualified regardless of:

- (1) Place on the waiting list; or
- (2) Date or time of submission of an application.

~~[(c) A single applicant who is elderly, disabled or displaced shall be given preference over all other single applicants, regardless of the other single applicant's local preference.]~~

~~[(d)]~~ (c) An applicant shall not receive preference if any adult member of the applicant family is a person who was evicted or terminated from any housing program operated by the corporation for a three-year period beginning on the date of eviction because of drug-related criminal activities unless the adult member has successfully completed a rehabilitation program approved by the ~~[corporation.]~~ authority. [Eff 7/21/05; am and comp]

(Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §960.204)

§17-2028-35 Loss of preference. An applicant who declines [~~three offers~~] an offer of a housing unit, without just cause, or who voluntarily requests cancellation of the application after declining an offer, shall be removed from the wait list. Such applicants may reapply, but they shall lose all preferences and priorities. [~~for a period of twelve months from the date the offer was declined or from the date of the request for cancellation.~~]

[Eff 7/21/05; am and comp] (Auth: 24 CFR §960.204; HRS §XXX-13) (Imp: 24 CFR §960.204; HRS §XXX-31)

§17-2028-36 Waiting list. (a) The [~~corporation~~] authority shall maintain geographical waiting lists, which are community wide in scope and consist of all eligible applicants as follows:

- (1) City and County of Honolulu
 - (A) Honolulu (Red Hill to Palolo);
 - (B) Central Oahu (Wahiawa to Waialua);
 - (C) Windward Oahu; and
 - (D) Leeward Oahu (Aiea to Makaha).
- (2) County of Hawaii
 - (A) East Hawaii (Hilo, Honokaa to Ka'u); and
 - (B) West Hawaii (Kona, Kohala, Waimea).
- (3) County of Maui
 - (A) Maui; and
 - (B) Molokai.
- (4) County of Kauai
 - (A) East Kauai (Hanamaulu to Kapaa, Kilauea); and
 - (B) West Kauai (Koloa to Kekaha).

(b) Applicants shall be notified of the opportunity to apply for and be placed on any and all waiting lists through notices posted in a conspicuous place at the [~~corporation's~~] authority's offices that

accept applications and printed statements in the [~~corporation's~~] authority's informational material on its application process.

(c) Placement of applications on the waiting list shall be based upon the following:

- (1) Geographic preference;
- (2) Size of dwelling unit required based on occupancy standards;
- (3) Type of dwelling unit required (e.g., accessible for persons with disabilities);
- (4) Local preference, and
- (5) Date and time of receipt of application.

(d) Applicant cannot remain on a waiting list if they are currently the lessee in any federal public housing program.

(e) An applicant shall notify the [~~corporation~~] authority of any [~~change,~~] change which will affect applicant's place on the waiting list and the [~~corporation's~~] authority's ability to contact applicant. Changes include, but are not limited to, family status, financial status, preference status, mailing address, and current residence. [~~An~~] Except as provided in subsection 17-2028-36(d), applicant may continue to be on the waiting list even though applicant is a tenant in or receiving housing assistance from another housing program.

[Eff 7/21/05; am and comp] (Auth: 24 CFR §§1.4, 960.202; HRS §XXX-13) (Imp: 24 CFR §960.204; HRS §XXX-31)

§17-2028-37 Removal from waiting list. [~~(a)~~] An applicant shall not be removed from the waiting list unless:

- (1) The applicant requests that applicant's name be removed;
- (2) The applicant fails to notify the [~~corporation~~] authority of applicant's continued interest for housing at least once every twelve months;

- (3) The applicant no longer meets the eligibility criteria set forth in 17-2028-22;
- (4) The applicant fails to respond to the ~~[corporation's]~~ authority's reasonable contact efforts. Correspondence to the last known address will constitute reasonable effort to contact;
- (5) The applicant fails without good cause to keep a scheduled interview or to provide requested information necessary to determine eligibility; or
- (6) The applicant misrepresents any material information to the ~~[corporation]~~ authority in the application or otherwise.
 [Eff 7/21/05; am and comp]
 (Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §§960.202, 960.206, 960.208)

§17-2028-38 Closing the waiting list. (a) The ~~[corporation,]~~ authority, at its discretion, may restrict acceptance of applications, and close the waiting list in whole or in part, when it determines that it will be unable to assist all the applicants on the waiting list within a reasonable period of time.

(b) The ~~[corporation]~~ authority shall announce any closure and reopening of the application process by publishing notices in a newspaper of general circulation and minority newspapers, and notifying social service organizations.

