

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING
January 15, 2008
9:00 a.m.
1002 N. School Street, Bldg. E
Honolulu, Hawaii 96817**

AGENDA

I. CALL TO ORDER / ROLL CALL

II. APPROVAL OF MINUTES

- A. Regular Meeting, October 16, 2008
- B. Regular Meeting, November 20, 2008
- C. Regular Meeting, December 19, 2008
- D. Executive Session Meeting, December 18, 2008

III. PUBLIC TESTIMONY

Public testimony on any agenda item shall be taken at this time. Pursuant to section 92-3, Hawaii Revised Statutes, and section 17-2000-18, Hawaii Administrative Rules, the Board may limit public testimony to three minutes.

IV. PRESENTATION

- A. Presentation by Urban Housing Communities, LLC of an unsolicited proposal for the revitalization of Kuhio Park Terrace and Kuhio Homes.

V. DECISION MAKING

- A. Decision Making: To Appoint Mr. Melvin M. Kawahara to the Hilo Hearings Board for a Two-Year Term Expiring on January 31, 2011.
- B. Decision Making: To Authorize the Executive Director to Proceed to Issue a Request for Proposals for a Consultant to Assist the HPHA in Reviewing and Updating Preliminary Feasibility Analysis for Mixed Income Redevelopment at Kuhio Park Terrace and Kuhio Homes and to draft a developer Request for Proposal.
- C. Decision Making: To Ratify HPHA's Fiscal Plan for the Remainder of the Fiscal Year Ending June 30, 2009.
- D. Decision Making: Whether or not to Ratify the HPHA Policy Requiring Visitors to Kalihi Valley Homes (KVH) and Other Public Housing Projects to provide a drivers license or other Identification for retention by security while on the premises.
- E. Decision Making: To Authorize the Executive Director to Pursue Elderly Families Only Designation for Targeted Federal Public Housing Project(s).
- F. Decision Making: Whether or Not to Pursue the Establishment of Ombudsman Position for Hawaii Public Housing Authority (HPHA).

VI. REPORTS

- A. Report of Task Force Committees
 - Finance / Audit/Asset Management – T. Thompson, E. Beaver & L. Smith
 - Human Resources / Personnel – H. Oliva, C. Ignacio & M. Yoshioka
 - Homelessness – K. Park, C. Ignacio & R. Berthiaume
 - Public Housing Operations/Tenant/Tenant Relations – C. Hosino Yoshioka, C. Ignacio & S. Dodson
 - Mixed Income Projects – E. Beaver, R. Berthiaume, K. Park & S. Dodson

B. Report of the Executive Director Program/Project Updates

Highlights

- A. FY 2009 Budget
- B. Fiscal Management Office
- C. Mixed Income Redevelopment Update
- D. Property Management & Maintenance Service Branch
- E. Resident Community Meetings Status
- F. Construction Management Branch
- G. Personnel Office

Reports

- 1. Listing of Construction Management Services Projects
- 2. Status of the Economic Stimulus Request for the President-Elect
- 3. 2010-11 CIP request Listing of Projects
- 4. Hearings-Results of Eviction Referral
- 5. Procurement Including Contract Status
- 6. Section 8 Subsidy Program Branch
- 7. Homeless Programs Branch
- 8. Personnel Issues

VII. FOR INFORMATION/DISCUSSION

- A. Discussion on Transitioning all Public Housing Projects on Kauai From Private Management to State Management.
- B. Kuhio Park Terrace (KPT) Lawsuits: *Faletogo et al. v. Hawaii Public Housing Authority* (Civil No. 08-1-2608-12) and *McMillon et al. v. Hawaii Public Housing Authority* (Civil No. CV08-00578).

The Board may go in to Executive Session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to *Faletogo et al. v. Hawaii Public Housing Authority* (Civil No. 08-1-2608-12) and *McMillon et al. v. Hawaii Public Housing Authority* (Civil No. CV08-00578).

The Chairperson may appoint an Executive Litigation Task Force to act as a liaison with the Attorney General's office for the purposes of the litigation in *Faletogo et al. v. Hawaii Public Housing Authority* (Civil No. 08-1-2608-12) and *McMillon et al. v. Hawaii Public Housing Authority* (Civil No. CV08-00578).

- C. Process for Performance Monitoring and Appraisals of Asset Management Project (AMP) Managers
- D. Status of Contract with Ameresco for an Energy Performance/Investment Grade Audit of Federal Housing Projects.
- E. Status on the Request for Proposal (RFP) to Hire a Consultant to Assist Hawaii Public Housing Authority (HPHA) with Reviewing and Updating a Preliminary Feasibility Analysis for Mixed Income Redevelopment and to help Design a Developer Request for Proposals or Request for Qualifications.
- F. Discussion of Security Measures Employed by the Hawaii Public Housing Authority and Security Efforts to be Considered for Future Implementation

VIII. 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) 832-4690 by close of business two days prior to meeting date.

HAWAII PUBLIC HOUSING AUTHORITY

MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BLDG. E
ON THURSDAY, OCTOBER 16, 2008,
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority met for their Regular Meeting at 1002 N. School Street, on Thursday, October 16, 2008 at 9:06 a.m.

The meeting was called to order by Chairperson Travis Thompson and, on roll call, those present and absent were as follows:

ORDER/
ROLL CALL

PRESENT: Chairperson Travis Thompson
Director Carol Ignacio
Director Clarissa Hosino
Designee Henry Oliva
Director Kaulana Park
Director Linda Smith
Director Matilda Yoshioka
Director Rene Berthiaume
Director Sam Aiona
Director Sherrilee Dodson

Executive Director, Chad Taniguchi
Deputy Attorney General, Krislen Chun

EXCUSED: Director Eric Beaver

STAFF PRESENT: Barbara Arashiro, Executive Assistant
Arsenio Benigno, General Laborer
Billy Ayers, Research Counseling Assistant
Cindy Yamachika, Office Assistant
Eddie Salamat, General Construction & Maintenance
Supervisor
Emma Delon, Office Assistant
Eric Johnston, Building Maintenance Worker
Gary Ito, Purchasing Technician
Gary Nakatsu, Data Processing System Analyst
Larry Hinojosa, Carpenter
Larry Lastimosa, Building Maintenance Worker
Leslie Higa, Inspector
Leslie Koyanagi, Public Housing Specialist
Lois Gongob, Secretary
Mai Garcia, Accountant
Marcel Audant, Acting Construction Management Chief
Sandra Miyoshi, Homeless Program Administrator
Marie Onato, Public Housing Specialist
Mary Jane Hall Ramiro, Public Housing Supervisor
Michael Hee, Contracts Administration Section Chief
Milton Kekiwi, Building Maintenance Worker
Norhana Schumacher, Public Housing Supervisor
Olivia Taum, Office Assistant
Patricia Wong Leong, Office Assistant
Patti Miyamoto, Chief Compliance Officer
Paulette Cadiente, Office Assistant
Priscilla Sula, Office Assistant
Richard Speer, Acting Development Supervisor Section
Chief
Rick Sogawa, Acting Contracts & Procurement Officer

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Robert Muramoto, Painter
Ross Murakami, General Laborer
Sanford Tomai, Office Assistant
Shirley Kawakami, Secretary
Shirley Tangataevaha, Office Assistant
Stephanie Fo, Acting Property Management and
Maintenance Service Branch Chief
Taryn Chikamori, Secretary to the Board

OTHERS: Awleen Paul, Mayor Wright Homes resident
Bob Nakada, Faith Action for Community Equity (FACE)
Cat Wong, Oahu Housing Network of Oahu (ONO)
Desiree Kihano, Palolo Valley Homes resident
Fetu Kolio, Mayor Wright Homes resident
Fialoa Muliaga, Mayor Wright Homes resident
Gang Tujiwa, Prevent Officer
Jan Ii, Palolo Valley Homes Resident
Jun Yang, Faith Action for Community Equity (FACE)
Kim Langley, Senator Donna Mercado Kim's Office
Nite Kristoph, Palama Settlement
Pauuni Escue, Palama Settlement
Rob Wilkes, MD Strum
Tim Garry, private resident

Chairperson Thompson declared a quorum present.

QUORUM

Chairperson Thompson introduced the Board of Directors

Director Dodson moved, Director Hosino seconded,

That the minutes of the Regular Meeting held on
September 18, 2008 be approved as circulated.

APPROVAL
OF MINUTES
REGULAR
MEETING
09/18/08

Director Smith asked that on page 272 the sentence that states "Director Smith asked that legal check to ensure that the HPHA is allowed to change make the changes under the law." be changed to "Director Smith asked that there be a legal check to ensure that the HPHA be allowed to make the changes under the law."

The motion was unanimously carried as amended.

Director Ignacio moved, Director Hosino seconded,

That the minutes of the Special Meeting held on
October 6, 2008 be approved as circulated.

APPROVAL
OF MINUTES
SPECIAL
MEETING
10/06/08

The motion was unanimously carried as amended.

Chad Taniguchi acknowledged employees that have been with the State of Hawaii for 10, 20, and 30 years.

SERVICE
AWARDS

The employees that have been with the State of Hawaii for ten years are: Robert Muromoto, Arsenio Benigno, Larry Hinojosa, Gary Nakatsu, Norhana Schumacher, Paulette Cadiente, and Joanna Chaves.

The employees that have been with the State of Hawaii for twenty years are: Milton Kekiwi, Eric Johnston, Ross Murakami, Mary Jane Hall Ramiro, Mai Garcia, Richard Speer, Leslie Higa, Leslie Suekuni, Mark Redman, Davis

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Matsushima, Clarence Akui, Linda Okamoto, and Louise Low.
The employees that have been with the State of Hawaii for thirty years are:
Leonardo Inso and Larry Lastimosa.

The employees that were nominated for the Sustained Superior Award are:
Carrington Lutrell, Rebeca Pascual, and June Tong.

Director Berthiaume arrived at 9:18 am

Chairperson Thompson called a recess at 9:22 a.m. and reconvened at 9:38 a.m.

RECESS
RECONVENED

Fetu Kolio, Mayor Wright Homes resident, stated the Legislature has given Hawaii Public Housing Authority (HPHA) funds for the past two fiscal years and it has not helped resolve the security issues. Police come to the property for drinking but there has not been one trespass citation issued. The security guards are visible, but they turn a blind eye. The security company needs to be held accountable.

PUBLIC
TESTIMONY

Awleen Paul, Mayor Wright Homes resident, stated she is afraid to let her children play outside. When there are fights, the security guards watch and inform the residents that they need to call the police.

Fialoa Muliaga, Mayor Wright Homes resident stated she is also afraid to allow her children to play outside because teenagers are drinking outside. Her daughter was by the window and witnessed one of the teenagers urinating by her door. When the teenagers knock on her window she calls the security guards, but they take about 20-30 minutes to arrive or do not respond at all.

Bob Nakata, Faith Action for Community Equity (FACE), stated that mixed use development is a great way to go. The security problems that are present in the HPHA projects are almost nonexistent at Kukui Gardens, which is a mixed use project.

Tim Garry, private resident, stated that the HPHA should sell Puahala Homes and have it redeveloped as a private community. The HPHA should also take design bids from the public.

Jun Yang, Faith Action for Community Equity (FACE), stated he helps bring community together. Mr. Yang stated that if the HPHA decides to go into mixed use development the residents would like one for one replacement. The residents would also would like the first right of refusal. The residents stated they do not want to lose any public housing units.

Desiree Kihano, Palolo Valley Homes resident, stated it has been one year since the State took over managing Palolo Valley Homes. Back in November 2007, there were only a few lights that did not work; currently there are over 20 lights that do not work. Residents were told that the office would be open 40 hours per week, but there is a sign at the office stating that every Friday in October the office will be closed, an entire week in November and every Friday in December.

Drew Astolfi, Director of FACE, stated he worked with Governor Linda Lingle in getting the funds to repair Kalihi Valley Homes. There were some problems with the repairs and hiring a Developer to help with the mixed use development is the way to go.

Cat Wong, Ohana Network of Oahu (ONO), stated she lives in a mixed use development community and it works well. Residents pay from \$600 to \$1000.

Van Luong, Legislative Assistant for Senator Daniel Inouye, stated she helped get

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the fiscal technical assistance for HPHA. Senator Inouye has requested \$400,000 for HPHA for fiscal year 2009.

Chairperson Thompson asked Ms. Luong to express the Board's appreciation to Senator Inouye.

Director Yoshioka asked where the \$400,000 will be spent. Ms. Luong stated the appropriation has been drafted for Lanikila Homes in Hilo and Kalihi Valley Homes for rehabilitation but HPHA would be able to use the funds for any project that need rehabilitation.

Chairperson Thompson called a recess at 10:25 a.m. and reconvened at 10:30 a.m.

RECESS
RECONVENED

Director Dodson moved, Director Smith seconded,

To Approve the Sale of Vacant Parcel, TMK
1-3-9:009-000, located at 2890 Hana Highway
in Hana, Maui.

APPROVE THE
SALE OF VA-
CANT PARCEL,
TMK
1-3-9:009-000,
LOCATED AT
2890 HANA
HIGHWAY IN
HANA, MAUI.

Michael Hee, Contracts Administration Section Chief, stated that HPHA acquired 6.8 acres of land in November 1991 with the intent to develop a public housing project. After the land was acquired the community did not support the idea so HPHA decided not to develop the land.

Director Berthiaume asked where the profit from the sale would go. Mr. Hee stated to HPHA.

Director Ignacio asked how long it would take to sale the property. Mr. Hee stated that the Request for Proposal for a broker is ready and HPHA should have a broker in November. Mr. Hee stated a broker in the Hana area informed him that a property of this size and in this area can take about 6 months to one year to sell.

Director Park asked who did HPHA acquire the property from and what is the zoning. Mr. Hee stated HPHA acquired the property from SEB Hana Incorporated and the zoning is agriculture.

Director Park asked whether an appraisal was completed for the Hana parcel. Mr. Hee stated no, but indication is showing that the estimated market value is \$600,000.

Chairperson Thompson asked how the real estate broker would be chosen. Mr. Hee stated the broker would be chosen by the lowest bid.

Director Smith asked does Maui have it on the tax rolls and does HPHA have the value. Mr. Hee stated he currently does not have this information.

The motion was unanimously carried.

Director Yoshioka moved, Designee Oliva seconded,

To Approve to Adopt Amendments to the Admissions and
Continued Occupancy Policy to Clarify that Split-Family
Transfers Shall not be Allowed.

APPROVE TO
ADOPT
AMENDMENTS
TO THE
ADMISSIONS
AND CONTINU-
ED OCCU-
PANCY POLICY
TO CLARIFY

Stephanie Fo, Acting Property Management and Maintenance Service Branch Chief, stated the Admissions and Continued Occupancy Policy (ACOP) issued by the U.S. Department of Housing and Urban Development (HUD) identifies split-

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family transfers and incentive transfers as resident optional transfers. Making the change in the ACOP would prevent families from by-passing the wait list. In the past, the HPHA did not allow split-family transfers.

Director Hosino asked in the case of divorce who gets the unit. Patti Miyamoto, Chief Compliance Officer stated that the unit would be settled in the divorce.

The motion was unanimously carried.

Director Dodson moved, Director Ignacio seconded,

To Approve to Authorize the Executive Director to Hire a Consultant to Assist HPHA with Conducting a Preliminary Feasibility Analysis for Mixed Income Redevelopment and to Help Design a Developer Request for Proposals or Request for Qualifications.

Chairperson Thompson stated that the Deputy Attorney General's opinion is that HPHA has the option to proceed in this direction.

Director Aiona asked how the Board's wishes can be addressed to the consultant. Mr. Taniguchi stated the consultant would recommend which project would be best suited for mixed income development, to be approved by the Board. Then, the HPHA would develop a request for proposal (RFP) and the RFP, would state all the requirements.

Director Smith asked if the specifications in the RFP will require that consultant have an understanding how to develop commercial properties, industrial properties, and mixed use properties. Director Berthiaume stated the task force did not specifically discuss these issues.

Director Smith asked if there have been funds set aside for the consultant. Mr. Taniguchi stated there is a budgeted amount of \$300,000 for all consultant services for the year.

Director Smith asked how much of the \$300,000 has been spent. Mr. Taniguchi responded about \$25,000.

Director Aiona moved, Director Ignacio seconded,

To go into Executive Session at 11:07 a.m. pursuant to sections 92-4, 92-5(a)(2), and 92-5(a)(4), Hawaii Revised Statutes, to consult with the Board's Attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to mixed income development.

The motion was unanimously carried.

The Board reconvened from Executive Session at 11:45 a.m.

Director Dodson moved, Director Ignacio seconded,

To amend the motion to that the HPHA Board of Directors Authorized the Executive Director to Issue an RFP to Hire an Consultant to Assist HPHA in Reviewing and Updating a Preliminary Feasibility Analysis for Mixed Income Redevelopment and to Help design a Developer Request for Proposals or Request for Qualifications.

THAT SPLIT-FAMILY TRANSFERS SHALL NOT BE ALLOWED

APPROVE TO AUTHORIZE THE EXECUTIVE DIRECTOR TO HIRE A CONSULTANT TO ASSIST HPHA WITH CONDUCTING A PRELIMINARY FEASIBILITY ANALYSIS FOR MIXED INCOME REDEVELOPMENT AND TO HELP DESIGN A DEVELOPER REQUEST FOR PROPOSALS OR REQUEST FOR QUALIFICATIONS.

EXECUTIVE SESSION

RECONVENED

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The motion was unanimously carried.

The motion as amended was unanimously carried.

Chairperson Thompson called a recess at 11:50 a.m. and reconvened at 12:00 p.m.

RECESS
RECONVENED

Chairperson Thompson asked Director Park to join the mixed income use task force. Director Park accepted.

Chairperson Thompson stated that HUD's Real Estate Assessment Center (REAC) completed an assessment of the HPHA's fiscal performance for the last five years. Chairperson Thompson stated that problem with the assessment is that in the middle of the five years the Housing and Community Hawaii Community Development Corporation of Hawaii (HCDCH) split into two agencies.

FINANCIAL
TASK FORCE
REPORT

Mr. Taniguchi introduced Gary Marushige, Chief Financial Management Advisor (CFMA).

Mr. Marushige stated his background is in hospitality sector. He was with Sheraton Hotels for 30 years, and there was a five year break where he worked as a corporate controller at Pacific Beach Hotel. He also was a corporate controller for 6 years on Japan properties that Sheraton owned.

Chairperson Thompson stated the Chairperson received a letter of resignation from Patti Miyamoto and her last day is October 29, 2008.

HUMAN
RESOURCES
TASK FORCE
REPORT

Ms. Miyamoto thanked the Board of Directors.

Director Hosino stated that after the Asset Management Project resident community meetings there are concerns about retaliation. The meeting is to voice concerns and not personal attacks on people.

TENANT/
TENANT
RELATIONS/
OPERATIONS
TASK FORCE
REPORT

Director Hosino stated she is concerned about short payment plans for residents that are delinquent. Many residents need to get a second job to pay and this in turn also increases the overall rent the resident needs to pay.

Director Hosino stated that the residents from HHA Wilikina Apartments (Wilikina) were told that the HPHA will not be communicating with them any more. There should be another meeting scheduled with the Wilikina residents.

Director Ignacio asked: 1) who is ensuring that private and State staff are doing their jobs; 2) what are the consequences if they are not; and 3) who is responsible to follow-up?

Director Ignacio stated that compliant forms are not fully filled out. She would like to see the action taken and where can she find the information.

Ms. Fo stated that Director Ignacio has the form before management took action and that because of confidentiality they do not give the action taken back to the complainant.

Director Ignacio stated that the HPHA needs to respond to the complainant without breaking confidentiality because otherwise the complainant does not know that any action was taken.

Barbara Arashiro, Executive Assistant, stated the owning branch is responsible for administration of the contracts. If the branch wants to terminate a contract,

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each branch would contact the Procurement Office.

Director Ignacio stated that someone needs to ensure that the office at Palolo Valley Homes is open 40 hours a week.

Director Smith asked that during the November 2008 Board meeting there be discussion on the pros versus the cons of running Palolo Valley Homes with state employer.

Director Ignacio asked that the Board be provided with the performance evaluations that are done annually on each of the contractors.

Director Dodson said that all the Lahaina grievances are not being heard because they do not have a grievance officer and asked why someone from Oahu can't go to Maui to hear the grievance. Director Dodson also stated the other option is using Mediation Services which she believes is free.

Director Yoshioka stated that she was disappointed at the turn out at the Kauai AMP resident meeting. It should be the Manager's responsibility to get residents out.

Director Yoshioka stated that many of Kauai's complaints were about the manager, but found out that many of these complaints were from residents being evicted, so it turns out that the managers were doing their job.

Director Ignacio stated that the attendance was okay. Unlike Kauai, many of the residents in Hilo had legitimate concerns. Director Ignacio also stated that she told residents that the HPHA will write all the questions comments and concerns with responses within ten working days. She has still not received the written information. There was a follow-up meeting, but it was chaotic because the HPHA went down the list but no one was provided a copy. Director Ignacio stated that if the HPHA is not going to follow-up with responses to the residents, then the HPHA should not have the meetings.

Director Dodson stated that there were two meetings on Maui. At the first meeting, over 100 people attended, but on the recent meetings there was limited participation. There was too much time that the HPHA took talking and not enough time for the residents to talk. There was a written response to past issues, but the HPHA should have passed that out earlier and allowed the residents to discuss the responses.

Director Dodson stated that Wailuku did not have participation. The residents that were there had great things to say about management and staff.

Chairperson Thompson stated that at the Wailuku meeting the facilitator became too involved in the discussion at the Wailuku meeting.

Director Ignacio and Director Dodson stated that they will help find a facilitator on their islands.

Director Ignacio stated she learned a lot from the meetings. For example, residents are not allowed to change their own light bulbs.

Director Ignacio stated that she asked Michael Hee, Contracts Administration Section Chief, to find out who was the plumbing contractor on Lanakila projects because from day one the toilets were being held by paper clips. The HPHA approved the work and paid the contractor before ensuring the work was done properly.

Rob Wilkes, MD Strum stated that the HPHA is still in a deficit in line with the \$4.2 million deficit projected. The federal public housing deficit may be reduced depending on the HUD subsidy. The State family and elderly public housing

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programs are still in deficit.

Mr. Wilkes stated that in the governmental funds some items are accrual and some items are cash. In the federal low rent all are accrual basis.

Chairperson Thompson stated that the HPHA needs to have a simple way to explain to the State Legislature why the REAC draft report is showing the State projects are running a positive, but the HPHA is reporting that the State projects are in the negative.

Chairperson Thompson asked why one page of the handout shows \$7.2 million deficit, but on another page it shows a \$4.2 million deficit. Mr. Wilkes stated the \$4.2 is what the Board approved and the other is what was reported/inputted on Emphasys. After the Emphasys information is fixed, it will show the \$4.2 million deficit.

Director Smith asked if at the next meeting will the HPHA look at the ways the \$4.2 million can be addressed. Mr. Marushige stated he is analyzing steps to help cut into the deficit.

Mr. Taniguchi stated that Mr. Hee will be discussing what the HPHA is submitting to Department of Human Services (DHS) for the FY 2009 budget.

Mr. Hee stated that the HPHA is asking for a ceiling increase on the federal public housing projects. The HPHA is also requesting that the \$2 million vacant unit fund be converted to a subsidy for the public housing projects. The HPHA is also asking for an increase in the Repair and Maintenance (R & M) fund because R & M is now running the HPHA about \$3.5 million annually. The HPHA also asked to change some administrative positions from federal funds to state funds because the federal government is tracking how much time is being spent on federal projects vs. state projects. The HPHA has not submitted the request for state Capital Improvement Program (CIP) funds as of yet.

Director Yoshioka asked if the HPHA will attempt to get a rent increase for the State projects. Mr. Hee stated the HPHA is working on formula for the rent increase.

Director Aiona asked how the HPHA is dealing with the 20% cuts. Mr. Hee stated he needs to look at Homeless Programs. The general fund cuts would be the rent supplement program, security, repair and maintenance. The rent supplement program now supports about 400 families and with the 20% cut the HPHA would be able to service about 270. If the security gets cut, then it may not be worth having security.

Director Ignacio stated that repair and maintenance, and security are the HPHA's problem areas and these are the funds that the HPHA wants to cut. Is it possible to cut more from the rent supplement and leave the R & M and security funds alone?

Director Smith stated that the HPHA can abolish programs, abolish positions or spread it across on various programs.

Director Smith asked how many positions are general funded. Mr. Hee stated the Homeless Programs are general funds and HMS 220 has one general funded position.

Mr. Taniguchi stated that the lease for Villages of Maili has not been signed yet because the HPHA is waiting for the land to be turned over to Department of Hawaiian Home Lands (DHHL).

MANAGEMENT
OFFICE

FY 2009
BUDGET

HOMELESS
PROGRAMS

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Ms. Arashiro stated that the current admission policy includes that if there are additions to the rental agreement the new family member would need to go through the full screening process. The HPHA wants to know with that being said does the Board feel that more language needs to be added. The only problem that might come up is the background check is for only three years and the Violence Against Women Act covers the victim for more than three years.

ADMINISTRATIVE POLICY IMPLEMENTING THE VIOLENCE AGAINST WOMEN ACT (VAWA)

Director Aiona stated he thinks the wording is fine but it goes back to who is going to enforce the rules. The HPHA can make all the rules, but if no one enforces it then it means nothing.

Mr. Taniguchi stated that the HPHA will bring an amendment for VAWA to a future meeting.

Director Aiona moved, Director Ignacio seconded,

EXECUTIVE SESSION

To go into Executive Session at 1:50 p.m. pursuant to sections 92-4, 92-5(a)(2), and 92-5(a)(4), Hawaii Revised Statutes, to consult with the Board's Attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to Contracts and Procurement.

The motion was unanimously carried.

The Board reconvened from Executive Session at 2:08 p.m.

RECONVENED

Director Ignacio asked why residents are not being evicted for non-payment of rent. Mr. Taniguchi stated that the HPHA is evicting residents for non-payment of rent. On Maui on March there were more than 62 people who owed \$180,000 and now eight months later there are 17 residents who owe \$90,000. Not all of them have been evicted, some may have been leaving because of the "once evicted, no return" policy.

HEARING OFFICE

Mr. Taniguchi stated the consultant is not ready to present the information on the Sale of Banyan Street Manor.

UPDATE ON THE SALE OF BANYAN STREET MANOR

Director Smith stated that because the HPHA has gone through the process already, the HPHA should use the old RFP and make the necessary changes.

Director Smith asked what transaction strategy means. Mr. Hee stated that it means evaluation of the property.

Mr. Hee stated the information was sent this morning to the HPHA, but the HPHA did not get a chance to review the information.

Mr. Hee stated he believes the Board should see the RFP. Chairperson Thompson asked how different it is to the Wilikina RFP. Mr. Hee stated they are very similar. Chairperson Thompson stated go ahead and put the RFP out.

Mr. Taniguchi stated the HPHA will give the Finance Task Force the RFP for information.

Chairperson Thompson stated that some of the items the Board will be looking at as performance measures for the Executive Director will be how Mr. Taniguchi is doing in: 1) Number of vacant units; 2) turn around time; 3) occupancy rates; 4) accounts receivable and collections; 4) homelessness; 5) evictions; 6) management oversight; and 7) security oversight.

Chairperson Thompson requested input on the performance measures to be used

PERFORMANCE

HAWAII PUBLIC HOUSING AUTHORITY

to evaluate the Executive Director and the Executive Assistant. Chairperson Thompson and Mr. Taniguchi will work on the list together.

MEASURES
FOR AGENCY
AND THE
EXECUTIVE
DIRECTOR

Chairperson Thompson asked if any Board members have any more items they would like to add to the agency outlook for 2009.

OUTLOOK
FOR 2009

Director Ignacio stated that she would like to see evaluations on what actions are taken after people come to the Board meeting and testify.

Mr. Taniguchi stated that on the issue of Mr. Nakamura, both parties were referred for eviction, both parties grieved, and the grievance officer found that both parties should not be evicted. Then the party that Mr. Nakamura was having trouble with threw a computer through a window at the project and is now being referred for eviction.

Chairperson Thompson asked what is happening to the person with the burned unit on Maui. Mr. Taniguchi stated that Ione Godsey, Public Housing Supervisor is working on evicting the tenant.

Director Smith asked that in a future meeting can the Board discuss more of the Agency Outlook 2009.

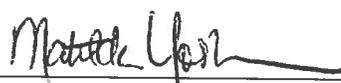
Director Smith left at 2:45 p.m.

There being no further items to be discussed,

ADJOURNMENT

Director Aiona moved, Director Hosino seconded,

That the meeting be adjourned at 3:07 p.m.



MATILDA YOSHIOKA
Secretary

Approved

HAWAII PUBLIC HOUSING AUTHORITY

**MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BLDG. E
ON THURSDAY, NOVEMBER 20, 2008,
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII**

The Board of Directors of the Hawaii Public Housing Authority met for their Regular Meeting at 1002 N. School Street, on Thursday, November 20, 2008 at 9:17 a.m.

The meeting was called to order by Chairperson Travis Thompson and, on roll call, those present and absent were as follows:

**ORDER/
ROLL CALL**

- PRESENT:**
- Chairperson Travis Thompson
 - Director Carol Ignacio
 - Director Linda Smith
 - Director Rene Berthiaume
 - Director Sam Aiona
 - Director Sherrilee Dodson
 - Designee Henry Oliva
- Executive Director, Chad Taniguchi
Deputy Attorney General, Krislen Chun
- EXCUSED:**
- Director Clarissa Hosino
 - Director Eric Beaver
 - Director Kaulana Park
 - Director Matilda Yoshioka
- STAFF PRESENT:**
- Barbara Arashiro, Executive Assistant
 - Rick Sogawa, Acting Contract & Procurement Officer
 - Kamalani Rodrigues, Public Housing Specialist
 - Janice Mizusawa, Public Housing Supervisor
 - Allan Sagayaga, Program Specialist
 - Gary Murashige, Chief Financial Management Advisor
 - Dexter Ching, Section 8 Subsidy Program Branch Chief
 - Glori Inafuku, Housing Compliance Office & Evaluation Specialist
 - Marcel Audant, Acting Construction Management Chief
 - Patti Miyamoto, Chief Compliance Officer
 - Sandra Miyoshi, Homeless Program Administrator
 - Taryn Chikamori, Secretary to the Board
- OTHERS:**
- Annie Sesph, Palolo Valley Homes resident
 - Avala, Sefo, Palolo Valley Homes resident
 - Beverly Estrella, Mayor Wright Homes resident
 - Bina Gurerro, Palolo Valley Homes resident
 - Dalphine Nisa, Palolo Valley Homes resident
 - Desiree Kihano, Palolo Valley Homes resident
 - Donna Saxapheth, resident
 - Elizabeth Ho, Maluhia Senior Housing, resident
 - Faleupolu Toa, Waianae Community Outreach
 - Fetu Kolio, Mayor Wright Homes resident
 - Gloria Ahnee, Maluhia Senior Housing, resident
 - Gloria Castro, Mayor Wright Homes resident
 - Hana Eliapo, Mayor Wright Homes resident
 - Helsa Malolo, resident
 - Iosua Sefo, Palolo Valley Homes resident
 - Jan Fi, Palolo Valley Homes resident
 - Jean Peters, Kalakaua Homes resident

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Jesse Ponce de Leon, Kalakaua Homes resident
Junior Hernos, resident
Kanani Bulawan Waianae Community Outreach
Kelly Conlin, Kalakaua Homes resident
Koreena Sefo, Palolo Valley Homes resident
Linda Kamikawa, resident
Maryann Sefo, Palolo Valley Homes resident
Mercedes Agrisol, Mayor Wright Homes resident
Meriah Pach, Mayor Wright Homes resident
Obra Morris, resident
Roy Matsunaga, private resident
Roy Nakamura, Kalakaua Homes resident
S. Agrisol, Mayor Wright Homes resident
Saipeti Lafaele, Mayor Wright Homes resident
Sharleen Chang, Kalakaua Homes resident
Sharlene Chang, Kalakaua Homes resident
Teuk Ham, resident
Theresa Cummings, Mayor Wright Homes resident
Thon Vongsj, resident
Tom Oshiro, resident
Treena Sefo, Palolo Valley Homes resident

Chairperson Thompson declared a quorum present.

QUORUM

Chairperson Thompson stated that the October 16, 2008 minutes will be approved at the next meeting.

APPROVAL
OF MINUTES
REGULAR
MEETING
10/16/08

Fetu Kolio, Mayor Wright Homes (MWH) resident, testified that his main concern is that the security has not improved. On October 6, 2008, his neighbor was struck by a sling shot. People are loitering at the project and there is no security present. He considers it a breach of contract that security is not doing their job. Mr. Kolio's reported his window was broken at 2:30 am and he notified security. The security said he was not willing to testify or make a police report for fear of his life.

PUBLIC
TESTIMONY

Chairperson Thompson cautioned the Board not to comment on the testimony, due to work on Act 34 that should be on next month's agenda.

Jesse Ponce de Leon, Kalakaua Homes resident, testified that senior citizens living in public housing did not know they could get help from the community. Also, seniors should be separated on different floors from residents that cause disturbances. He read a portion of a letter he sent to the manager.

Sharlene Chang, Kalakaua Homes resident testified on false allegations and harassment by another tenant (Lester Lopes) and management and wants the Board to look into it. Copies were distributed to the Board.

Director Smith asked whether this is the same individual that the previous person testifying spoke of. Ms. Chang said "yes", and added that management has not done anything about Lester Lopes since her previous testimony in September.

Roy Nakamura, Kalakaua Homes resident, testified that false allegations were made against him by Mr. Lester Lopes and that management sided with him. He provided letters and statements to the Board for review.

Jean Peters, Kalakaua Homes resident, testified that she comes to the Board to

speaking up for others. Residents would like to go to the manager for help but no options are given to them. There are a lot of people afraid to approach the managers because they feel intimidated or embarrassed. Residents want to be able to speak with the managers freely, find solutions, and implement changes in order for residents to work together. Ms. Peters would like the Board and the administration help to resolve problems to make a better life for them.

Chairperson Thompson asked Ms. Peters if she fears retribution by the managers. She responded "yes". Chairperson Thompson asked whether Ms. Peters notified Chad Taniguchi, Executive Director or Stephanie Fo, Acting Property Management and Maintenance Section Branch Chief that she was not getting a response from the manager. Ms. Peters said that she emailed Mr. Taniguchi, Ms. Fo and Clarissa Hosino, Board of Director and has received some responses, but is unsatisfied with those responses.

Director Ignacio asked to give an example of resident fears. Ms. Peters said that a resident went to see the manager a couple of days ago to talk about her situation and the manager responded if "you are in fear of your life or cannot deal with your health, you should call 911." Some options should have been given or some solution. Ms. Peters commented that the manager's attitude is not appropriate. She commented that no one should be talking to anyone in that way and tenants should not have any fear when they go to the office.

Roy Matsunaga, private resident, read his letter of testimony regarding the Community Neighborhood Board's concerns. Concerns included unacceptable noise, after hour drinking near Maluhia Elderly housing, littering by Puahala Homes tenants and visitors at the vacant lot near Keola Street, and their friends sleeping in cars at night. The community feels that the rise in criminal activity is related to the relocation of homeless families to the transitional units at Puahala Homes. Mr. Matsunaga asked for a written reply to the concerns stated in his testimony to present to the Neighborhood Board by December 1, 2008 before their next meeting. He also requested security procedures applied to Puahala because of problems, including Aerial fireworks. He reported that when the police come to check, it stops. He wants to know what security measures have been taken. He asked if transitional shelter families pay rent at Puahala.