(c) During periods when application acceptance is closed and until it is reopened, the ~~[corporation]~~ authority shall not maintain a list of persons to be notified when application acceptance is reopened.
 [Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §960.202)

§17-2028-39 Offers. (a) An applicant shall be afforded ~~[three offers]~~ one offer to lease a suitable unit.

(b) Offers to eligible applicants shall be made in sequence based upon the following:

- (1) Geographical preference;
- (2) Size of dwelling unit required;
- (3) Type of dwelling unit required (e.g. accessible units for the mobility, hearing or visually impaired);
- (4) Factors affecting priorities and preferences as established by the corporation;
- (5) Broad range of income families in the area; and
- (6) Date and time the application was received.

(d) Upon refusal of [~~three offers~~] an offer, without good cause, the applicant's name will be cancelled from all waiting lists on which the applicant's name has been placed.

(e) An applicant shall not be considered to have been offered a unit if an offer has been declined for good cause. Good cause may include, but is not limited to the following:

- (1) The unit is not of the proper size or type and the applicant would be able to reside there only temporarily (e.g., a specially designed unit that is awaiting a person with a disability needing such a unit);
- (2) The unit offered is unsuitable for health or safety reasons for the applicant;
- (3) The applicant is unable to move at the time of the offer and presents clear evidence which substantiates this to the [~~corporation's~~] authority's satisfaction, including, but not limited to:
 - (A) A doctor verifies that the applicant has just undergone major surgery and needs a period to recuperate;
 - (B) A court verifies that the applicant is serving on a jury which has been sequestered; or
 - (C) A landlord verifies that the applicant has an existing lease that cannot be breached without causing undue financial hardship.

- (4) The applicant's acceptance of the offer would result in undue hardship not related to considerations of race, color, national origin, or language and the applicant presents evidence which substantiates this to the [~~corporation's~~] authority's satisfaction (e.g., where current employment or day care facilities are inaccessible).
[Eff 7/21/05; am and comp]
(Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §960.202)

§17-2028-40 Occupancy of accessible dwelling units. (a) The [~~corporation~~] authority shall take the following nondiscriminatory steps to maximize the utilization of accessible units by eligible individuals whose disability requires the accessibility features of the particular unit. When an accessible unit becomes vacant the [~~corporation~~] authority shall, before offering such units to an applicant without a disability, offer such unit:

- (1) First, to a current occupant of another unit of the same project or other projects within the same housing program, having handicaps requiring the accessibility features of the vacant unit and occupying a unit not having such features, or, if no such occupant exists, then
- (2) To an eligible qualified applicant on the waiting list having a disability requiring the accessibility features of the vacant unit.

(b) When an applicant without a disability requiring the accessibility features of the unit accepts such unit, the applicant shall be required to agree to move to a non-accessible unit when one becomes available. [Eff 7/21/05; am and comp] (Auth: §XXX-13) (Imp: HRS §XXX-31; 24 CFR §§8.27, 5.410, 960.202; HRS §XXX-31)

SUBCHAPTER 4

OCCUPANCY AND RENTAL AGREEMENT

§17-2028-51 Rental agreement. (a) A tenant shall enter into a rental agreement with the [~~corporation~~] authority that sets forth the conditions of occupancy for the tenant including, but not limited to, the rental terms, security deposit, eligibility reexaminations and rental adjustments, and for welfare recipients, authorization for the [~~corporation~~] authority to draw rental payments directly from their [~~EBT~~] electronic benefit transfer or bank accounts.

(b) No tenant shall be permitted to remain in a housing project without a valid rental agreement. [Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §966.4)

§17-2028-52 Eligibility for continued occupancy.

(a) To be eligible for continued occupancy in a housing project, the tenant shall:

- (1) Qualify as a family;
- (2) Conform to the occupancy standards;
- (3) Not have a record of conduct or behavior which may be detrimental to the project, its tenants or employees; and
- (4) Except for an exempt individual, conform to the following community service and economic self-sufficiency requirements:
 - (A) Contribute eight hours per month of community service (not including political activities);
 - (B) Participate in an economic self-sufficiency program for eight hours per month; or
 - (C) Perform eight hours per month of combined activities as described in paragraphs (A) and (B), above.

(b) Except for a newborn child, a person shall not be permitted to join or rejoin the family until it

is verified that the person meets the eligibility requirements set forth in section 17-2028-22. [Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-31; CFR §§960.202, 960.603)

§17-2028-53 Reexamination. (a) For tenants who pay an income-based rent, the [~~corporation~~] authority shall reexamine a tenant's annual income, assets, family composition, and any other matter necessary to determine a tenant's rent and eligibility for continued occupancy at least once every twelve months. For tenants who pay a flat rent pursuant to section 17-2028-62, the [~~corporation~~] authority shall conduct reexaminations as follows:

- (1) At least once every twelve months, the [~~corporation~~] authority shall reexamine a tenant's family composition and any other matter necessary to determine a tenant's eligibility for continued occupancy; and
- (2) At least once every three years, the [~~corporation~~] authority shall reexamine a tenant's annual income, assets and any other matter necessary to determine a tenant's eligibility for continued occupancy.

(b) For all tenant families who include non-exempt individuals, the [~~corporation~~] authority shall also annually reexamine compliance with community service and economic self-sufficiency requirements. [Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-13; 24 CFR §966.4)

§17-2028-54 Reexamination results. (a) A tenant shall be given written notification within a reasonable time, after determination by the staff, of both the tenant's eligibility for continued occupancy and rent schedule.

(b) A tenant found ineligible for continued occupancy by the staff shall be required to vacate the dwelling unit.

(c) A tenant aggrieved by the reexamination results may request a hearing pursuant to the ~~[corporation's]~~ authority's grievance procedure as provided in chapter 17-2021, Hawaii administrative rules. [Eff 7/21/05; am and comp]
(Auth: HRS §XXX-13) (Imp: HRS §XXX-13; 24 CFR §966.4)

§17-2028-55 Special reexamination. [~~If at the time of admission or reexamination, a family's income cannot be reasonably determined for the next twelve months, a special reexamination shall be scheduled for either one, two, or three months.~~] If at the time of admission or reexamination, a family's income cannot be reasonably anticipated for the next twelve-month period, the authority may schedule a special reexamination at any time prior to the next annual reexamination when deemed necessary.
[Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §5.609)

§17-2028-56 Interim rent adjustment. (a) The ~~[corporation]~~ authority may adjust a tenant's rent between reexamination if a tenant reports a change in family income. However, adjustments to rent shall not be made for covered families with reduced welfare benefit payments resulting from welfare sanctions for noncompliance with welfare self-sufficiency and work activity requirements.

(b) Adjustments, reflecting a lower rent, shall be made effective on the first of the month following the month the report was made.

(c) A tenant who has obtained a decrease in rent under this section, shall report all income increases which occur prior to the next reexamination and rent shall be readjusted accordingly. Any increase in rent shall be effective on the first day of the second month following the month in which the change occurred.

(d) A tenant who fails to report any increase in income after obtaining a decrease in rent under this section shall be subject to a back rent charge retroactive to the month in which the rent increase should have been made.

(e) A tenant shall report to the [corporation] authority any changes in family composition. Rent adjustment shall be made between reexaminations when a person with income is added to the family and the rent adjustment shall be effective on the first of the second month following the approved inclusion.

[Eff 7/21/05; am and comp] (Auth: HRS §XXX-13) (Imp: HRS §XXX-31; 24 CFR §§5.615, 966.4)

§17-2028-57 Tenant transfers. (a) Tenant transfers shall be made without regard to race, sex, color, creed, age, religion, handicap, national origin, or familial status.

(b) The [~~corporation~~] authority may transfer a tenant to another dwelling unit:

- (1) To prevent overcrowding or under utilization of a dwelling unit as determined by the [~~corporation~~] authority at the time of the annual or interim reexamination;
- (2) To preserve the purpose for which a project or unit was specifically developed or designed such as to meet the needs of the elderly or persons with disabilities;
- (3) To meet a verifiable health or safety need;
- (4) For economic reasons affecting the tenant or the [~~corporation~~] authority; or
- (5) For administrative reasons determined by the [~~corporation~~] authority including, but not limited to, permitting modernization work and transferring eligible tenants with disabilities from State-aided public housing projects to federally-assisted housing projects.

(c) Tenant transfers shall take priority over new admissions.

(d) A tenant shall be afforded one offer to transfer to a unit that meets the criteria set forth in (b) above within the same housing project in which the tenant resides. If such unit is not available, tenant may then be offered a unit in another housing project under the control of the management unit. If such a unit is not available, tenant may then be offered a suitable unit on the island on which tenant resides. Declining an offer to transfer for good cause as determined by the [~~corporation~~] authority shall not be considered a refusal.

(e) A tenant shall not be transferred during periods when eviction proceedings have been initiated or are in process against such tenant or during any periods of conditional deferment of eviction action against such tenant.

(f) A tenant who is not current with rent or other charges and who does not have an approved payment arrangement shall not be transferred until the situation is resolved to the satisfaction of the [~~corporation-~~] authority.

(g) A tenant shall not be transferred between any federally-assisted housing programs.