Theresa Cummings, Mayor Wright Homes (MWH) resident, testified that the residents are not against ACT 34. The petition from MWH relate to the definition and clarification of designated common. Ms. Cummings said that they want clarification of the yard they are taking care of and paying rent for and wants to know if the HPHA is claiming eminent domain of her yard. If so the rent should be lowered and the HPHA should pay her for upgrading the yard. She mentioned that the association has monthly meeting. They have worked with security and management, and they have not heard anything about the complaints on security that Mr. Kolio presented.

Director Aiona requested at the next Board meeting the Attorney General's opinion. Ms. Chun stated that a Task Force is working on Act 34 and is scheduled to meet on December 4, 2008.

Linda Kamakawa, resident testified that Mr. Matsunaga stated all her concerns and that is how she feels and wants the Board to solve these problems because it is hard to sleep at night wondering who might come in the area and do bad things. The fireworks are so loud. She stated "I thought it was a terrorist attack and it terrifies me." She is asking that the Board help to solve the problems.

Director Aiona asked her to describe the fireworks. Ms. Kamakawa said that it sounds like bombs or 55 gallon drums being dropped, three to five going up at one time and each time getting louder and louder. There was one near Lanakila Park, but it sounded like it came from Alewa Heights, but we cannot call the police because we do not know where it is and I have not seen it.

Bina Gurerro, Palolo Valley Homes (PVH) resident, said that she wants to live in

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a safe place where her four children can go out and play. She has been in housing for two years and it was good, but has changed due to people living in this one house with chronics and many fights. She wants the HPHA to help them live in a safe place, but the HPHA is not doing the job.

Chairperson Thompson stated that based on testimony provided in previous months, Palolo Valley Homes will be discussed later in the Agenda.

Desiree Kihano, Palolo Valley Homes resident, presented pictures of trash all over the project, vacant units with graffiti, and that management has painted over the graffiti.

Dalphine Nisa, Palolo Valley Homes resident, testified that her concern is the same as MWH issue on Act 34's common area. The community wants to upkeep their common areas by keeping it clean and cutting the grass. She also wants the HPHA to provide the gas for their personal weed eaters and blowers, paint, and trash bags. This will be on a trial basis with the managers. She commented "this is how we can work together."

Director Dodson commented that as a community organizer you are asking management for help with materials. Ms. Nisa said "yes."

Director Smith asked about the security component that was raised by other tenants. Ms. Nisa said that Palolo would be the first project to do it, that they already do security night walks.

Kanani Bulawan, Waianae Community Outreach, requested to add on the Board's Agenda next month, the issue on the readmission on policy to public housing. She has experience on the unsheltered and homeless population and there is definite evidence that families that were in public housing and evicted, are now recycling into homeless services and are being given the opportunity for rehabilitation. Part of that rehabilitation is addressing criminal behavior and becoming wholesome citizen and they should be given an opportunity another chance. She suggested community services for residents who are paying zero rent, with community service of 160 hours a month (full time work, 40 hours a week). She challenges the Board to think about this and to participate with the associations in different complexes. She recommends the HPHA "rebuild the housing rules by seeing and not only hearing the issues."

Director Berthiaume asked if the policy for readmission to public housing is a rule that the U.S. Department of Housing and Urban Development (HUD) can make or can the Board can make the change. Ms. Bulawan stated that there are two levels where a task group can break up to investigate rules that HUD mandate, which is on the federal level and State Administrative rules.

Chairperson Thompson stated that the Board will consider and do research for the next meeting.

Director Smith acknowledged that some of the Board members had an opportunity to go to Onelau'ena and thanked Kanani Bulawan for briefing the Board on the homeless shelter.

Director Aiona commented that at the next meeting when the Board discusses the issue of readmission is it better to do it in an open discussion for resolution.

Ms. Chun advised after discussion, and after public testimony, then the HPHA may need an administrative rule change. Chairperson Thompson stated that the process is to do research, discuss what needs to be done, then what changes can be made in the administrative rules. Laws cannot be changed by the Board. Then decision making, recommendation from staff and then to the Board for approval.

Elizabeth Ho, Maluhia Senior Housing resident, testified that public housing residents use the no parking area on Keola Street (across from the Maluhia Senior

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Housing) to drink, loitering from 11:45 p.m. to 5:00 a.m. and play loud music. She has called the police many times and by the time the police get there, they leave. They have contacted Senator Corrine Ching and they need help with the problem.

Director Berthiaume commented that he personally put up the signs there and it has been an ongoing problem for years. That property will be an extension of Kuakini Street.

Director Smith asked what solution Ms. Ho would propose. Ms. Ho said to chain up the area or block up the area, so they do not park there.

Gloria Ahnee, Maluhia Senior Housing resident, said that not only are the loud music and fireworks bombs going problems, but the area has become a rubbish dump, and there is loud swearing and talking where the whole neighborhood can hear.

Chairperson Thompson declared a recess at 10:25 a.m. and reconvened at 10:38 a.m.

RECESS/
RECONVENED

Director Aiona moved, Director Dodson seconded,

To Approve the Recognition of Punahele Resident Association as a Duly Elected Resident Association.

RECOGNITION
OF PUNAHELE
RESIDENT
ASSOCIATION
AS A DULY
ELECTED
RESIDENT
ASSOCIATION

Allan Sagayaga, Program Specialist presented that the Punahele Resident Association started in 2006 and in February 2008, a Board was formed. Mark Gomes (President); Mona Livsey (Vice President); Pearl Uratani (Secretary); Anna Carlos (Treasurer); and Kaainoa Enaena (Sergeant In Arms) were elected by the community. The recognized resident association totals 49, with 30 presently active.

Director Berthiaume asked why Punahele never had a board before. Mr. Sagayaga said that some resident associations take a while to develop and it depends on the residents to get active in their associations.

Designee Oliva asked if organizing the associations is better on the outer islands or on Oahu. Mr. Sagayaga explained that the neighbor island associations are more active and some of the elderly projects have small groups to represent them instead of an association, due to the work involved in running an association.

Chairperson Thompson asked how many projects are without associations. Mr. Sagayaga said approximately ten.

Director Ignacio asked if there is a plan to train the leadership. Mr. Sagayaga responded that he is working with resident leaders on how to get more residents to attend meetings. Director Ignacio said that there are groups that have those facilitation skills and train for free. Mr. Taniguchi commented that the court system will provide three types of training for staff and residents in communication, meeting facilitation and conflict resolution or mediation.

The motion was unanimously carried.

Mr. Taniguchi commented that the neighbor island Associations will be recognized on their island and the Oahu associations will be recognized at the HPHA Board meetings.

Chairperson Thompson deferred the Executive Session to be discussed during lunch, and moved to the Reports of the Task Force Committees. There were no reports from the Finance/Audit/Asset Management, Human Resources/Personnel,

REPORTS

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and Public Housing Operations/Tenant/Tenant Relations.

Chairperson Thompson stated that at the Special Meeting on November 19, 2008, during the tour of the homeless shelters, a new Homelessness Committee was formed including Designee Oliva, Director Smith and Chairperson Thompson to gather information, and then the committee was turned back to Directors Park, Ignacio and Berthiaume as the Homelessness Committee. Reports on the tour will be discussed in Executive Session.

HOMELESS-
NESS

Director Berthiaume commented that he spoke to Director Beaver regarding the hearing with Senator Chun-Oakland on the Mixed Use Development and was disappointed that there were no updates.

MIXED
INCOME
PROJECTS

Mr. Taniguchi reported that the 2008 year to date budget is showing a positive balance of \$10 million, but this is because the HPHA is on a cash basis reporting system. The cash basis system is not showing liabilities that are not paid.

EXECUTIVE
DIRECTOR'S
REPORT/FY
2009 BUDGET

Director Smith asked because the Homeless Programs got their allocation at the beginning of the Fiscal Year of \$12M, how will this be addressed under an accrual based accounting system. Mr. Taniguchi introduced Gary Marushige, Chief Financial Management Advisor, who explained the goal to match the expenses to the revenues. In the present cash basis, the revenue is recorded in the first month when the allotment was received. In the accrual method, the allotment will be put in a prepaid account, and the revenues recorded every month from this prepaid account. Then, revenues should match the expenses every month as the invoices are paid. Chairperson Thompson commented that no money will be spent unless there is an appropriation.

Mr. Taniguchi reported that the rent collection for the federal public housing for the first four months of this fiscal year is 97% and the state public housing is 98%.

Director Smith would like to see the data in summary form and tracked by the Asset Management Projects (AMP).

Mr. Taniguchi reported that the turnaround plan depends on the HPHA earning \$900,000 more than budgeted by increasing occupancy and increasing rent collections.

Chairperson Thompson is concerned that with 473 families in arrears the number of families evicted for non-payment of rent. Ms. Fo explained that the rent collection team has been reassembled to help the AMPs with the eviction packets and grievance packets. Chairperson Thompson said that the Institute for Human Services (IHS) has volunteers to do follow-up calls. Mr. Taniguchi will follow up on this.

Director Ignacio commented that managers say that it takes long to process evictions. Ms. Fo explained that the federal and State laws and rules differ and if the tenant does not comply, the process starts over. Ms. Chun stated that the State projects have a rental agreement which still include a grievance process (which is 45 days) so the rental agreement and Administrative rules need to be revised Ms. Chun will also look into whether tenants should be allowed to request a grievance for rent owed and whether amending the rental agreement is required.

Mr. Taniguchi reported that page 28 of the State LIPH report (far right column) should read State Waiting List, not Federal. The island of Maui and Hawaii has the major problems and will be sending in the teams. Director Berthiaume will speak with the Correctional Industries to also help. Barbara Arashiro, Executive Assistant commented that they have been working with the group and that they send out a team to verify the site can be secured when the work is going on.

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Director Aiona asked how many units become available on a monthly basis. Mr. Taniguchi said that the AMPs responsibility is to do the new vacant units that become available, but we are falling behind in this area. From July to September, there were 127 units that became vacant (average of 41 month), 28 were repaired, and 99 remained to be completed. The reason for not keeping up is the REAC examination occurred 6 months after the previous one.

Director Ignacio asked how much of what gets done or not done is reflected in the performance evaluation of management. Ms. Fo explained that they are given all the goals at the time of their performance appraisal, such as collect rent 95%, recertifications completed 95%, look at vacant unit within 24 hours, lease up in 48 hours. The managers monitor the maintenance staff on the vacant units.

Mr. Taniguchi said that we had positive feedback with the HGEA and UPW unions showing them the progress reports. He asked UPW to have their stewards visit the maintenance members at the AMPs and talk to them about addressing the 99 vacant units.

Mr. Taniguchi reported that the HPHA's audit reports are delayed and the auditors are now using the right materials. The EmPhasys trainer has seen improvements in the past 2 years. Submittal of HUD Financial Data Schedules is planned for December 2008.

The mixed income redevelopment update on the Request For Proposal (RFP) for consultant is being worked on. Chairperson Thompson said that the task force should help with the RFP.

Director Berthiaume wanted clarification on the November 5, 2008 legislative briefing on the statement that when the tenants lose their job, and we cannot evict them and collect any rent. Mr. Taniguchi stated that if the resident has no income, then the rent goes to \$0.

Ms. Fo said that the HPHA is proposing that the Public Housing Agency (PHA) Plan to raise the minimum rent up to \$50. There are 303 families that have rents between 0 and \$50. The negative rent is 272 people where we pay them with the utility allowance. The HPHA has paid out an average of \$21,500 per month.

Director Ignacio commented that the HUD and the security company have a totally different version of what is happening.

Director Aiona commented that there were some discussions about the job descriptions for resident managers regarding security and wants to know what that is about. Ms. Fo explained that it is a pilot program that is being proposed. The HPHA intends to have a tenant monitor on site at night and on weekends to do security patrolling.

Chairperson Thompson commented that some individuals testifying did not talk to their resident association first to get the answer.

Director Berthiaume said that there were no monitoring of the resident association funds and asked for an audit. Mr. Taniguchi stated he saw some checks written out to cash and there were no receipts or accounting of it. Ms. Fo stated that the HPHA is doing the audit now and the association will not get the funds until the audit is complete and the remedy is made. Ms. Fo said that a response to the Legislature will be made regarding security; the manager did meet with the security company and invited the association and any concerned residents to attend the meeting. Nine meetings were already held with the security company and it is ongoing.

Director Smith asked if the problems are in terms of communication, security guards not understanding or appreciating the scope of their responsibilities or

MIXED
INCOME
REDEVELOP-
MENT UPDATE

PROPERTY
MANAGEMENT
& MAINTEN-
ANCE SERVICE
BRANCH

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more fundamental where we need to reexamine what we are hiring the security company for. Ms. Fo said the main problem is there is a high turn over at the security company.

Mr. Taniguchi reported at Kuhio Park Terrace (KPT) one elevator was fixed and three months later it broke down again. Kone Elevator Company does not have the elevator parts and the consultant recommended hiring another company to look into repairing this one elevator. The plan is to spend more money to keep the operable elevators operable. Chairperson Thompson stated that at the next meeting, to have firm plans to replace or fix the elevators.

ELEVATOR
REPAIR
REPORT

Chairperson Thompson declared a recess at 12:02 p.m. and reconvened at 12:15 p.m.

EXECUTIVE
SESSION

Director Aiona moved, Director Dodson seconded,

To go into Executive Session at 1:12 p.m. Pursuant to Sections 92-4, 92-5(a)(2), and 92-5(a)(4), Hawaii Revised Statutes, the Board may Convene in Executive Session to Discuss Possible Personnel Action and to Consult with the Board's Attorneys on Questions and Issues Pertaining to the Board's Powers, Duties, Privileges, Immunities, and Liabilities as it Relates Possible Personnel Action Regarding a Former HPHA Employee on Employment related Issues.

The motion was unanimously carried.

The meeting reconvened at 1:12 p.m.

RECONVENED

Chairperson Thompson reported that the Chairperson will take appropriate action with the Executive Director regarding personnel action regarding a former HPHA employee. Regarding the HPHA's homeless programs no conclusion was reached and it will be an ongoing subject.

Chairperson Thompson discussion of the issue of public versus private management at PVH raises the issues where a decision was made whether to continue State management or go back to private management. The major concern is the HPHA is responsible to do an excellent job with the residents and is committed to do that.

PALOLO
VALLEY
HOMES: DIS-
CUSSION OF
THE ISSUE OF
PUBLIC VER-
SUS PRIVATE
MANAGEMENT
OF PALOLO
VALLEY
HOMES

Director Ignacio is clarifying what she heard at the testimonies in the morning is that PVH had an on-site private management and is now under the HPHA management, and the two top management are at Kalakaua Homes and there is no on site management at PVH. Some of the reason for the garbage at Palolo is because there is no on-site management. Ms. Fo agrees and confirmed that management share responsibility for PVH and Kalakaua Homes.

Ms. Fo thanked Janice Mizusawa, Public Housing Supervisor, and Kamalani Rodrigues, Public Housing Specialist, for attending the Board meeting and being willing to work with the residents, even though they are under personal attack.

Ms. Mizusawa stated Kalakaua Homes has 582 units and PVH has 118 units. She has been with HPHA for 20 years and started as a Public Housing Specialist. She later became the Deputy Manager and for the past 6 years has been the manager.

Ms. Rodrigues said that she has been with the Housing Authority since 1996 and started off as a Social Services Assistant, and was also to a Public Housing Specialist and Tenant Relations Advisor. She was with Mayor Wright Homes

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and Kaahumanu Homes, Puuwai Momi and Kalakaua Homes for 10 years. She has been doing the tenant relations, re-certifications, and tenant complaints along with Ms. Mizusawa for 700 households and has been temporary assigned to do the Deputy Manager.

Chairperson Thompson asked if there was a full time person at Palolo Valley. Ms. Mizusawa explained that there is one person in the office during the week, and that she goes to Palolo once a week for half to a full day, Ms. Rodrigues spends more time there because of the re-certifications.

Director Ignacio asked if there is a possibility for one manager to be housed at each project all the time. Ms. Mizusawa stated it is a possibility that can be considered, but based on the number of position we have, and the work they are responsible to do it does not make sense to her to have one body dedicated to 117 units. Kalakaua Homes interviews are done at Kalakaua Homes, and she can't see the HPHA asking the Kalakaua Homes tenants to go to PVH to be interviewed.

Director Ignacio said that the conditions at Palolo should not be in that state that it is in. Ms. Mizusawa agreed but the lack of employees is the problem. Ms. Fo explained that the many of the current staff are on light duty and not working 100%.

Director Ignacio stated that there are health and safety issues and what is the plan. Ms. Rodrigues said the areas are cleaned every week and half of the problems are educating the tenants. She has asked the residents to be responsible, but trash and bulky items are just thrown and not tied up or put in the bin. It is an eye sore, but staff does come out and clean. It has been a constant issue for staff. It is an issue for both sides and management needs to work with Ms. Nisa. Ms. Nisa agreed to do her part in educating the residents.

Director Dodson asked if private management should come back to Palolo and if 700 units are too much to handle. Ms. Rodrigues said that compared to other projects they have scattered sites and does not have offices at each site and it is burdensome to do interviews. From her experience, it has been a lot of work bringing PVH into compliance with HUD requirements. The Board has options to sell to Mutual Housing to keep state management, but we are asking to be fully staffed and allow management to run one office. Ms. Rodrigues stated that the HPHA has saved \$130,000 by having it State managed. By comparison, the private management agent had 7 fulltime employees paid by their contract. When the HPHA took over, the REAC score was 43 and this year it is 48, but there is still millions of dollars of work to be done.