(h) The [~~corporation~~] authority may terminate the rental agreement of a tenant who refuses to transfer as required by the [~~corporation-~~] authority. [Eff 7/21/05; am and comp] (Auth: HRS \$XXX-13) (Imp: HRS \$XXX-31; 24 CFR §966.4)

§17-2028-58 Backcharges. A tenant shall pay in full any backcharges within one hundred eighty days from the date of notification of the backcharge. Failure to do so shall result in the termination of the rental agreement. [Eff 7/21/05; am and comp] (Auth: HRS \$XXX-13) (Imp: HRS \$XXX-31; 24 CFR §966.4)

§17-2028-59 Rental agreement termination. (a) Tenant shall give the [~~corporation~~] authority at least

twenty-eight days written notice that the tenant will vacate the tenant's unit prior to the vacate date.

(b) The [~~corporation~~] authority may terminate a rental agreement when tenant, any member of the tenant's household, or any guest or other person under the tenant's control:

- (1) Fails to observe or perform any covenant or obligation of the rental agreement, or rule of the [~~corporation~~] authority or housing project, or law or ordinance of a governmental agency that pertains to or establishes standards of occupancy;
- (2) Engages in the illegal use of a controlled substance or gives the [~~corporation~~] authority a reasonable cause to believe that the illegal use (or pattern of illegal use) of a controlled substance or abuse (or pattern of abuse) of alcohol may interfere with the health, safety, or right to peaceful enjoyment of a rental premises by other residents;
- (3) Whose illegal use of a controlled substance, or abuse of alcohol, is determined by the [~~corporation~~] authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents;
- (4) Who the [~~corporation~~] authority determines engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents;
- (5) Who the [~~corporation~~] authority determines engages in any drug-related criminal activity on or near the [~~corporation's~~] authority's property; or
- (6) [~~Tenant threatens~~] Threatens or implies to threaten an [~~employee/contractor or agency~~] employee, contractor, or agent.

(b) The [~~corporation~~] authority shall give a tenant written notice of the proposed termination of the rental agreement of not less than:

- (1) Fourteen days in the case of failure to pay rent;
 - (2) A reasonable time commensurate with the exigencies of the situation in the case of creation or maintenance of a threat to the health or safety of other tenants or project employees; or
 - (3) Thirty days in all other cases.
- (c) The ~~[corporation]~~ authority shall terminate a rental agreement in accordance with chapter ~~[201G.]~~ XXX, HRS. [Eff 7/21/05; am and comp]
 (Auth: §XXX-13) (Imp: HRS §XXX-92; 24 CFR §966.4)

SUBCHAPTER 5

RENTS AND SECURITY DEPOSITS

§17-2028-61 Minimum rents. ~~[(a)]~~ There is established a minimum rent of ~~[\$50.00]~~ \$0.00 per month.

~~[(b) Exception to the payment of the minimum rent shall apply if the family is unable to pay because of financial hardship which is determined pursuant to 24 CFR §5.630 (2000) and includes the following situations:~~

- ~~(1) The family has lost eligibility or is awaiting an eligibility determination for federal, state, or local assistance;~~
- ~~(2) The family would be evicted as a result of the imposition of the minimum rent requirement;~~
- ~~(3) The income of the family has decreased because of changed circumstances, including:~~
 - ~~(A) Loss of employment;~~
 - ~~(B) An income producing family member dies, and~~
 - ~~(C) Other circumstances beyond the family's control as determined by the corporation.]~~ [Eff 7/21/05; am and

comp] (Auth: HRS §XXX-
13) (Imp: HRS §XXX-13; 24 CFR 5.630)

§17-2028-62 Choice of rent. Once a year, the [~~corporation~~] authority shall give each tenant the opportunity to choose between two methods of determining the monthly tenant rent. The tenant may choose to pay either a flat rent or income-based rent.

(a) The flat rent shall be the fair market rents (or "FMRs") that are determined by HUD, at least annually, pursuant to 24 CFR §888.113. [~~These fair market rents, which include utilities (exclusive of telephone and cable television), are established for dwelling units of various bedroom sizes, and which are incorporated by reference and attached as exhibit K.~~] The authority shall adjust the FMRs in accordance with HUD guidelines. Because the Authority has no discretion to amend or change the FMRs, the FMRs shall be adjusted without a public hearing as provided in Chapter 91-3D, HRS.

(b) The income-based rent is based on thirty per cent of tenant's adjusted income or ten per cent of income, whichever is greater.

- (1) The income-based rent does not include charges for excess utility consumption or other charges.
- (2) For purposes of establishing the income-based rent, the [~~corporation~~] authority shall exclude from annual income the earned income of previously unemployed family members and increases in earnings of a family member during participation in any economic self-sufficiency or other job training program as provided for in 24 CFR §960.255 and the PHA plan.