Designee Oliva asked if there is a plan for the garbage. Ms. Rodrigues said that there are a lot of trash cans but they are not full. Three more containers for bulky items were ordered for 118 units. In comparison, with the 600 units at Kalakaua Homes, management didn't have to order more containers. Ms. Mizusawa commented that we have been paying for bulky items for the holiday season, and we are educating the tenants to tie up their bulky items.

Chairperson Thompson asked Mr. Taniguchi what is the plan for Palolo. Mr. Taniguchi would like to hire a tenant monitor on December 15, 2008 to overlook the issues.

Chairperson Thompson stated that if the HPHA has staffing problems, the residents do not want to hear this; the HPHA needs to find a creative way to solve the problem.

Director Ignacio stated all the issues that was discussed during public testimony with the exception of the garbage was with interpersonal relations.

Ms. Rodrigues stated that each tenant has the right to due process. Once a decision is made, managers are not able to discuss the outcome with any other resident.

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Ms. Mizusawa and Ms. Rodrigues clarified that Kalakaua Homes is a general occupancy project including 8 buildings and low rise apartments. It has historically housed elderly because of the unit sizes, and as such other tenants question why there are children living at Kalakaua Homes.

Director Berthiaume commented that there are similar problems at Kupuna Home O Waialua, where young disabled tenants meet the federal definition of "elderly" for elderly projects. Executive Director Taniguchi added the HPHA would like to pursue the designation of elderly only projects next fiscal year.

Director Aiona questioned whether the HPHA staff in general receives training on interpersonal relationships and how to deal with tenants. Ms. Fo responded that a manager's job is to meet with a tenant who is non-compliant with the rental agreement and that the tenants will not always be happy with the decisions made. Ms. Mizusawa added that the manager's first responsibility is to enforce the terms of the rental agreement, including allowing other tenants to "the peaceful enjoyment of the premises."

Ms. Mizusawa stated there have been several meetings between management and the tenants, and that the complaints that the Board is hearing are old complaints. Ms. Fo also clarified that the property managers does not rule on the grievances that are filed. The grievance hearing officer(s) decides the outcome and that it appears that the current hearing officers should be retrained.

Chair Thompson asked whether the HPHA has a plan to resolve the conflict between tenants at Kalakaua. Ms. Mizusawa responded that there were several meetings between the tenants and the management, another meeting with Ms. Fo, and a third meeting with Mr. Taniguchi and it is more a matter of the tenants not accepting the decision of the hearings officer.

Chair Thompson directed Mr. Taniguchi to resolve the issues at Kalakaua between the tenants. Ms. Rodrigues stated that only a letter from Ms. Fo or Mr. Taniguchi will bring closure to the complaints at Kalakaua.

Mr. Taniguchi indicated that the tenant has engaged an attorney which has delayed the grievance process. Mr. Taniguchi also stated that a great majority of tenants who attended the community meetings indicated that they like the management staff at Kalakaua Homes. Also, program statistics (e.g., vacant units) indicate that the AMP is performing well.

Director Smith recalled that in 2005 or 2006, 100+ residents from Palolo Valley Homes signed a petition indicating an interest in conversion of Palolo Valley Homes similar to Palolo Homes (under Mutual Housing). However, later in the Legislative session, a small group from Palolo Valley Homes said they were opposed to the conversion. Director Smith asked whether Ms. Mizusawa knew why the tenants had changed their minds. Ms. Mizusawa responded that it seems like the residents are again open to entertaining the concept of having the community sold like Palolo Homes.

Director Smith asked whether the former management company hired residents and asked them to lobby the HPHA Board to discontinue pursuing the disposition of Palolo Valley Homes.

Ms. Mizusawa and Ms. Rodrigues indicated that they have heard similar rumors. Chair Thompson asked Mr. Taniguchi to research history of the sale of Palolo Homes (to Mutual Housing) and the impact on the fiscal and operational activities.

Director Smith recommended that the HPHA Board reconsider the sale of Palolo Valley Homes.

Chair Thompson asked for Mr. Taniguchi's recommendation and assessment of the decision to manage Palolo Valley Homes with State employees. Mr. Taniguchi responded that he would have made the same decision to end the private

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management contract, but would have added tenant monitors sooner. Mr. Taniguchi wants the tenant monitor program to start and spread to other public housing sites.

Chair Thompson expressed serious concerns about the conditions at Palolo Valley Homes and the perceived lack of response from management. Chair Thompson indicated that the photos of the trash piled up at the site were disturbing and unacceptable.

Director Ignacio asked about the tenant monitor's function and how he/she would relate to the tenants and the management staff. Ms. Fo clarified that the tenant monitor would be on-call when the management office is closed and would respond to calls from tenants for emergencies, to disturbances, serve as a contact for the police department, and check common areas. Ms. Fo indicated that the tenant monitor would work with the management staff. Director Aiona added that the resident association needs to be communicated with.

Director Ignacio asked how the tenant monitor was selected. Ms. Fo responded that she had been working with the resident association. Ms. Fo stated that the tenant who was already volunteering her services said she would be interested in being a tenant monitor.

Ms. Rodrigues encouraged the Board to review all of the program statistics and reports on Palolo Valley Homes and decide whether there is a long term plan for Palolo. Ms. Rodrigues and Ms. Mizusawa commented that Palolo Valley Homes requires millions of dollars of modernization work in order for the project to be "fully functioning", not just staff time and a tenant monitor program. Director Smith agreed and commented that the Board needs to consider different options to making renovations and bringing the buildings up to decent standards.

Chair Thompson reported that the Board convened a special meeting to tour the homeless facilities on the Leeward Coast.

Director Aiona reported that the Board toured several homeless shelters and felt that the establishment and enforcement of shelter rules helps to keep the shelters clean. He indicated that perhaps there are lessons that can be applied in public housing. Director Dodson responded that the shelters are also successful because they provide wrap around services.

Chair Thompson compared the flexible operations of homeless programs and the highly regulated low income public housing program. Director Smith added that the homeless providers: (1) all work with a passion for their work; (2) talk about a feeling of ohana and manage through "tough love"; (3) provide services the homeless families need to improve; and (4) set goals and timelines for people to move on.

Designee Oliva observed that homeless participants needed to work for "village bucks" and that helped create ownership for the facilities and the success of the program among the residents.

Director Ignacio stated that the big difference is that the homeless shelters do not operate under the Landlord-Tenant Code and that the homeless shelter is a supportive service program, not just housing. Chair Thompson stated that the public housing program is also bound by the State Procurement Code. Director Berthiaume added that many companies will donate to a non-profit, but not to a State agency so it is easier for the homeless shelters to benefit from those donations. He added that the neighbor(s) to the shelter were included in operations as a partner.

Mr. Taniguchi reported that HUD has a Moving To Work (MTW) Demonstration project that allows 32 designated PHA's more flexibility with federal rules. Mr. Taniguchi is researching how the HPHA can get the MTW designation. Chair Thompson indicated that the Board is willing to hear more information regarding the MTW designation. Director Berthiaume indicated that the Step-Up program would

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LEEWARD
HOMELESS
SHELTERS

work well with the MTW designation.

Chair Thompson asked for comments from the Board on the Agency Outlook 2009. The list was drafted by the Chair based on previous meetings and he asked for reactions / revisions.

AGENCY
OUTLOOK
FOR 2009

Director Dodson commented that the Board should pursue (#5) mixed use developments as it allows people to move “up and out” of public housing. Director Berthiaume added that there are participants at Maili Land that have been there for 2 years and have no where to move to. The mixed income developments could address that. He added that Housing Hawaii (working group) is working to increase affordable housing.

Chair Thompson asked whether the Board generally supported the concept of putting a time limit on tenancy in public housing. Mr. Taniguchi clarified that currently, the HPHA would only be able to do that under a MTW designation. Director Aiona suggested that HPHA impose a time limit on tenancy in State public housing.

Director Smith commented that considering the economic conditions locally and nationally, HPHA may need to address an increase in families needing assistance. Sandra Miyoshi responded that HPHA’s Housing Policy Study normally shows that the need for low income housing and homeless services when the economy is depressed is decreased. Conversely, when the economy is healthy, the number of homeless families increases. Director Ignacio cautioned that the number and effect of the Micronesians were not accounted for in the previous Housing Policy Study.

Chair Thompson asked whether, given an option, a Micronesian family would prefer to stay here, or return home with a free plane ticket. Director Ignacio responded that whether the entire family could stay or all return is what would affect their decision.

Director Berthiaume reported that the City & County of Honolulu is holding public hearings on the Consolidated Plan. Mr. Taniguchi stated that the HPHA would not be interested in transferring the section 8 program to the City as the program pays for itself, brings extra administrative fees to the HPHA, and the HPHA would need the vouchers (to project base) for a mixed income redevelopment. Director Berthiaume added that HUD’s Elderly 202 Program also allows PHAs to project base vouchers to pay down debt service.

Director Aiona recommended that the Board form a task force to help with training of Managers to (#9) improve the management of projects. Chair Thompson responded that the Human Resources subcommittee could handle that suggestion. He also cautioned that the Board needs to balance the people voicing their concerns against the numbers who may be pleased with Management, but are not coming forward. Director Dodson agreed that the number of residents who attended the Maui meetings dwindled as issues were getting resolved and they no longer had complaints.

Chair Thompson requested a summary of the REAC scores for Palolo Valley Homes.

Mr. Taniguchi reported that the 2 lowest scoring projects were Palolo, which scored a 45 (out of 100), and Kuhio Park Terrace which scored a 43. Director Aiona commented that the homeless shelters inspect the units once a week. Ms. Fo indicated that the management staff conducts 4 inspections a year: 1) home inspection, 2) annual unit inspection, 3) pre-Real Estate Assessment Center (REAC) inspection, and 4) REAC inspection.

Mr. Taniguchi clarified that (#4) the goal to aggressively privatize projects is possible only if HPHA does mixed income redevelopment. He added that the law that allowed HPHA to privatize services that have historically been provided by civil service employees sunset last year.

HAWAII PUBLIC HOUSING AUTHORITY

Director Smith cautioned that the State is faced with an economic situation where we may need to consider furloughs, reductions-in-force, or layoffs. She remarked that management and labor need to be creative in their provision of public services in order to avoid layoffs. Chair Thompson stated that HPHA has worked hard to avoid layoffs and we should communicate that to the union.

There being no further items to be discussed,

Director Aiona moved, Director Dodson seconded,

That the meeting be adjourned at 3:07 p.m.

ADJOURNMENT


MATILDA YOSHIOKA
Secretary

Approved

HAWAII PUBLIC HOUSING AUTHORITY

**MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BLDG. E
ON THURSDAY, DECEMBER 18, 2008,
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII**

The Board of Directors of the Hawaii Public Housing Authority met for their Regular Meeting at 1002 N. School Street, on Thursday, December 18, 2008 at 9:06 a.m.

The meeting was called to order by Chairperson Travis Thompson and, on roll call, those present and absent were as follows:

**ORDER/
ROLL CALL**

- PRESENT:**
- Chairperson Travis Thompson
 - Director Clarissa Hosino
 - Designee Henry Oliva
 - Director Kaulana Park
 - Director Linda Smith
 - Director Matilda Yoshioka
 - Director Rene Berthiaume
 - Director Sam Aiona
 - Director Sherrilee Dodson
- Executive Director, Chad Taniguchi
Deputy Attorney General, Krislen Chun
Deputy Attorney General, Diane Taira
- EXCUSED:**
- Director Carol Ignacio
 - Director Eric Beaver
- STAFF PRESENT:**
- Alan Sarhan, Chief Planner
 - Barbara Arashiro, Executive Assistant
 - Dexter Ching, Section 8 Subsidy Program Branch Chief
 - Josephine Garcillo, Office Assistant
 - Karen Oshiro, Secretary II
 - Rick Sogawa, Acting Contracts & Procurement Officer
 - Sandra Miyoshi, Homeless Programs Administrator
 - Stephanie Fo, Acting Property Management and
Maintenance Service Branch Chief
 - William Keahi, Personnel Management Specialist
 - Deesha Piiohia, Office Assistant
- OTHERS:**
- Annie Joseph, Palolo Valley Homes resident
 - Cuey Sefo, Palolo Valley Homes resident
 - Delphine Nisa, Palolo Valley Homes resident
 - Desiree Kihano, Palolo Valley Homes resident
 - Fetu Kolio, Mayor Wright Homes resident
 - Fina Hilongo, Palolo Valley Homes resident
 - Francis La Batte, Kalakaua Homes resident
 - Jan Ii, Palolo Valley Homes resident
 - Jean Peters, Kalakaua Homes resident
 - Jesse Ponce de Leon, Kalakaua resident
 - Joelle Chiu, Pacific Housing Advisors
 - Kelly Conlan, Kalakaua Homes resident
 - Koreena Sefo, Palolo Valley Homes resident
 - Leonard Lester, Mayor Wright Homes
 - Lowell Kalapa, Urban Housing Communities
 - Roy Matsunaga, private resident
 - Roy Nakamura, Kalakaua Homes resident
 - Sara Browning, Pacific Housing Advisors
 - Sharlene Chang, Kalakaua Homes resident,
 - Tim Garry, private resident

HAWAII PUBLIC HOUSING AUTHORITY

Treena Sefo, Palolo Valley Homes resident

Chairperson Thompson declared a quorum present.

QUORUM

Director Dodson moved, Director Beaver seconded,

That the minutes of the Special Meeting held on
November 19, 2008 be approved as circulated.

APPROVAL
OF MINUTES
SPECIAL
MEETING
11/19/08

The motion was unanimously carried as amended.

Fetu Kolio, Mayor Wright Homes resident, stated he feels that the Board does not need to be at the projects to see what goes on. The Board relies on management and the residents to report problems. The Act 34, drinking in commons areas is great. Security is still lacking; he called security five times with no response and the sixth times he called the police for noise disturbance. Mr. Kolio submitted pictures of fireworks rubbish in Mayor Wright Homes parking lot.

PUBLIC
TESTIMONY

Jesse Ponce de Leon, Kalakaua Homes resident, stated he would like to see a change in management. Mr. Ponce de Leon stated Kamalani Rodrigues, Deputy Manager for Asset Management Project (AMP) 34 refused volunteer work from the senior citizens and she refused to allow separate tenant associations for the elderly and family projects.

Leonard Lester, Mayor Wright Homes, stated five years ago a neighbor was selling illegal fireworks and would have large party. Every year, since then there is at least one car that gets damaged. This year, children are throwing fireworks under his car. The security guard told all the children that it was okay to continue what they were doing.

Francis La Batte, Kalakaua Homes resident, stated that a few residents lost power and property because the roof was leaking during a past storm. Since then, the power is being shut off and work was being done on the roof. There has been no letter or call to apologize or inform residents on how to claim for the lost of items. On December 11, 2008 the power was out for 33 hours and he wants to know how the residents can claim their losses as a project or group instead of individuals.

Roy Nakamura, Kalakaua Homes resident, on October 27, 2008 stated he filled out a claim for new carpets. On December 15, 2008 he filled out a new claim for his losses because the power was out for 33 hours. Why is there so much red tape just to get such things as reimbursements completed?

Tim Garry, private resident, stated he brought fireworks rubbish that has been going off for the last few weeks. He would like to see the Board continue the discussion of the mixed use.

Director Smith asked if Mr. Garry is saying that if Hawaii Public Housing Authority (HPHA) takes the vacant units, plus the delinquencies, plus the people who pay zero rent, the HPHA has over one third of the over all housing units that the HPHA is not getting any money from.

Sharleen Chang, Kalakaua Homes resident, stated that she wants her record wiped clean of harassment charges. She did have a meeting with Stephanie Fo, Acting Property Management and Maintenance Service Branch Chief.

Director Smith asked that some thought be given to hiring an ombudsman to help with resident complaints.

Lowell Kalapa, Urban Housing Communities, presented for consideration an

HAWAII PUBLIC HOUSING AUTHORITY

unsolicited proposal for the rehabilitation of public housing without using any state funds. Urban Housing Communities would seek \$142 million in low-income housing tax credits, \$239 million in total for rehabilitation costs, a pledge from Morgan Stanley of \$150 million in private investment funds and 100 jobs. Urban Housing Communities, would like to purchase the facility, not the land.

Jan Ii, Palolo Valley Homes (PVH) resident, stated that because it is difficult for HPHA to have a full-time manager at Palolo Valley Homes some suggestions are: 1) changing the office hours to 7:45 am – 11:45 am and 2) have a manager there from 4:30 pm – 8:30 pm. The PVH Tenant Association polled the PVH residents to ask them if they wanted the following choices: 1) Mutual Housing; 2) R & L (former private management); or 3) homeownership.

Delphine Nisa, Palolo Valley Homes resident, stated that the poll results were: 1) Mutual Housing 9 votes; 2) Private Management 33 votes; 3) homeownership 8 votes.

Jean Peters, Kalakaua Homes resident, stated that the relationship between management and residents needs improvement. If residents must comply with timely responses then she feels that managers should have to comply also.

Kelly Conlan, Kalakaua Homes resident, stated she has been applying for a handicap unit since October and got a response in December. She has been trying to meet with the managers to file the rest of her paper work and has been unsuccessful.

Desiree Kihano, Palolo Valley Homes resident, stated that at last month’s Board meeting Ms. Rodrigues stated that the State saved \$30,000 changing to State management. The savings should be greater because the managers also run other properties. Why is the HPHA telling the residents that they only have one option for management. The resident should have choices.

Chairperson Thompson called a recess at 10:08 a.m. and reconvened at 10:13 a.m.

RECESS/
RECONVENED

Director Dodson moved, Director Berthiaume seconded,

To Approve/Ratify to Enter into Lease Agreement with Hawaii Community Development Authority for Building 36 Kalaeloa for Use as a Homeless Transitional Shelter for Adult Families.

TO APPROVE/
RATIFY TO
ENTER INTO
LEASE AGREE-
MENT WITH
HAWAII
COMMUNITY
DEVELOPMENT
AUTHORITY
FOR BUILDING
36 KALAELOA
FOR USE AS A
HOMELESS
TRANSITIONAL
SHELTER FOR
ADULT
FAMILIES.

Sandra Miyoshi, Homeless Programs Administrator, stated that the HPHA has 13 acres of land with four buildings at Kalaeloa. Building 36 initially went to the Department of Education for the University of Hawaii from the Navy. The University did not need the building so they returned it to the Navy, who is in the process of giving it to the Hawaii Community Development Authority (HCDA), who will then sub-lease the property to the HPHA. The renovations are almost completed and ready to house homeless adult families. The provider is Hawaii Community Action Program (HCAP).

Director Yoshioka asked what “adult families” are. Ms. Miyoshi stated that the entire household is over the age of 18.

Ms. Miyoshi stated last month the Board approved the Villages of Maili lease.

Director Aiona asked why it is a month to month lease. Ms. Miyoshi stated this is until HCDA gets title of the property.

Chairperson Thompson asked for a projection on when HCDA will get title. Ms.

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Miyoshi stated projection is six months.

Director Yoshioka asked how much the renovations cost and what funds are being used. Ms. Miyoshi responded that the renovations cost \$2 million funded through an appropriation that the Homeless Program received two years ago to do renovations.

The motion was unanimously carried.

Chairperson Thompson stated that within the coming new year he will ask the Board to review reports submitted by Chad Taniguchi, Executive Director, and ask questions prior to the Board meeting.

Chairperson Thompson stated Financial/Audit/Asset Management task force has no report.

TASK FORCE
REPORT/
FINANCE/AUDIT

Designee Oliva stated the Human Resources/Personnel task force has no report.

HUMAN
RESOURCES

Director Park stated he hopes the Board can see the importance of the homeless shelters. Currently the Homeless Programs are getting the support of private agencies and the support of the Legislature.

HOMELESSNESS

Director Hosino stated the Public Housing Operations/Tenant/Tenant Relations task force has no report.

PUBLIC
HOUSING
OPERATIONS/
TENANT/
TENANT
RELATIONS

Chairperson Thompson asked if the Board has any input regarding having an ombudsman person. Director Smith stated the State has a good role model and there needs to be a balance between using the ombudsman and staff doing what they are supposed to do. Director Berthiaume asked if the ombudsman would be part of the HPHA staff. Director Smith stated, not necessarily. Director Smith asked maybe the HPHA should invite the States ombudsman to the next meeting. Director Dodson suggested that a spreadsheet be made on the complaints that be can be reported to the Board. Director Berthiaume asked how do the neighbor islands residents get their concerns voiced. Chairperson Thompson stated that with the resident meetings, the neighbor islands don't seem to have the same problems that Oahu has. Designee Oliva stated that the ombudsman should not be used as a cure all. Director Smith stated maybe the HPHA needs to look at policy issues to help with some of the concerns. For example: 1) how many units can a manager manage; and 2) should people with disabilities be with the elderly people.

Chairperson Thompson asked is there a Board policy on fireworks. Michael Hee, Contracts Administration Branch Chief, stated the HPHA has a "no firework policy", but enforcement is hard because it almost always happens after hours. Chairperson Thompson stated that the Board needs to address the problem. Director Aiona stated that he believes it is the managers' responsibility to enforce the policies. Director Smith stated that she feels it is not only the manager responsibility there needs to be a creative way to deal with fireworks because the firework problem is not only in public housing, but it is in many neighborhoods. Mr. Taniguchi stated that the HPHA cannot only hold managers responsible because at 6:30 at night he hears fireworks outside the School Street office, but when he goes outside to check the violator is gone. Director Hosino stated that the HPHA needs the tenant monitors to help the managers.

Director Aiona asked for a report on how managers are evaluated and what kind of training are managers provided.

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Director Berthiaume stated the Mixed Income Projects task force has no report.

MIXED INCOME
PROJECTS

Mr. Taniguchi stated that the total positive cash flow is \$6,612,345 but this is misleading because the report is on a cash flow basis. The goal to correct to accrual basis was December 31, 2008. Gary Marushige, Chief Financial Management Advisor, stated the Fiscal Management Office is trying to finish the 2008 audit documents, which will not be done until January 31, 2009, so the goal will not be met.

EXECUTIVE
DIRECTOR'S
REPORT/FISCAL
MANAGEMENT
OFFICE

Director Smith asked whether the HPHA 2009 deficit is getting smaller or larger. Mr. Hee stated that the deficit is getting smaller except on the State public housing.

Mr. Taniguchi stated that when the HPHA did the budget the revenues were based on actual rent collection experience, which included bad debt. The HPHA also budgeted bad debt as an expense, which resulted in double-counting the effect of bad debts. Therefore, the HPHA projected \$3.5 million in bad debt expenses, most of which won't be realized.

Chairperson Thompson asked if the HPHA is going to revise the budget revenues. Mr. Taniguchi stated Real Estate Assessment Center (REAC) suggested that for the current year the HPHA leave the budget revenues based on experience and remove the bad debt from expenses. Next year the HPHA will use 100 percent of rents for revenues and estimated bad debt will be listed as expenses.

Mr. Taniguchi stated that the managers report that in November, rent collection usually goes down because of the holidays. The HPHA is looking at possibly creating a saving account so residents can prepare for the holidays.

PROPERTY
MANAGEMENT
& MAINTENAN-
CE SERVICE
BRANCH

Mr. Taniguchi stated the collection rate is close to the 95% goal, but the HPHA is behind in fixing the vacant units to reach the 95% occupancy goal.

Chairperson Thompson stated he is concerned that Maui's occupancy is at 71% when all the other islands are at 90% or higher. Ms. Fo stated that the office was not fully staffed. Two people have been hired and Ione Godsey, Manager AMP 39 now will be concentrating on filling units.

Mr. Taniguchi stated that the target is to have 50 vacant units by the end of the fiscal year.

Ms. Fo stated that the first Monday in January the HPHA will be assembling the Collections Teams to help Maui and Kalihi Valley Homes with their write offs.

Mr. Taniguchi stated that the vacant unit special teams are on target for the repairs and Managers are putting people from the waitlist in the units right away.

Mr. Thompson asked if the HPHA is going to review, evaluate, and take action on any of the recommendations REAC made. Mr. Taniguchi stated the HPHA will review, evaluate, and take action on the items.

Mr. Taniguchi stated that the HPHA has a rentready pool of 176 applicants.

Mr. Taniguchi introduced Alan Sarhan, Chief Planner.

Allan Sagayaga, Program Specialist, stated he feels that in the year and a half he has been doing grievances, he has noticed that many of the tenants use the grievance process to buy time so that the evictions are delayed.

Mr. Taniguchi stated that by the next Board meeting there will be at least one tenant monitor at one project.

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Mr. Taniguchi stated that all of the \$1.5 million is spent on security guards. This has not been effective, so at the next Board meeting the HPHA will have a "For Information" on changes that the HPHA may make with security.

Chairperson Thompson stated that some private residents stated that the problems at Puahala began when the transitional shelter tenants moved in; is this factual? Mr. Sagayaga stated at the last Puahala Resident Association meeting, residents stated that it is the public housing residents causing the trouble, not the transitional shelter tenants. Director Smith stated that at the last Neighborhood Board meeting she attended, the police reports for three months before the transitional shelter tenants moved in and three months after they moved showed no difference in crime. Most of the crime is in the vacant lot on Keola Street.

Ms. Fo stated REAC inspected Palolo Valley Homes. The HPHA had a score of 45 out of 100. Point were as follows: 1) site: 0.0 points out of 20.0; 2) building exterior: 13.5 points out of 17.0 points; 3) building system: 16.8 points out of 16.8 points; 4) common areas: .4 points out of .4 points; and units 30.7 points out of 45.7 points plus a Health and Safety deduction of 16.2 points.

Ms. Fo stated there were 13 health and safety issues. Ten units had a hasp on exterior rear door, one unit had furniture blocking an egress, one unit had a double lock, and one electrical outlet was missing the cover plate.

Director Smith stated maybe the HPHA needs to address door lock standards with U.S. Department of Housing and Urban Development (HUD) because tenants are putting locks on their door to feel safe.

Director Yoshioka asked what managers are doing about the AMPs that are in the red. Mr. Hee stated that the budget needs to be adjusted for the increased subsidies from HUD.

Chairperson Thompson called a recess at 12:07 p.m. and reconvened at 12:15 p.m.

RECESS/
RECONVENED

Director Aiona moved, Director Aiona seconded,

EXECUTIVE
SESSION

To go into Executive Session at 11:07 a.m. pursuant to sections 92-4, 92-5(a)(2), and 92-5(a)(4), Hawaii Revised Statutes, to consult with the Board's Attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to Personnel issues.

The motion was unanimously carried.

The Board reconvened from Executive Session at 1:09 p.m.

Chairperson Thompson called a recess at 1:09 p.m. and reconvened at 1:15 p.m.

RECESS/
RECONVENED

Mr. Taniguchi stated the AMP managers are creating status reports on the previous meetings for discussion at future meetings.

RESIDENT
COMMUNITY
MEETINGS
STATUS

Director Berthiaume asked if AMPs will be having regular meetings. Mr. Taniguchi stated that the AMPs should be having monthly meetings.

Mr. Taniguchi stated Director Smith is working with the Governor to see if a list of seven projects for a total \$35 million can be included in the Governor's

ECONOMIC
STIMULUS

HAWAII PUBLIC HOUSING AUTHORITY

stimulus package. The projects do not currently have any source of funding. Director Smith stated these projects were included in a December 12, 2008 letter to President-Elect Barack Obama.

FOR PUBLIC HOUSING

Mr. Taniguchi stated that the HPHA plans to do elevator modernization for 34 elevators. The modernization plans are being designed by Gordon Ernst (Elevator Consulting Services). The bid opening for Kuhio Park Terrace (KPT) is today. The modernization of the first elevator in each tower would begin August 2009. Director Berthiaume asked why it will take so long. Mr. Taniguchi stated because the elevators are made on the mainland and the parts will need to be ordered and the shop drawings will need be done by the contractor.

ELEVATORS

Chairperson Thompson asked whether Gordon Ernst is confident that this is the fastest the elevators can be modernized. Mr. Taniguchi responded, yes.

Mr. Taniguchi stated that the HPHA is looking into ways to prevent storm water from getting into the elevators at Kalanihua, which made the elevators stop running.

Director Smith asked if it is possible to give an incentive to the contractor for completing the modernization sooner. Mr. Taniguchi stated he will need to check because the bid opened today.

Chairperson Thompson asked what is happening with all the vacant positions. Mr. Hee stated that because the HPHA positions are federally funded, the Legislature will not do anything to them. Mr. Taniguchi asked if the HPHA can have help with Budget & Finance (B & F) allowing the HPHA to hire. Director Smith stated that the HPHA has been helping communicate to B & F because the HPHA has been only filling essential positions.

PERSONNEL

Chairperson Thompson asked on the sale of Banyan Street Manor why is the Request for Proposal (RFP) at the Attorney Generals for redrafting, why can't the HPHA use the same RFP as the Wilikina Apartment Inc. RFP. Mr. Hee stated details need to be changed.

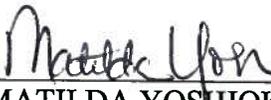
Director Smith asked if there is no staff in the Resident Services Section (RSS) and how does this affect the HPHA's ability to work with residents. Mr. Hee stated that the RSS was shut down several years ago and the staff was disbursed to other sections. Most of the work was given to Property Management & Maintenance Services Branch (PMMSB), but the bodies were not given to PMMSB. Director Hosino stated she is concerned that there is no one in the Resident Services Section.

There being no further items to be discussed,

ADJOURNMENT

Director Aiona moved, Director Yoshioka seconded,

That the meeting be adjourned at 2:00 p.m.


MATILDA YOSHIOKA
Secretary

Approved

FOR ACTION

SUBJECT: To Authorize the Executive Director to Proceed to Issue a Request for Proposals for a Consultant to Assist the HPHA in Reviewing and Updating Preliminary Feasibility Analysis for Mixed Income Redevelopment at Kuhio Park Terrace and Kuhio Homes and to Draft a Developer Request for Proposal

I. FACTS

- A. The Hawaii Public Housing Authority (HPHA) will need \$900 million to renovate 6,200 Federal and State public housing units statewide over a 30-year period from 2003 – 2033, an average of \$30 million per year in capital investments.
- B. The HPHA introduced the concept of mixed income redevelopment at community meetings held statewide within the past seven months. Residents have been generally supportive of the concept and understand the long term capital shortfall and the possible consequences to the public housing supply.
- C. In October 2008, the HPHA's Board of Directors authorized the Executive Director to issue a request for proposals to hire a consultant to assist the HPHA in reviewing and updating preliminary feasibility analysis for mixed income redevelopment and to help design a developer request for proposals or request for qualifications.
- D. On December 1, 2008, Urban Housing Communities, LLC (UHC), an affordable housing development partner of Morgan Stanley, submitted an unsolicited proposal to the HPHA's Board of Directors to form a public-private partnership with the HPHA for the purpose of renovating and modernizing Kuhio Park Terrace and Kuhio Homes.

II. DISCUSSION

- A. UHC's proposal focuses on the restoring of the original buildings and substantially upgrading the interior and exterior finishes to include, but not limited to the following:
- Modernizing the mechanical, electrical and plumbing systems.
 - Renovating common areas, including hallways and stairways.
 - Repairing and repaving roadways, sidewalks, and parking areas.
- B. UHC's proposal includes a financial model that identifies 50% of the units for public housing, 25% for project-based vouchers and 25% for tax credits with deep income restrictions.
- C. Staff has consulted with the State Comptroller, the State Procurement Office, the Department of the Attorney General and the U.S. Department of Housing and Urban Development regarding the HPHA's ability to accept UHC's unsolicited modernization proposal and enter into exclusive negotiations for a public-private partnership agreement. All four parties concurred that the HPHA is required to execute an open competitive process to select a developer.

- D. Timeline for the completion and issuance of the Consultant RFP is as follows:

<u>Activity</u>	<u>Date</u>
Completion of Draft RFP	1/22/09
Completion of AG Review	1/29/09
Issuance of RFP	2/02/09
Proposal Deadline	3/02/09
Proposal Evaluation	3/02/09 – 3/09/09
Best and Final Offer	3/16/09
Notice of Award	3/23/09
Start of services	4/01/09
Issue Developer RFP	8/2009

- E. The developer RFP would be issued by August 2009. A developer could be contracted by January 2010. As is done by other public housing authorities, the consultant would draft a developer request-for-proposals and assist with proposal evaluation, monitoring of the developer, and train HPHA staff.

III. RECOMMENDATION

Staff recommends that the HPHA's Board of Directors authorize the Executive Director to proceed to issue a request-for-proposals for a consultant to assist the HPHA in reviewing and updating preliminary feasibility analysis for mixed income redevelopment that may include Kuhio Park Terrace and Kuhio Homes, to draft a developer request-for-proposals or request-for-qualifications.

Prepared by: Rick T. Sogawa, Acting Procurement Officer 

Reviewed by: Chad K. Taniguchi, Executive Director _____

FOR ACTION

SUBJECT: To Ratify the Hawaii Public Housing Authority's Fiscal Plan for the Remainder of the Fiscal Year Ending June 30, 2009

I. FACTS

- A. The Board of Directors approved the HPHA Fiscal Year 2009 operating budget at its regular meeting on June 19, 2008.
- B. The approved budget indicated a year end deficit of \$4,221,785, and included a turnaround plan to balance the budget.
- C. The Hawaii Public Housing Authority (HPHA) intended to request that the Board of Directors approve a formal budget revision at its January 2009 meeting, but due to incomplete expense information preparation the revision has had to be deferred.

II. DISCUSSION

A. Federal Land (Public Housing) Program adjustments include:

- 1. Increase of \$2,246,458 in the U.S. Department of Housing and Urban Development (HUD) subsidies due to adjustments in base subsidy and increase in proration.
- 2. Net reduction of expense of \$1,107,024 based on:
 - a. Reduction in expense by \$2,314,024 due to deletion of duplicate bad debt expense on the advice of the HUD Real Estate Assessment Center (REAC) financial team.
 - b. Reduction in expenses by \$112,000 due to double count of a management contract for a state project.
 - c. Increase in expenses of \$1,320,000 for fee for services for Central Maintenance and Applications staff.

B. State Family (Public Housing) Program adjustment:

- 1. Reduction in expenses by \$600,000 due to deletion of duplicate bad debt expense, based on the recommendation by the HUD REAC financial team, for the Federal Public Housing program.

C. State Elderly (Public Housing) Program adjustment:

- 1. Reduction in expenses by \$50,000 due to deletion old bad debt expense based on the recommendation for the Federal Public Housing program by the HUD REAC financial team.

D. Section 8 Housing Choice Voucher Program adjustment:

- 1. Adjustments to program size and HUD subsidies are pending.

- E. State Rent Supplement adjustments:
 - 1. Reduction of \$59,755 due to reduction in program size.
- F. Homeless Programs: No adjustment.
- G. Central Office Cost Center (Administration) adjustments:
 - 1. Net increase in revenues of \$891,562 based on:
 - a. Increase in revenues of \$700,000 due to assessment and proper crediting of fee for services for the Department of the Attorney General and Hearings Office. Programs were assessed the fees, which were not credited to the Central Office.
 - b. Increase in revenue due to assessment of fee for services for Special Teams (Vacant Unit, Applications, and Collections).
 - 2. Increase of \$166,930 in expenses due to unbudgeted increase in staffing of Fiscal Management Office to address areas of critical need.
- H. HPHA is still working to reduce the deficits for the State Family and State Elderly public housing programs. The agency prepared a request for an emergency appropriation to address the shortfall, which was not approved. Other measures include possible reductions in administrative overhead assessed against the State programs and utilizing as much of the existing State appropriated Repair and Maintenance and Vacant Unit funds to supplement State program rent revenues.
- I. Staff plans to submit a budget revision for the March 2009 Board meeting.