(c) If a tenant is unable to pay the flat rent because of financial hardship, the tenant may at any time request a switch to payment of income-based rent prior to the next annual option to select the type of rent. [Eff 7/21/05; am and comp] (Auth:

LIGHTING USAGE TABLES

LIGHTING USAGE TABLE

PROJECT: HCDCH

NUMBER OF BEDROOMS: 0

AREA NAME	NUMBER OF FIXTURES	WATTS PER FIXTURE	HOURS PER DAY	HOURS PER YEAR	KWH PER YEAR
Porches	2	60	3	1095	131
Kitchen	1	120	4	1460	175
Bathroom	1	120	2	730	88
Bedroom	1	120	3	1095	131
Lamps	2	60	4	1460	175
Living Room	1	120	5	1825	219
Hall/Stairs	1	60	3	1095	66
Closet	0	0	1	365	0
Dining Room	0	0	2	730	0
Utility	0	0	1	365	0
Storage	0	0	1	365	0
Pantry	0	0	2	730	0
TOTAL					986

LIGHTING USAGE TABLE

PROJECT: HCDCH

NUMBER OF BEDROOMS: 1

AREA NAME	NUMBER OF FIXTURES	WATTS PER FIXTURE	HOURS PER DAY	HOURS PER YEAR	KWH PER YEAR
Porches	2	60	3	1095	131
Kitchen	1	120	4	1460	175
Bathroom	1	120	2	730	88
Bedroom	1	120	3	1095	131
Lamps	2	60	4	1460	175
Living Room	1	120	5	1825	219
Hall/Stairs	1	60	3	1095	66
Closet	0	0	1	365	0
Dining Room	0	0	2	730	0
Utility	0	0	1	365	0
Storage	0	0	1	365	0
Pantry	0	0	2	730	0
TOTAL					986

LIGHTING USAGE TABLE

PROJECT: HCDCH

NUMBER OF BEDROOMS: 2

AREA NAME	NUMBER OF FIXTURES	WATTS PER FIXTURE	HOURS PER DAY	HOURS PER YEAR	KWH PER YEAR
Porches	2	60	3	1095	131
Kitchen	1	120	4	1460	175
Bathroom	1	120	2	730	88
Bedroom	2	120	3	1095	263
Lamps	3	60	4	1460	263
Living Room	1	120	5	1825	219
Hall/Stairs	2	60	3	1095	131
Closet	0	0	1	365	0
Dining Room	0	0	2	730	0
Utility	0	0	1	365	0
Storage	0	0	1	365	0
Pantry	0	0	2	730	0
				TOTAL	1270

LIGHTING USAGE TABLE

PROJECT: HCDCH

NUMBER OF BEDROOMS: 3

AREA NAME	NUMBER OF FIXTURES	WATTS PER FIXTURE	HOURS PER DAY	HOURS PER YEAR	KWH PER YEAR
Porches	2	60	3	1095	131
Kitchen	1	120	4	1460	175
Bathroom	1	120	2	730	88
Bedroom	3	120	3	1095	394
Lamps	4	60	4	1460	350
Living Room	1	120	5	1825	219
Hall/Stairs	2	60	3	1095	131
Closet	0	0	1	365	0
Dining Room	0	0	2	730	0
Utility	0	0	1	365	0
Storage	0	0	1	365	0
Pantry	0	0	2	730	0
				TOTAL	1489

LIGHTING USAGE TABLE

PROJECT: HCDCH

NUMBER OF BEDROOMS: 4

AREA NAME	NUMBER OF FIXTURES	WATTS PER FIXTURE	HOURS PER DAY	HOURS PER YEAR	KWH PER YEAR
Porches	2	60	3	1095	131
Kitchen	1	120	4	1460	175
Bathroom	2	120	2	730	175
Bedroom	4	120	3	1095	526
Lamps	5	60	4	1460	438
Living Room	1	120	5	1825	219
Hall/Stairs	3	60	3	1095	197
Closet	0	0	1	365	0
Dining Room	0	0	2	730	0
Utility	0	0	1	365	0
Storage	0	0	1	365	0
Pantry	0	0	2	730	0
				TOTAL	1862

LIGHTING USAGE TABLE

PROJECT: HCDCH

NUMBER OF BEDROOMS: 5

AREA NAME	NUMBER OF FIXTURES	WATTS PER FIXTURE	HOURS PER DAY	HOURS PER YEAR	KWH PER YEAR
Porches	2	60	3	1095	131
Kitchen	1	120	4	1460	175
Bathroom	2	120	2	730	175
Bedroom	5	120	3	1095	657
Lamps	6	60	4	1460	526
Living Room	1	120	5	1825	219
Hall/Stairs	3	60	3	1095	197
Closet	0	0	1	365	0
Dining Room	0	0	2	730	0
Utility	0	0	1	365	0
Storage	0	0	1	365	0
Pantry	0	0	2	730	0
				TOTAL	2081