III. RECOMMENDATION

Staff recommends that the Board of Directors ratify the Hawaii Public Housing Authority's fiscal plan for the remainder of Fiscal Year ending June 30, 2009.

Attachment

Prepared by: Michael J. Hee, Contract Administration Section Chief 

Reviewed by: Gary Marushige, Chief Financial Management Advisor 

HPHA FY 2009 Projected Agency Budget

Program	06/19/08 Budget	01/15/09 Revised Fiscal Plan	01/15/09 Adjustments
Federal Low Rent Program			(see pgs 1 & 2)
Rental/Other Income	18,729,075	18,729,075	
State R & M	3,433,996	3,433,996	
Federal Subsidy	19,524,209	21,770,667	2,246,458
Expenses	43,225,192	\$42,118,168	1,107,024
Net P/L	(1,537,912)	1,815,570	3,353,482
State Family Program			
Rental Income	794,109	794,109	
State R & M	243,393	243,393	
State Subsidy	0	0	
Expenses	2,645,898	2,045,898	600,000
Net P/L	(1,608,396)	(1,008,396)	600,000
State Elderly Program			
Rental Income	1,872,437	1,872,437	
State R & M	103,430	103,430	
State Subsidy	0	0	
Expenses	2,511,359	2,461,359	50,000
Net P/L	(535,492)	(485,492)	50,000
Section 8 Housing Choice Voucher			
Other Income			
Federal	22,504,247	22,504,247	
Expenses	22,789,542	22,789,542	
Net P/L	(285,295)	(285,295)	0
Section 8 Project Based Program			
Other Income			
Federal	19,577,307	19,577,307	
Expenses	19,460,275	19,460,275	
Net P/L	117,032	117,032	0
State Rent Supplement			
Other Income			
State	1,185,540	1,185,540	
Expenses	1,245,295	1,185,540	59,755
Net P/L	(59,755)	0	59,755
Homeless Programs			
State/Federal Sources	23,031,965	23,031,965	
Expenses	22,878,117	22,878,117	
Net P/L	153,848	153,848	0
Central Office Cost Center (Administration)			
Fee Income	5,794,733	6,686,295	891,562
Expenses	6,260,548	6,427,478	(166,930)
Net P/L	(465,815)	258,817	724,632
Capital Program			
Federal Contribution	23,325,709	23,325,709	
State Contribution	31,950,536	31,950,536	
Projects	55,276,245	55,276,245	0
Net P/L	0	0	0
Totals	(4,221,785)	566,084	\$4,787,869

Notes: Net P/L = Net Profit or Loss
 () = negative
 R & M = Repair and Maintenance

FOR ACTION

SUBJECT: Ratify the Hawaii Public Housing Authority's (HPHA) Policy Requiring Visitors to Kalihi Valley Homes (KVH) and Other Public Housing Projects to Provide a Driver's License or Other Identification for Retention by Security While on the Premises

I. FACTS

- A. In early December 2008, there was a gang related incident that occurred at Puuwai Momi in Aiea, where a resident was severely beaten. The incident continued and spread to Kalihi Valley Homes which resulted in the 6 resident-owned vehicles being damaged. After the incident ended, there were rumors of future attacks and retaliation between youth residing at other housing projects and Kalihi Valley Homes.
- B. On December 16, 2008, the Hawaii Public Housing Authority (HPHA) staff met with the Honolulu Police Department, Alii Security Systems, and Honolulu Towing Company. The purpose of the meeting was to discuss the numerous complaints, recent confrontations at Kalihi Valley Homes, and strategies to prevent entry into Kalihi Valley Homes by unwanted persons.
- C. Prior to implementation, staff received approval from the Department of the Attorney General to implement the new procedures at the security gates.
- D. On December 23, 2008, the HPHA initiated the practice of requiring guests entering Kalihi Valley Homes to surrender their driver's license at the guard gate.

II. DISCUSSION

- A. The following major issues were discussed at the December 16th meeting:
 - 1. Recent confrontations between residents of Kalihi Valley Homes and other housing projects;
 - 2. Entry into Kalihi Valley Homes property by unauthorized persons;
 - 3. Visitors who were unlicensed and/or uninsured;
 - 4. Reduction of security hours due to lack of funds; and
 - 5. Failure of guests to return the visitor's pass and the reuse of those passes by others.
- B. Mr. Harvey Hisatake of Alii Security Systems (who recently retired from 33 years of service with the Honolulu Police Department) suggested that HPHA implement a procedure where guests who wish to enter Kalihi Valley Homes by vehicle must surrender their driver's license to the security guard and in turn, are issued a guest pass.
- C. As discussed, the reasons for retaining the driver's licenses included:

1. Lack of space to hold vehicles at the entry gate while guards are recording information;
 2. Lack of guards to record information – the other security guard is roving the projects due to recent altercations;
 3. Retention of the driver's license forces guests to exit through the staffed gates;
 4. Changes the current practice of restricting visitor entry after midnight to accommodate residents unable or unwilling to walk from the gate to their housing unit; and
 5. Visitors who refuse to surrender their license and "run" the gate through the barricade can be charged with criminal property damage.
- D. When guests exit the KVH property, they sign the security log indicating that their driver's license was returned to them.
- E. Mr. Harvey Hisatake conferred with the Honolulu Police Department and the Honolulu Prosecutor's Office to confirm that the practice of temporarily retaining a guest's driver's license is not in violation of any statutory provision.
- F. Recent monitoring of the problem at KVH indicate that beat officers for the KVH area indicate a decrease in trouble calls. Security guards report that known "trouble makers" are not making entry into KVH in order to avoid being identified. Residents have also reported to the security company that they feel better that individuals entering the property can be identified.
- G. With the Board's approval, the staff will consider expanding the practice of requiring visitors at other housing projects to provide a driver's license or other form of identification for retention while on the premises.
- H. Staff will continue to work with the Honolulu Police Department, Alii Security Systems, and the residents at Kalihi Valley Homes to evaluate the practice of retaining a guest's driver's license and will update the Board on the results

III. RECOMMENDATION

Ratify the Hawaii Public Housing Authority Policy Requiring ~~Visitors to Kalihi Valley Homes (KVH) and Other Public Housing Projects to Provide a Driver's License or Other Identification for Retention by Security While on the Premises~~ Visiting Drivers Entering Kalihi Valley Homes (KVH) and to Approve Visiting Drivers to Mayor Wright Housing Projects to Provide a Drivers License for Rentention by Security While on the Premises.

Prepared by: Clifford Laboy, Security Specialist CL

Reviewed by: Chad K. Taniguchi, Executive Director CT

Approved by the Board of Directors at its meeting on

JAN 15 2009

EXECUTIVE DIRECTORS OFFICE

Please take necessary action



EXECUTIVE DIRECTOR

FOR ACTION

SUBJECT: To Authorize the Executive Director to Pursue Elderly Families Only Designation for Targeted Federal Public Housing Project(s)

I. FACTS

- A. Section 7 of the U.S. Housing Act of 1937 (42 U.S.C. 1437e) provides public housing agencies with the option to designate public housing projects, or portions of public housing projects for occupancy by disabled families, elderly families, or mixed populations of disabled and elderly families.
- B. Implementing regulations at volume 24 code of federal regulations (CFR) 945.201 require public housing agencies that intend to operate elderly only designated housing to obtain special approval from the U.S. Department of Housing and Urban Development (HUD) for its allocation plan in compliance with §945.203 CFR. Public housing for mixed populations of disabled and elderly families do not require HUD approval.
- C. §945.203, CFR includes specific consultation requirements which apply to the development of an initial allocation plan. In preparing the draft plan, the HPHA is required to consult with the following groups:
1. The State or unit of general local government where the project is located;
 2. Public and private service providers;
 3. Representative advocacy groups for each of these family types: disabled families, elderly families, and families with children, where such advocacy groups exist;
 4. Representatives of the residents of the projects proposed for designation, including representatives from resident councils or resident management corporations where they exist; and
 5. Other parties that the HPHA determines would be interested in the plan, or other parties that have contacted the HPHA and expressed an interest in the plan.

Following the completion of the draft plan, the HPHA must:

1. Issue public notices regarding its intention to designate housing and the availability of the draft plan for review;
 2. Contact directly those individuals, agencies and other interested parties, and advise them of the availability of the draft plan for review;
 3. Allow not less than 30 days for public comment on the draft allocation plan;
 4. Make free copies of the draft plan available upon request, and in accessible format, when appropriate;
 5. Conduct at least one public meeting on the draft allocation plan; and
 6. Give fair consideration to all comments received.
- D. The HPHA operates federally-funded elderly and disabled housing as listed in Attachment A.
- E. All designations are in effect for five years from the date of HUD's notification of approval of the Plan. A public housing agency may amend

its Plan before the expiration of the five-year period by submitting a revised Plan to HUD.

II. DISCUSSION

- A. Based on numerous instances of conflicts between elderly residents and non-elderly disabled residents, the staff recommends that the HPHA pursue elderly only designated housing for the benefit of the majority of elderly residents.
- B. The HPHA will submit a list of targeted sites for the Board's approval after staff review of the proposed project(s) profile, including but not limited to the following information:
 - 1. The total number of families currently occupying the project, including the number of families who are members of the group for whom the project is to be designated, and the number of families who are not members of the group for whom the project is to be designated;
 - 2. An estimate of the total number of elderly families and disabled families who are potential tenants of the project (i.e., as the project now exists), based on information provided by the waiting list and a housing needs survey, such as the CHAS for the jurisdiction served by the HPHA project;
 - 3. An estimate of the number of potential tenants who will need accessible units based on information provided by the needs assessment prepared in accordance with 24 CFR 8.25, and a housing needs survey;
 - 4. The number of units in the project that became vacant and available for occupancy during the year preceding the date of submission of the allocation plan to HUD;
 - 5. The average length of vacancy for dwelling units in the project for the year preceding the date of submission of the allocation plan to HUD;
 - 6. An estimate of the number of units in the project that the PHA expects to become vacant and available for occupancy during the two-year period following the date of submission of the allocation plan to HUD (i.e., if the project were not to be designated); and
 - 7. An estimate of the average length of time elderly families and non-elderly persons with disabilities currently have to wait for a dwelling unit.
- C. The HPHA is also required to identify strategies to address the current and future housing needs of non-elderly persons with disabilities, including access to supportive services and housing assistance.
- D. The HPHA is also required to complete a needs assessment prepared in accordance with 24 CFR 8.25 to determine the housing needs of persons with disabilities.
- E. Nothing in the CFR or PIH Notices relieves the HPHA from complying with non-discrimination provisions of Federal civil rights laws, including, but not limited to section 504 of the Rehabilitation Act, the Fair Housing Act, and the Americans with Disabilities Act and their implementing regulations.

F. Elderly families shall not be required to live in elderly only designated housing.

G. The HPHA's proposed project timeline for designation of elderly only housing is as follows:

- | | |
|---------|---|
| 1/15/09 | Board approval of For Action |
| 4/1/09 | Completion of project profile for all Federal elderly projects |
| 5/15/09 | Submit recommendation to HPHA Board for targeted project(s) |
| 6/15/09 | Initiate consultation process |
| 7/15/09 | Secure consultant to complete needs assessment & draft allocation plan |
| 12/1/09 | Produce draft allocation plan; |
| 4/1/10 | Complete public hearing and 60 day comment period |
| 5/1/10 | Revise allocation plan and address all comments |
| 6/1/10 | Submit allocation plan to HUD for approval. HUD has 90 days to review and approve the HPHA's allocation plan. |
| 9/1/10 | HUD Approval (tentative) |

H. At a minimum, the HPHA's allocation plan must address and comply with the criteria described below:

1. Justification for Designation. HPHA must establish that the designation of the project is necessary to achieve the housing goals for the jurisdiction under the Comprehensive Housing Affordability Strategy, part of a jurisdiction's Consolidated Plan, and to meet the housing needs of the low-income population of the jurisdiction.
2. Project Description. The plan must include a description of a project (or portion of a project) to be designated; the types of tenants for which the project is to be designated; any supportive services to be provided to tenants of the designated project (or portion); and how the design and related facilities (as such term is defined in Section 202 (d)(8) of the Housing Act of 1959 as such statute existed prior to October 1, 1991) of the project accommodate the special environmental needs of the intended occupants;
3. Alternative Resource. The plan must include a description of any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the project were not restricted pursuant to this section.
4. No Eviction or Lease Termination Due to Designation. A PHA may not evict or terminate the lease of any tenant lawfully residing in a dwelling unit in public housing because of the designation.
5. Voluntary Relocation Because of the Designation. A PHA must provide the following to persons and families who agree to be relocated in connection with a designation:

- a. A notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the agency and the person or family.
 - b. Access to comparable housing (including appropriate services and design features), which may include tenant-based rental assistance under the Housing Choice Voucher Program, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated.
 - c. Payment of actual, reasonable moving expenses.
6. Eligibility of near-Elderly Families If the housing agency determines there are insufficient numbers of elderly families to fill all the designated units, the housing agency may provide in the Plan that it will admit a near elderly family to a project (or portion of a project) designated for occupancy by only elderly families.

III. RECOMMENDATION

That the HPHA Board of Directors authorize the Executive Director to pursue elderly families only designation for targeted federal public housing projects. Once a targeted project(s) has been identified, staff shall seek approval from the Board of Directors to proceed with the required consultation and application process for the targeted site(s).

Prepared by: Barbara Arashiro, Executive Assistant 

Approved by the Board of Directors at its meeting on

JAN 15 2009

EXECUTIVE DIRECTORS OFFICE

Please take necessary action



EXECUTIVE DIRECTOR

FOR ACTION

SUBJECT: Whether or Not to Pursue the Establishment of Ombudsman Position for Hawaii Public Housing Authority

I. FACTS

- A. Over the past several months, public housing residents and neighboring community members have submitted complaints and testified at HPHA Board meetings about various concerns. The complaints ranged from concerns with ineffective security services and management practices, increased vandalism, and fear of retaliation by perpetrators or management staff, to disorderly neighbors and disruptive behaviors.
- B. There is no specific time set aside for responses by HPHA staff members to present another side of the story. HPHA Board members are concerned that resident concerns are not being heard, and that HPHA management at the AMP level and Central Office level does not respond to resident calls for action. Board members suggested that listed complaints and responses be provided, and that HPHA investigate establishment of an ombudsman for HPHA residents.

II. DISCUSSION

- A. HPHA's current procedures require staff to respond to complaints within a reasonable amount of time. All written complaints are responded to in writing, where a contact name and address are provided.
- B. There are established procedures for management actions, such as pursuing violations of the lease agreement, grievance procedures for tenants, and eviction procedures.
- C. Confidentiality provisions prevent HPHA staff from revealing specific information about the identity of specific residents subject to disciplinary action or the specific nature of management actions taken. The lack of knowing what has happened to a complaint made against another resident causes the complainant to think that management has done nothing, leading to frustration.
- D. Concerns voiced at HPHA Board meetings are referred to the appropriate Branches for investigation and follow-up. Up until now staff members have resolved the complaints, but have not reported the actions taken to the board to demonstrate that appropriate follow-up has occurred.
- E. The executive director believes that the AMP managers and Central Office staff respond appropriately to complaints, and that many times the tenants/complainants do not accept the legitimate decisions made by HPHA staff members following the established laws, rules, lease agreements and policies.
- F. Therefore, the executive director requests that the Board allow HPHA staff to provide written summaries of actions taken with respect to complaints for three months to demonstrate that

complaints are being addressed appropriately, before deciding to establish an ombudsman position. Residents would also be able to see the information about the issue they are concerned about.

- G. HPHA does not have a position that could be converted to an ombudsman function. HPHA would need to establish a new position.
- H. HPHA previously had a resident services staff consisting of 8 staff members who would resolve resident complaints and provide a mediation function between managers and residents. These staff members were cut several years ago in anticipation of asset management.
- I. HPHA is currently attempting to further reduce positions and have current staff members become more productive in order to balance the budget. HPHA intends to hire another state public housing manager to provide more monitoring capability in addition to the property management and maintenance services branch chief, and three staff monitors. HPHA believes that this state property housing manager will assist in ensuring that resident complaints are timely and properly handled.
- J. HPHA will prepare a for-action for the April 2009 meeting for the Board to decide on establishing an ombudsman position.

III. RECOMMENDATION

That the Board of Directors review public information made available by HPHA staff regarding management and staff actions regarding specific complaints by tenants to the board and ask for confidential information in executive session where desired, to determine whether complaints are being addressed timely and appropriately, before deciding to establish an ombudsman position during the April 2009 Board meeting.

Prepared by: Barbara E. Arashiro, Executive Assistant Ba

Reviewed by: Chad K. Taniguchi, Executive Director CT

WHAT SHOULD YOU DO IF YOU HAVE A COMPLAINT?

In fairness to the agency involved, you should first try to resolve the complaint directly with the agency. In many cases, you will be able to settle the problem on your own.

If you do not want to contact the agency yourself, or if you complain to the agency and are not satisfied with its response, then feel free to contact us. We can conduct an investigation on your behalf.

We are authorized by law to receive inquiries on a confidential basis. If we can, we will investigate your complaint without revealing your identity, although this is not always possible. If you have concerns about confidentiality, please feel free to discuss them with us.