CALCULATIONS FOR ELECTRIC DOMESTIC HOT WATER HEATERS

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS	
Project Name: Name	HCDCH 0 BR
Unit Type:	0 BR
Number of Bedrooms:	0 Bedrooms
Estimated Number of Occupants:	1 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calender Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	30 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	100%
Assumed Standing Pilot?	no
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Electric
Pilot Consumption:	kBtu/yr
Total Energy Lost:	680 kBtu/yr
Consumption Energy Required:	<u>2,843</u> kBtu/yr
Total Energy Required:	3,523 kBtu/yr
Primary Fuel Required:	1,032 kWh/Year

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS

Project Name: Name	HCDCH 1 BR
Unit Type:	1 BR
Number of Bedrooms:	1 Bedrooms
Estimated Number of Occupants:	2 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calendar Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	30 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	100%
Assumed Standing Pilot?	no
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Electric
Pilot Consumption:	kBtu/yr
Total Energy Lost:	680 kBtu/yr
Consumption Energy Required:	<u>5,687</u> kBtu/yr
Total Energy Required:	6,367 kBtu/yr
Primary Fuel Required:	1,866 kWh/Year

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS

Project Name: Name	HCDCH 2 BR
Unit Type:	2 BR
Number of Bedrooms:	2 Bedrooms
Estimated Number of Occupants:	3 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calendar Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	30 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	100%
Assumed Standing Pilot?	no
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Electric
Pilot Consumption:	kBtu/yr
Total Energy Lost:	680 kBtu/yr
Consumption Energy Required:	8,530 kBtu/yr
Total Energy Required:	9,210 kBtu/yr
Primary Fuel Required:	2,699 kWh/Year

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS

Project Name: Name	HCDCH 3 BR
Unit Type:	3 BR
Number of Bedrooms:	3 Bedrooms
Estimated Number of Occupants:	5 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calendar Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	40 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	100%
Assumed Standing Pilot?	no
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Electric
Pilot Consumption:	kBtu/yr
Total Energy Lost:	827 kBtu/yr
Consumption Energy Required:	14,217 kBtu/yr
Total Energy Required:	15,044 kBtu/yr
Primary Fuel Required:	4,408 kWh/Year

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS

Project Name: Name	HCDCH 4 BR
Unit Type:	4 BR
Number of Bedrooms:	4 Bedrooms
Estimated Number of Occupants:	7 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calender Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	40 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	100%
Assumed Standing Pilot?	no
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Electric
Pilot Consumption:	kBtu/yr
Total Energy Lost:	827 kBtu/yr
Consumption Energy Required:	<u>19,903</u> kBtu/yr
Total Energy Required:	20,730 kBtu/yr
Primary Fuel Required:	6,074 kWh/Year

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS

Project Name: Name	HCDCH 5 BR
Unit Type:	5 br
Number of Bedrooms:	5 Bedrooms
Estimated Number of Occupants:	9 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calender Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	40 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	100%
Assumed Standing Pilot?	no
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Electric
Pilot Consumption:	kBtu/yr
Total Energy Lost:	827 kBtu/yr
Consumption Energy Required:	<u>25,590</u> kBtu/yr
Total Energy Required:	26,417 kBtu/yr
Primary Fuel Required:	7,740 kWh/Year

CALCULATIONS FOR GAS DOMESTIC HOT WATER HEATERS

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS	
Project Name: Name	HCDCH 0 BR
Unit Type:	0 BR
Number of Bedrooms:	0 Bedrooms
Estimated Number of Occupants:	1 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calendar Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	30 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	75%
Assumed Standing Pilot?	yes
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Natural Gas
Pilot Consumption:	3,504 kBtu/yr
Total Energy Lost:	680 kBtu/yr
Consumption Energy Required:	<u>2,843</u> kBtu/yr
Total Energy Required:	7,027 kBtu/yr
Primary Fuel Required:	94 Therms/Year

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS

Project Name: Name	HCDCH 1 BR
Unit Type:	1 BR
Number of Bedrooms:	1 Bedrooms
Estimated Number of Occupants:	2 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calendar Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	30 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	75%
Assumed Standing Pilot?	yes
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Natural Gas
Pilot Consumption:	3,504 kBtu/yr
Total Energy Lost:	680 kBtu/yr
Consumption Energy Required:	<u>5,687</u> kBtu/yr
Total Energy Required:	9,871 kBtu/yr
Primary Fuel Required:	132 Therms/Year

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS

Project Name: Name	HCDCH 2 BR
Unit Type:	2 BR
Number of Bedrooms:	2 Bedrooms
Estimated Number of Occupants:	3 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calendar Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	30 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	75%
Assumed Standing Pilot?	yes
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Natural Gas
Pilot Consumption:	3,504 kBtu/yr
Total Energy Lost:	680 kBtu/yr
Consumption Energy Required:	<u>8,530</u> kBtu/yr
Total Energy Required:	12,714 kBtu/yr
Primary Fuel Required:	170 Therms/Year

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS

Project Name: Name	HCDCH 3 BR
Unit Type:	3 BR
Number of Bedrooms:	3 Bedrooms
Estimated Number of Occupants:	5 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calender Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	40 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	75%
Assumed Standing Pilot?	yes
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Natural Gas
Pilot Consumption:	3,504 kBtu/yr
Total Energy Lost:	827 kBtu/yr
Consumption Energy Required:	<u>14,217</u> kBtu/yr
Total Energy Required:	18,548 kBtu/yr
Primary Fuel Required:	247 Therms/Year

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS

Project Name: Name	HCDCH 4 BR
Unit Type:	4 BR
Number of Bedrooms:	4 Bedrooms
Estimated Number of Occupants:	7 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calendar Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	40 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	75%
Assumed Standing Pilot?	yes
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Natural Gas
Pilot Consumption:	3,504 kBtu/yr
Total Energy Lost:	827 kBtu/yr
Consumption Energy Required:	<u>19,903</u> kBtu/yr
Total Energy Required:	24,234 kBtu/yr
Primary Fuel Required:	323 Therms/Year

CALCULATIONS FOR DOMESTIC HOT WATER HEATERS

Project Name: Name	HCDCH 5 BR
Unit Type:	5 BR
Number of Bedrooms:	5 Bedrooms
Estimated Number of Occupants:	9 Occupants
Estimated Consumption Rate:	14 Gallons/Occupant/Day
Specific Heat of Water:	1.00 Btu/lb/F
Specific Volume of Water:	62.32 lb/cf
Volume Conversion:	7.48 gal/cf
Heuristic Exponent:	0.68
Estimated Service Water Inlet Temperature:	55 F
Hot Water Supply Temperature:	120 F
Delta T:	65 F
Calendar Schedule:	365 days/yr
Daily Schedule:	24 hrs/day
Total Operating Hours:	8,760 hrs/yr
Estimated Air Temperature At Tank:	72 F
Estimated Tank Size:	40 gal
Assumed Tank Insulation (R-Value):	12.00 F-sf-hr/Btu
R-Value of Shell Plus Air:	0.62 F-sf-hr/Btu
Estimated System Efficiency:	75%
Assumed Standing Pilot?	yes
Pilot Consumption Rate:	400 Btu/hr
Fuel Type:	Natural Gas
Pilot Consumption:	3,504 kBtu/yr
Total Energy Lost:	827 kBtu/yr
Consumption Energy Required:	<u>25,590</u> kBtu/yr
Total Energy Required:	29,921 kBtu/yr
Primary Fuel Required:	399 Therms/Year

MISCELLANEOUS ELECTRIC ALLOWANCES

Housing and Community Development Corporation of Hawaii

Miscellaneous Electrical Allowances (all in kWh)

Bedroom Size	Television	Radio	Small Appliances	Fan	Total Annual Consumption	Total Monthly Consumption
0	250	35	300	25	610	51
1	250	35	350	25	661	55
2	250	35	375	50	712	59
3	250	35	400	70	758	63
4	250	35	425	100	814	68
5	250	35	450	125	865	72

September 21, 2006

FOR INFORMATION

SUBJECT: Homeless Programs Contract Details – FY 2007

- I. The 2006 State Legislature approved an operating budget of \$6.5 million for the State Homeless Programs and an additional \$27,070,000 in grant in aid appropriations, both of which were signed by the Governor as Act 160 (budget bill) and Act 100 (Housing Omnibus bill), respectively.
- II. The attached represents a status report on the contracting of funds for homeless shelter and services. To date, all State Homeless Stipend, Outreach, and Grant contracts have been executed and encumbered:

Stipend Program:	\$5,726,211
Outreach Program:	\$2,209,903
Grant Program:	\$565,052
- III. The Grants in Aid are in various stages of contract development as reflected in the Homeless Programs Contract Details status report.
 - A. For the most part, HPHA is waiting for the GIA agencies to provide budgets, tax clearance certificates, and proofs of insurance which are required for the contracts. Most of the contracts should be executed and encumbered by early October.
 - B. The two unique GIA agencies that may take longer to go to contract are:
 1. Hawaii Coalition of Christian Churches which is negotiating language in the land lease agreement with HHFDC. Site control is essential to utilizing the \$5,000,000 GIA for construction.
 2. Street Beat which wants to use their funds for publication of their newspaper rather than for homeless outreach as indicated in their GIA application. These funds will probably not be contracted out.
- IV. The grant appropriations to HPHA are being expended:
 - A. Appropriation of \$10 million for renovation of state and federal buildings for housing the homeless.
 - B. Appropriation of \$5 million for shelter renovations and homeless operations.
 - C. Appropriation of \$3.2 million for the counties to partner with nonprofit organizations to locate, designate, and maintain areas to be used for temporary emergency shelters.
 1. Hawaii County, \$400,000 – Hawaii County wants to add shelter units to their homeless drop in center in Kona. They are working on community acceptance of the project.

2. Maui County, \$400,000 – Maui County is investigating using the funds for part of their renovation efforts at the Family Life Center to provide emergency beds for the homeless. Another potential project is renovation of Maui High School to provide housing for special needs homeless persons.
3. Kauai County, \$400,000 – Kauai County is assessing projects.
4. Honolulu, \$2 million – Honolulu County is assessing projects.

Prepared by: Sandra J. Miyoshi, Homeless Programs Branch Administrator sjm

Homeless Programs Contract Details

Program:	State Housing Placement Program	Grant In Aid	Grant In Aid	Grant In Aid	Grant In Aid	Grant In Aid	Grant In Aid
Agency Name:	Institute for Human Services, Inc., The	Kauai Economic Opportunity	Ohana Ola O Kahumana	Nanakuli Housing Coproration	Hawaii Helping the Hungry Have Hope (H-5)	Hawaii Coalition of Christian Churches	Street Beat
Start Date (mm/dd/yyyy):	7/1/2006	10/1/2006	10/1/2006	10/1/2006	10/1/2006	??	??
End Date (mm/dd/yyyy):	6/30/2007	9/30/2007	9/30/2007	9/30/2007	9/30/2007	??	??
Funding Amount:	\$300,000	\$690,000	\$2,100,000	\$350,000	\$5,000,000	\$5,000,000	\$50,000
Source of Funding:	TANF	ACT100	ACT100	ACT100	ACT100	ACT100	ACT100
Status:	encum	pending contract execution	pending - agency short \$200,000 to complete center	pending execution of contract	pending execution of contract	pending lease agreement with HHFDC	pending - grantee wants to change funded service

Homeless Programs Contract Details

Program:	Grant Appropriation	Grant Appropriation	Grant Appropriation
Agency Name:	Hawaii Public Housing Authority	Hawaii Public Housing Authority	Hawaii Public Housing Authority
Start Date (mm/dd/yyyy):			
End Date (mm/dd/yyyy):			
Funding Amount:	\$10,000,000	\$2,000,000 - Hon. \$400,000 - Maui \$400,000 - Hawaii \$400,000 - Kauai	\$5,000,000
Source of Funding:	ACT 100	ACT 100	ACT 100
Status:	\$1.5 mil. - Bldg. 50 renovations. \$2 mil. - Bldg. 36 renovations. Funds transferred to DAGS	Counties working on identifying projects to propose for use of the funds. Hawaii is working on community acceptance.	\$2,336,708 - Stipend & Outreach contracts \$40,000 - Next Step \$100,000 - Dental Care-A-Van

**Contract & Procurement Office
Monthly Status Report for August 2006**

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Solicitations Issued, Contracts and Change Orders Executed in August 2006

Solicitation No.	Project	
IFB-RSS-2006-14	Security Services at Puuwai Momi Bid Opening: September 15, 2006 at 10:15 a.m.	

Contract No.	Contractor & Project	Amount
HPS 06-46	Salvation Army Family Services Office – State Homeless Grant Program FY 2007 (08/15/06-07/31/07)	\$385,052
HPS 06-47	Salvation Army Maui – State Homeless Outreach Program FY 2007 (08/15/06-07/31/07)	\$290,000
PMB 06-03	Ali'i Security System, Inc. – Security Services for Kalihi Valley Homes, Mayor Wright Homes, Kalanihua (09/01/06-08/31/07)	\$723,646

Change Order No.	Project	Amount
ENG 98-29 CO11	Mitsunaga & Associates – Physical Improvements at Waimaha Sunflower (unencumbered monies for final payment)	(\$ 87,641.19)
CMS 06-03 CO01	HB Elevator Consulting LLC – Elevator survey and evaluation at 17 Oahu locations (decrease amount for survey and evaluation and repair inspection work)	(\$ 17,187.25)