HOW TO CONTACT THE OMBUDSMAN

We are open from 7:45 a.m. to 4:30 p.m. weekdays except holidays. Most complaints may be made by telephone with no forms to fill out. Our address is:

Office of the Ombudsman
465 South King Street, 4th Floor
Honolulu, Hawaii 96813

Telephone: 808-587-0770
Fax: 808-587-0773
TTY: 808-587-0774

e-mail: complaints@ombudsman.hawaii.gov
web site: www.ombudsman.hawaii.gov

We are in the Kekuanaoa Building (also known as the Territorial Office Building) at the corner of King and Punchbowl Streets. There is metered parking and a bus stop in front.

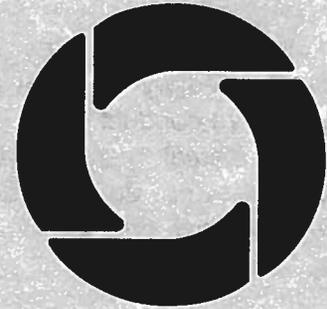
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Neighbor island residents may call us toll-free at the following numbers:

Hawaii 974-4000
Maui 984-2400
Kauai 274-3141
Molokai, Lanai 1-800-468-4644

Telephone extension 7-0770
Fax extension 7-0773
TTY extension 7-0774

COMPLAINT ABOUT GOVERNMENT?



CONTACT THE OMBUDSMAN

A service offered to the people
by the
Hawaii State Legislature

WHAT IS THE OFFICE OF THE OMBUDSMAN?

The Ombudsman is an officer of the legislature who investigates complaints about actions of executive branch agencies of the state and county governments. Our office has the power to obtain necessary information for an investigation and to recommend corrective action if a complaint is found to be substantiated.

The Ombudsman serves as a neutral, independent intermediary between the citizen and the agency. We conduct our investigations in a fair and impartial manner. We do not provide legal advice, nor do we serve as legal counsel, advocate, or representative on behalf of any person or agency.

HISTORICAL BACKGROUND

The Ombudsman institution began in Sweden in 1809. Since then, it has spread throughout the world. Hawaii has the distinction of being the first state in the United States to establish the office by law. The authorizing legislation was passed in 1967 and the office began operations in 1969.

WHAT CAN THE OMBUDSMAN DO?

- * Independently and impartially investigate your complaint against state and county agencies.
- * If our investigation reveals that the complaint is substantiated, we can attempt to resolve the problem with the agency.

We determine whether a complaint is substantiated by comparing an agency's actions against what the law requires as well as the principles of sound, fair, and reasonable administrative practice. We do not have the power to compel or reverse administrative actions but instead try to resolve substantiated complaints through recommendations and reasoned persuasion.

In addition to the resolution of individual complaints, if we find possible areas for improvement to make government work better, we will make recommendations for changes to the law, administrative rules, or operating procedures.

INFORMATION AND REFERRAL

While our primary duty is to investigate complaints, we will try to answer any questions you may have or refer you to an appropriate source for an answer or for further assistance.

WHAT IS THE OMBUDSMAN'S JURISDICTION?

By law, the Ombudsman is authorized to investigate the administrative actions of state and county agencies. We cannot investigate complaints about the governor and lieutenant governor and their staffs; the legislature and its staff; the judiciary and its staff; the various county mayors and councils; the federal government; a multistate governmental entity; or a nongovernmental entity. We also cannot investigate public employee grievances covered by collective bargaining agreements.

Statutory authority for the Ombudsman is contained in Chapter 96, Hawaii Revised Statutes.

CHAPTER 96
THE OMBUDSMAN

Section

96-1 Definitions

96-2 Ombudsman; office established, appointment, tenure,
removal, qualifications, salary, vacancy

96-3 Assistance, staff, delegation, funding

96-4 Procedure

96-5 Jurisdiction

96-6 Investigation of complaints

96-7 Notice to complainant and agency

96-8 Appropriate subjects for investigation

96-9 Investigation procedures

96-10 Powers

96-11 Consultation with agency

96-12 Procedure after investigation

96-13 Publication of recommendations

96-14 Notice to the complainant

96-15 Misconduct by agency personnel

96-16 Annual report

96-17 Judicial review, immunity

96-18 Agencies may not open letters to ombudsman

96-19 Penalty for obstruction

§96-1 Definitions. (a) "Agency" includes any permanent governmental entity, department, organization, or institution, and any officer, employee, or member thereof acting or purporting to act in the exercise of the officer's, employee's, or member's official duties, except:

- (1) The judiciary and its staff;
- (2) The legislature, its committees, and its staff;
- (3) An entity of the federal government;
- (4) A multistate governmental entity;
- (5) The governor and the governor's personal staff;
- (6) The lieutenant governor and the lieutenant governor's personal staff;
- (7) The mayors of the various counties; and
- (8) The councils of the various counties.

(b) "Administrative act" includes any action, omission, decision, recommendation, practice, or procedure, but does not include the preparation or presentation of legislation. [L 1967, c 306, §2; HRS §96-1; am L 1974, c 46, §1; gen ch 1985]

§96-2 Ombudsman; office established, appointment, tenure, removal, qualifications, salary, vacancy.

The office of ombudsman is established. The legislature, by a majority vote of each house in joint session, shall appoint an ombudsman who shall serve for a period of six years and thereafter until a successor shall have been appointed. An ombudsman may be reappointed but may not serve for more than three terms. The legislature, by two-thirds vote of the members in joint session, may remove or suspend the ombudsman from office, but only for neglect of duty, misconduct, or disability.

No person may serve as ombudsman within two years of the last day on which the person served as a member of the legislature, or while the person is a candidate for or holds any other state office, or while the person is engaged in any other occupation for reward or profit. Effective July 1, 2005, the salary of the ombudsman shall be the same as the salary of the director of health. The salary of the ombudsman shall not be diminished during the ombudsman's term of office, unless by general law applying to all salaried officers of the State.

If the ombudsman dies, resigns, becomes ineligible to serve, or is removed or suspended from office, the first assistant to the ombudsman becomes the acting ombudsman until a new ombudsman is appointed for a full term. [L 1967, c 306, §3; HRS §96-2; am L 1969, c 127, §6; am L 1974, c 46, §2; am L 1975, c 58, §33; am L 1982, c 129, §32(1); gen ch 1985; am L 1986, c 128, §30(1); am L 1989, c 329, §20(1); am L 2005, c 225, §6]

Attorney General Opinions

Funds for operation of office constitute funds for "expenses of the legislature" within meaning of Const., Art. VI, §5. Att. Gen. Op. 69-4.

Law Journals and Reviews

§96-3 Assistance, staff, delegation, funding. (a) The ombudsman shall appoint a first assistant and other officers and employees as may be necessary to carry out this chapter. All employees, including the first assistant, shall be hired by the ombudsman and shall serve at the ombudsman's pleasure.

(b) In determining the salary of each employee, the ombudsman shall consult with the department of human resources development and shall follow as closely as possible the recommendations of the department. Effective July 1, 2007, the first assistant's salary shall be not more than ninety-two per cent of the salary of the ombudsman.

(c) The ombudsman and the ombudsman's full-time staff shall be entitled to participate in any employee benefit plan.

(d) The ombudsman may delegate to the ombudsman's appointees any of the ombudsman's duties except those specified in sections 96-12 and 96-13; provided that during the absence of the ombudsman from the island of Oahu, or the ombudsman's temporary inability to exercise and discharge the powers and duties of the ombudsman's office, the powers and duties as contained in sections 96-12 and 96-13 shall devolve upon the first assistant during the ombudsman's absence or inability.

(e) The funds for the support of the office of the ombudsman shall be provided for in the act providing for the expenses of the legislature. [L 1967, c 306, §4; HRS §96-3; am L 1974, c 46, §3; am L 1975, c 58, §34; am L 1982, c 129, §32(2); gen ch 1985; am L 1986, c 128, §30(2); am L 1989, c 329, §20(2); am L 1994, c 56, §21; am L 2005, c 225, §7; am L 2007, c 63, §3]

§96-4 Procedure. The ombudsman may establish procedures for receiving and processing complaints, conducting investigations, and reporting the ombudsman's findings. However, the ombudsman may not levy fees for the submission or investigation of complaints. [L 1967, c 306, §5; HRS §96-4; gen ch 1985] **§96-5 Jurisdiction.** The ombudsman has jurisdiction to investigate the administrative acts of agencies and the ombudsman may exercise the ombudsman's powers without regard to the finality of any administrative act. [L 1967, c 306, §6; HRS §96-5; gen ch 1985]

§96-5 Jurisdiction. The ombudsman has jurisdiction to investigate the administrative acts of agencies and the ombudsman may exercise the ombudsman's powers without regard to the finality of any administrative act. [L 1967, c 306, §6; HRS §96-5; gen ch 1985]

Attorney General Opinions

Ombudsman has no jurisdiction over employee complaints covered by collective bargaining agreements executed under chapter 89. Att. Gen. Op. 73-6.

§96-6 Investigation of complaints. (a) The ombudsman may investigate any complaint which the ombudsman determines to be an appropriate subject for investigation under section 96-8.

(b) The ombudsman may investigate on the ombudsman's own motion if the ombudsman reasonably believes that an appropriate subject for investigation under section 96-8 exists. [L 1967, c 306, §7; HRS §96-6; am L 1974, c 46, §4; gen ch 1985]

§96-7 Notice to complainant and agency. If the ombudsman decides not to investigate, he shall inform the complainant of that decision and shall state his reasons.

If the ombudsman decides to investigate, he shall notify the complainant of his decision and he shall also notify the agency of his intention to investigate. [L 1967, c 306, §8; HRS §96-7]

§96-8 Appropriate subjects for investigation. An appropriate subject for investigation is an administrative act of an agency which might be:

- (1) Contrary to law;
- (2) Unreasonable, unfair, oppressive, or unnecessarily discriminatory, even though in accordance with law;
- (3) Based on a mistake of fact;
- (4) Based on improper or irrelevant grounds;
- (5) Unaccompanied by an adequate statement of reasons;
- (6) Performed in an inefficient manner; or
- (7) Otherwise erroneous.

The ombudsman may investigate to find an appropriate remedy. [L 1967, c 306, §9; HRS §96-8]

§96-9 Investigation procedures. (a) In an investigation, the ombudsman may make inquiries and obtain information as the ombudsman thinks fit, enter without notice to inspect the premises of an agency, and hold private hearings.

(b) The ombudsman is required to maintain secrecy in respect to all matters and the identities of the complainants or witnesses coming before the ombudsman except so far as disclosures may be necessary to enable the ombudsman to carry out the ombudsman's duties and to support the ombudsman's recommendations. [L 1967, c 306, §10; HRS §96-9; gen ch 1985]

§96-10 Powers. Subject to the privileges which witnesses have in the courts of this State, the ombudsman may:

- (1) Compel at a specified time and place, by a subpoena, the appearance and sworn testimony of any person who the ombudsman reasonably believes may be able to give information relating to a matter under investigation; and
- (2) Compel any person to produce documents, papers, or objects which the ombudsman reasonably believes may relate to a matter under investigation.

The ombudsman may bring suit in an appropriate state court to enforce these powers. [L 1967, c 306, §11; HRS §96-10]

§96-11 Consultation with agency. Before giving any opinion or recommendation that is critical of an agency or person, the ombudsman shall consult with that agency or person. [L 1967, c 306, §12; HRS §96-11]

§96-12 Procedure after investigation. If, after investigation, the ombudsman finds that:

- (1) A matter should be further considered by the agency;
- (2) An administrative act should be modified or cancelled;
- (3) A statute or regulation on which an administrative act is based should be altered;
- (4) Reasons should be given for an administrative act; or
- (5) Any other action should be taken by the agency;

the ombudsman shall report the ombudsman's opinion and recommendations to the agency. The ombudsman may request the agency to notify the ombudsman, within a specified time, of any action taken on the ombudsman's recommendations. [L 1967, c 306, §13; HRS §96-12; gen ch 1985]

§96-13 Publication of recommendations. After a reasonable time has elapsed, the ombudsman may present the ombudsman's opinion and recommendations to the governor, the legislature, the public, or any of these. The ombudsman shall include with this opinion any reply made by the agency. [L 1967, c 306, §14; HRS §96-13; gen ch 1985]

§96-14 Notice to the complainant. After a reasonable time has elapsed, the ombudsman shall notify the complainant of the actions taken by the ombudsman and by the agency. [L 1967, c 306, §15; HRS §96-14; gen ch 1985]

§96-15 Misconduct by agency personnel. If the ombudsman has a reasonable basis to believe that there may be a breach of duty or misconduct by any officer or employee of an agency, the ombudsman may refer the matter to the appropriate authorities without notice to that person. [L 1967, c 306, §16; HRS §96-15; gen ch 1985; am L 1996, c 52, §2]

§96-16 Annual report. The ombudsman shall submit to the legislature and the public an annual report discussing the ombudsman's activities under this chapter. [L 1967, c 306, §17; HRS §96-16; gen ch 1985]

§96-17 Judicial review, immunity. No proceeding or decision of the ombudsman may be reviewed in any court, unless it contravenes the provisions of this chapter. The ombudsman has the same immunities from civil and criminal liability as a judge of this State. The ombudsman and the ombudsman's staff shall not testify in any court with respect to matters coming to their attention in the exercise or purported exercise of their official duties except as may be necessary to enforce the provisions of this chapter. [L 1967, c 306, §18; HRS §96-17; gen ch 1985]

§96-18 Agencies may not open letters to ombudsman. A letter to the ombudsman from a person held in custody by an agency shall be forwarded immediately, unopened, to the ombudsman. [L 1967, c 306, §19; HRS §96-18]

§96-19 Penalty for obstruction. A person who willfully hinders the lawful actions of the ombudsman or the ombudsman's staff, or willfully refuses to comply with their lawful demands, shall be fined not more than \$1,000. [L 1967, c 306, §20; HRS §96-19; gen ch 1985]

Introduction For Property improvement:

- A. creating a safe environment on housing property**
- B. communication between residents and management**
- C. to coordinate committees for each projects**
- D. helping to coordinate security and safety issues**
- E. after hours emergency tenant monitors**
- F. improve associations to work with/managers**
- G. to support weaker association with stronger associations**

Tenant Monitor,

A Resident in good standing

Reside on property, with deduction of rent for part time

Saturday and Sunday from 7:00a.m. to 4:30p.m.

A stipend rent for full time

After office hours between 4:30p.m. - 7:00a.m.

A Tenant monitor is to assist HPHA amps in emergency situations.

after hours and on weekends.

Not to address issues relating to the safety of tenant monitors life

Security guards are used for that purpose.

Monitors will address situations in assisting residents:

Regarding lock outs , contacting maint; unit issues
,elevators, ambulance, fire dept, police when needed.

Document incidents that occur to be reported to
management
Unauthorized people on property, unauthorized parking
,assist in calling towing company.

Monitors are not to engage between arguments and
domestic violent issues.

Monitors should assist by calling the police with info
provided.

Assist Residents on natural disaster to accomodate a safe
place

Monitors handle complaints and emergency issues on
property when office hrs are closed, and be able to contact
the proper channel for the proper situation.

Multi Family and Elderly Properties would benefit with this
service

Residents would be able to taks pride in the community
Trust would generate between Agency and Residents

Complaints against HPHA made to State Ombudsman's Office
 robin.matsunaga@ombudsman.hawaii

1/15/09
 587-0770

Allegation	Case Disposition	Reason Declined or Discontinued	Investigation Finding	Closure Determination	Complaint Resolution
FISCAL YEAR 2006 - 2007					
Kaimalino Housing not painting wooden porch	Completed investigation		Not substantiated		Complaint not resolved
HPHA not responsive to complaints about another tenant	Completed investigation		Not substantiated		Complaint partially resolved
Inadequate plan to provide asbestos dust & lead mitigation for tenants during upcoming construction project	Completed investigation		Not substantiated		Complaint not resolved
Required to pay improper amount of rent of 40% of adjusted monthly income instead of 30%	Completed investigation		Not substantiated		Complaint not resolved
HPHA not providing information concerning change of address	Completed investigation		Not substantiated		Complaint not resolved
Section 8 staff gave wrong information	Discontinued investigation	Complaint withdrawn			
Not given priority for housing at Kuhio Park Terrace despite being homeless	Completed investigation		Not substantiated		Complaint not resolved
Annual recertification was done in June but still not told what rent is	Completed investigation		Substantiated	Otherwise erroneous	Complaint resolved
Discrepancies in amount of rents	Declined to investigate	No personal interest			
Elderly unit stove needs replacing not refurbishing and other inspection items not yet fixed	Completed investigation	Complainant can or is using other remedy	Substantiated	Otherwise erroneous	Complaint partially resolved
HPHA employee printed and disseminated her personal information	Declined to investigate	Available informal process or channel to/in use			
Rent amount should be lower	Completed investigation		Not substantiated		Complaint not resolved
Elevators not working for several months and unclean stairways at Kuhio Park Terrace	Completed investigation		Partially substantiated	Otherwise erroneous	Complaint partially resolved
Violating number of occupants in a housing unit	Completed investigation		Not substantiated		Complaint not resolved

Allegation	Case Disposition	Reason Declined or Discontinued	Investigation Finding	Closure Determination	Complaint Resolution
Case worker told resident manager that giving complainant information will jeopardize her place on the waiting list	Completed investigation		Not substantiated		Complaint resolved
Water heater and water pressure concerns not being adequately addressed	Completed investigation		Not substantiated		Complaint resolved
Housing agency allowing property plants and trees to grow into his yard	Completed investigation		Substantiated	Otherwise erroneous	Complaint resolved
Agency not providing office on premises, in violation of memorandum of agreement	Completed investigation		Not substantiated		Complaint partially resolved
Public housing officer continually promising placement, but none given	Assist (no investigation)				
Pregnant woman and family seeking housing and shelter during the holidays	Assist (no investigation)				
Should not be evicted from Pumehana Homes	Completed investigation		Not substantiated		Complaint not resolved
Cannot change date of inspection	Discontinued investigation	Complaint resolved			
Section 8 does not want to give her a voucher	Completed investigation		Not substantiated		Complaint not resolved
HPHA management's lack of enforcement action on noisy neighbor	Completed investigation		Not substantiated		Complaint resolved
Property inadequately maintained; grass in front is over 2 feet high	Completed investigation		Substantiated	Otherwise erroneous	Complaint partially resolved
Lack of phone service, elevator, fire alarms at Kuhio Park Terrace	Assist (no investigation)				
Hawaii Public Housing Authority did not meet with her before giving her eviction notice	Completed investigation		Not substantiated		Complaint not resolved
Improper eviction notice from manager of Kauhale Kakaako	Completed investigation		Not substantiated		Complaint not resolved
HPHA not sending mail to her current PO Box address	Completed investigation		Not substantiated		Complaint partially resolved

Allegation	Case Disposition	Reason Declined or Discontinued	Investigation Finding	Closure Determination	Complaint Resolution
Section 8 worker processing late household change paperwork after reconciliation of couple	Discontinued investigation	Lost contact, unable to locate complainant			
State not taking action against Lanakila Meals on Wheels for operating beyond contractually defined hours	Completed investigation		Substantiated	Otherwise erroneous	Complaint partially resolved
Staff improperly asked if she purchased or leased her vehicle	Declined to investigate	Available informal process or channel to/in use			
Required to vacate by HPHA from Hana Teacher Housing	Completed investigation		Not substantiated		Complaint not resolved
Not told exact date when annual inspection of unit at Lanakila Housing will be held	Completed investigation		Not substantiated		Complaint not resolved
State not removing homeless from State property at Liliha and King Streets	Assist (no investigation)				
No actions taken against neighbors committing multiple violations	Completed investigation		Not substantiated		Complaint partially resolved
Oven and gas hookup not repaired	Completed investigation		Not substantiated		Complaint partially resolved
Provided with conflicting information from HPHA staff re: housing status	Completed investigation		Not substantiated		Complaint resolved
Delaying in replacing leaky refrigerator	Completed investigation		Substantiated	Otherwise erroneous	Complaint resolved
Delay in consent of refinance loan on Waimanalo Home Lands public housing lease unit	Completed investigation		Not substantiated		Complaint not resolved
Notice received from HPHA not clear	Declined to investigate	Available informal process or channel to/in use			
Section 8 voucher not reserved during stay at mental health facility	Completed investigation		Not substantiated		Complaint not resolved
Section 8 refused to put requirements in writing, forced applicant to name live-in aid prematurely, and denied extension of voucher	Discontinued investigation	Complaint resolved			
Delay in receipt of settlement funds related to utility allowance (Wilikina Apts.)	Completed investigation		Not substantiated		Complaint partially resolved

Allegation	Case Disposition	Reason Declined or Discontinued	Investigation Finding	Closure Determination	Complaint Resolution
No reimbursement for teacher's housing	Completed investigation		Substantiated	Otherwise erroneous	Complaint resolved
Not cleaning up after repair of housing unit	Assist (no investigation)				
Staff cancelled her application and removed her name from waitlist	Completed investigation		Substantiated	Otherwise erroneous	Complaint resolved
Improperly evicted by HPHA	Completed investigation		Not substantiated		Complaint not resolved
No action taken to repair broken sewer pipe at Kuhio Park Terrace	Completed investigation		Not substantiated		Complaint resolved
Has not received deposit and overpayment from teacher housing since July 2007	Completed investigation		Substantiated	Performed inefficiently	Complaint resolved
Failure to repair stove	Completed investigation		Substantiated	Otherwise erroneous	Complaint resolved
No action by HPHA concerning unsanitary condition in resident's apartment	Completed investigation		Not substantiated		Complaint partially resolved
no action taken by housing office of Kalakaua Housing against owner of dirty / smelly unit	Completed investigation		Not substantiated		Complaint partially resolved
Kalihi Valley Homes management allowing Tenant Association to hold church services in community center	Completed investigation		Not substantiated		Complaint not resolved
Agency has not reimbursed for mileage for the past year	Completed investigation		Not substantiated		Complaint resolved
HPHA incorrectly counting adoption payments as income	Completed investigation		Not substantiated		Complaint not resolved
Lights on Haka Drive have been burnt out for 6 years and not replaced	Assist (no investigation)				
HPHA including settlement proceeds in calculation of rent	Completed investigation		Not substantiated		Complaint not resolved
State truck driver caused him to swerve onto incoming traffic, gave him "the bird," and swore at him	Completed investigation		Partially substantiated	Performed discourteously	Complaint partially resolved

Allegation	Case Disposition	Reason Declined or Discontinued	Investigation Finding	Closure Determination	Complaint Resolution
Kelfred Chang has not been removed and should not be allowed further contact with Management Inc.	Completed investigation		Substantiated	Otherwise erroneous	Complaint resolved
Delay in repair to kitchen faucet (Makamae Housing)	Discontinued investigation	Complaint withdrawn			
Complaints against Kamehameha Homes	Declined to investigate	Available informal process or channel to/in use			
Poor housing conditions at Wilikina Apartments	Assist (no investigation)				
Facing eviction for non-payment of rent at Pumehana Homes	Declined to investigate	Available informal process or channel to/in use			
Burnt out light bulbs not replaced	Completed investigation		Substantiated	Performed inefficiently	Complaint resolved
HPHA is violating tenants' rights	Declined to investigate	No personal interest			
Delay in payment to Pua Melia Landscaping by Hana teacher cottage manager	Completed investigation		Substantiated	Otherwise erroneous	Complaint resolved
No fire hoses on the different floors of the Kuhio Park Terrace building					
Passenger elevators at Kuhio Park Terrace not repaired / replaced	Completed investigation		Substantiated	Performed inefficiently	Complaint partially resolved
Rodent infestation at Kuhio Park Terrace	Completed investigation		Not substantiated		Complaint resolved
Agency will not return original (or copies of) documents submitted with application of Section 8 assistance	Completed investigation		Not substantiated		Complaint resolved
Not repairing her broken toilet	Completed investigation		Not substantiated		Complaint resolved
Has not been paid by HPHA for work he has completed	Completed investigation		Substantiated	Otherwise erroneous	Complaint resolved
New tenant rental agreement on hold for prior violations which he was not informed about	Discontinued investigation	Complainant can or is using other remedy			Provided information/referral

Executive Director's Report
January 15, 2009

Highlights:

A. FY 2009 Budget

Year to Date (YTD) Financial Variance Report by Program for November, 2008
(see ED Report pages 50) [Fiscal Management Office report from emPHAsys].

- Total positive cash flow of \$6,050,955.
 - Cash basis reporting underreports liabilities not yet paid.
 - Target is to achieve accrual reporting by 1/31/09; this is a 30 day setback due Fiscal Management Office has been working on the November financial reports since the beginning of December. Several new problems with the EmPHAsys general ledger have not been resolved.
 - The tenant rents since November have been charged to the tenants but the data cannot be transferred to the general ledger because the tenant ledger is out of balance. Our Information Technology Office (ITO) is working with Emphasys tech support since 12/4/08. Our usual tech support person is not available.
 - In addition, expenses for the month are unreasonably low. For example, utilities show no expenses. Our staff has made the payments but the data is not being transferred to the general ledger. ITO is working with emPHAsys tech support on this.
 - When the general ledger issues are resolved and we have verified the accuracy of the data, we will be preparing and distributing the completed report .
 - Rental program income "Budget" column based on FY2007 collections.
 - "Actual" columns based on 100% charges to tenants.

Rent Collection Rate from 7/01/08 – 12/31/2008 (see ED Report pages 51-52)
[Property Branch report from emPHAsys].

- Federal data show 99.21% rental collection rate over first 6 months; state data show 121.24% collection.
 - The collections percentage (Federal) is currently 95.6%, but occupancy is still at 93%.
 - The collections percentage (State) is currently 99.37%, but occupancy is still at 91%.

Federal HPHA Island Overview Report as of 12/31/08 (see ED Report pages 53-54)
State HPHA Island Overview Report as of 12/31/08 (see ED Report page 55-56)

Vacant Units Repairs Federal and State combined (see ED Report pages 57-58)
[manually compiled reports from Special Teams, Derek Kimura; Construction Management Services, Marcel Audant; Property Branch, Stephanie Fo]

- 324 "old vacant units" of 537 units vacant as of 6/30/08 have been repaired in six months.

- Remaining 213 scheduled to be repaired by 6/30/09 (58 to be under contract but not completed by then).
- Since 7/1/08 334 additional units became vacant, 207 repaired; 128 unrepaired. AMPs responsible to keep up with turnarounds of newly vacated units.

B. Fiscal Management Office

- Audit reports to independent auditors delayed again to 1/31/09; will not meet state Consolidated Annual Financial Report deadline.
- HUD technical assistance contract with MDStrum will be extended for six months at reduced cost.
- Submittal of HUD Financial Data Schedules (FDS) planned for February 2009 with final due by April 13, 2009.

C. Mixed Income Redevelopment Update

- Request for Proposal for consultant is being worked on.

D. Property Management & Maintenance Services Branch

- Time to fill units has significantly improved to 8.5 days, due to increase in pools of rent ready families (now totaling 190 families) by Applications special team. (See ED Report page 59)
- Number of delinquent tenants and amounts owed increased again after decrease last month.
- Collections team is focusing on collections and evictions at Kalihi Valley Homes AMP with high delinquencies.
- Still working on engaging tenant monitors to assume after hours contacts.
- Information and responses to previous public testimony. See ED Report pages 60-69)

E. Resident Community Meetings Status

- The first meeting of the second round was held at Aiea AMP on 1/7/09. Eight residents attended. Maintenance issues were largely resolved, but parking, security, and resident association involvement need more work.
- Information is on HPHA website under "community meetings."

F. Construction Management Branch

- Kuhio Park Terrace Tower B Elevator #6 underwent 5-year inspection by State inspector; minor repairs were cited.
- Tower B #5 will be repaired by Thyssen elevators, with follow up maintenance by Kone.
- Kuhio Park Terrace elevator modernization contract was rebid with Kone submitting only bid at \$4.1 million.

G. Personnel Office

- Currently HPHA has 273 full time employees statewide and 99 vacant positions.
- Will be meeting with Budget & Finance and Governor's Office to discuss need to fill critical leadership full-time positions.
- UPW and HGEA meetings were held to update progress of 2009 Turnaround Plan.

H. Reports

- Elevator Repair Report – page 70
- Elevator Modernization Report – page 71-72

- Current listing of Construction Management Services projects (forthcoming, will distribute at meeting)
- Status of the economic stimulus request for the President-elect pages 73-75
- 2010-11 CIP request listing of projects – page 76
- Hearings-Results of Eviction Referrals – page 77
- Procurement including contract status - page 78-79
- Section 8 Subsidy Program Branch – pages 80-86
- Homeless Programs Branch - page 87-88
- Personnel Issues – pages 89-93

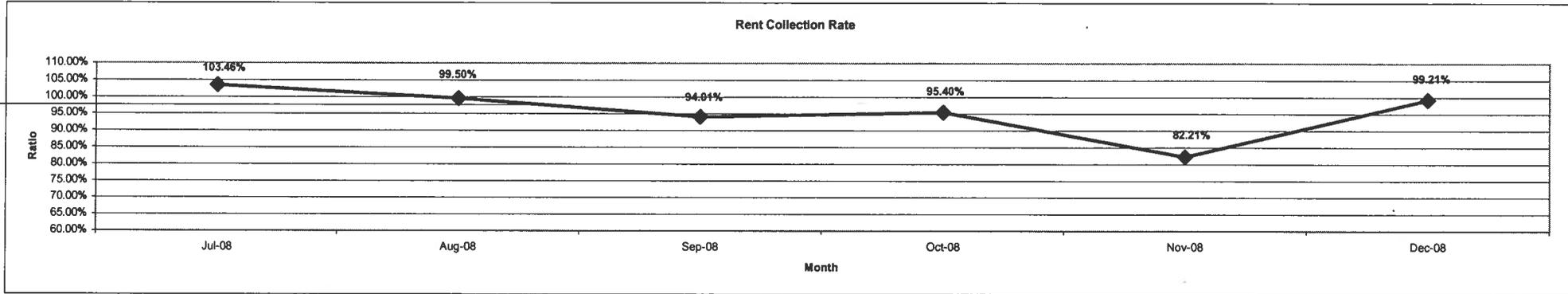
HAWAII PUBLIC HOUSING AUTHORITY
G/L BUDGET COMPARISON REPORT
MAJOR PROGRAMS

	Nov-09				Year-To-Date				Total Year Budget
	Budget	Actual	Difference	%	Budget	Actual	Difference	%	
Federal Low Rent Program									
Rental Program	1,412,527	0	(1,412,527)	0%	7,062,635	5,589,776	(1,472,859)	79%	16,950,324
State and Federal Subsidy	1,614,756	0	(1,614,756)	0%	8,073,780	6,030,320	(2,043,460)	75%	19,377,072
Other Revenue	36,705	2,806	(33,899)	8%	183,525	102,965	(80,560)	56%	440,460
Expenses	3,192,147	810,031	2,382,116	25%	15,960,735	11,155,128	4,805,607	70%	38,305,764
NET PROFIT	(128,159)	(807,225)	(679,066)	630%	(640,795)	567,933	1,208,728	-89%	(1,537,908)
State Family Program									
Rental Program	65,981	76,222	10,241	116%	329,905	367,958	38,053	112%	791,772
State Subsidy	0	0	0	#DIV/0!	0	0	0	#DIV/0!	0
Other Revenue	190	3,474	3,284	1828%	950	11,057	10,107	1164%	2,280
Expenses	200,204	149,798	50,406	75%	1,001,020	654,996	346,024	65%	2,402,448
NET PROFIT	(134,033)	(70,102)	63,931	52%	(670,165)	(275,981)	394,184	41%	(1,608,396)
STATE ELDERLY PROGRAM									
Rental Program	156,034	159,663	3,629	102%	780,170	788,387	8,217	101%	1,872,408
State Subsidy	0	0	0	#DIV/0!	0	0	0	#DIV/0!	0
Other Revenue	0	75	75	#DIV/0!	0	(4,432)	(4,432)	#DIV/0!	0
Expenses	200,619	41,061	159,558	20%	1,003,095	827,168	175,927	82%	2,407,428
NET PROFIT	(44,585)	118,677	163,262	-266%	(222,925)	(43,213)	179,712	19%	(535,020)
SECTION 8 HOUSING CHOICE VOUCHER									
Federal Subsidy	1,687,210	1,582,899	(104,311)	94%	8,436,050	7,914,495	(521,555)	94%	20,246,520
Other Revenue	188,135	198,829	10,694	106%	940,675	806,078	(134,597)	86%	2,257,620
Expenses	1,899,114	1,618,111	281,003	85%	9,495,570	8,031,132	1,464,438	85%	22,789,368
NET PROFIT	(23,769)	163,617	187,386	-688%	(118,845)	689,441	808,286	-580%	(285,228)
SECTION 8 PROJECT BASED PROGRAM									
Federal Subsidy	1,499,994	1,789,183	289,189	119%	7,499,970	8,931,178	1,431,208	119%	17,999,928
Other Revenue	131,441	73,622	(57,819)	56%	657,205	573,124	(84,081)	87%	1,577,292
Expenses	1,621,681	1,789,183	(167,502)	110%	8,108,405	9,183,595	(1,075,190)	113%	19,460,172
NET PROFIT	9,754	73,622	63,868	755%	48,770	320,707	271,937	658%	117,048
STATE RENT SUPPLEMENT									
State Subsidy	0	0	0	#DIV/0!	0	248,341	248,341	#DIV/0!	0
Other Revenue	98,794	0	(98,794)	0%	493,970	59,916	(434,054)	12%	1,185,528
Expenses	103,768	94,718	9,050	91%	518,840	490,157	28,683	94%	1,245,216
NET PROFIT	(4,974)	(94,718)	(89,744)	1904%	(24,870)	(181,900)	(157,030)	731%	(59,688)
HOMELESS PROGRAMS									
State and Federal Subsidy	1,818,167	0	(1,818,167)	0%	9,090,835	12,572,266	3,481,431	138%	21,818,004
Other Revenue	101,155	1,978	(99,177)	2%	505,775	2,009	(503,766)	0%	1,213,860
Expenses	1,906,496	31,838	1,874,658	2%	9,532,480	6,229,170	3,303,310	65%	22,877,952
NET PROFIT	12,826	(29,860)	(42,686)	-233%	64,130	6,345,104	6,280,974	9894%	153,912
CENTRAL OFFICE COST CENTER									
Other Revenue (Fees)	482,894	806,974	324,080	167%	2,414,472	1,917,751	(496,721)	79%	5,794,733
Expenses	521,712	167,817	353,895	32%	2,608,562	2,936,187	(327,625)	113%	6,260,548
NET PROFIT	(38,818)	639,157	677,975	-1647%	(194,090)	(1,018,436)	(824,346)	525%	(465,815)
SUB-TOTAL OPERATIONS									
	(351,758)	(6,832)	344,926	2%	(1,758,790)	6,403,656	8,162,446	-364%	(4,221,095)
CAPITAL FUND									
State and Federal Subsidy	4,606,353	0	(4,606,353)	0%	23,031,765	2,135,226	(20,896,539)	9%	55,276,236
Expenses	4,606,353	903,334	3,703,019	20%	23,031,765	4,246,717	18,785,048	18%	55,276,236
NET PROFIT	0	(903,334)	(903,334)		0	(2,111,490)	(2,111,490)		0
GRAND TOTAL AGENCY									
	(351,758)	(910,166)	(558,408)	259%	(1,758,790)	4,292,166	6,050,955	-244%	(4,221,095)

FEDERAL PUBLIC HOUSING

Rent Collection from 07/01/2008 to 12/31/2008

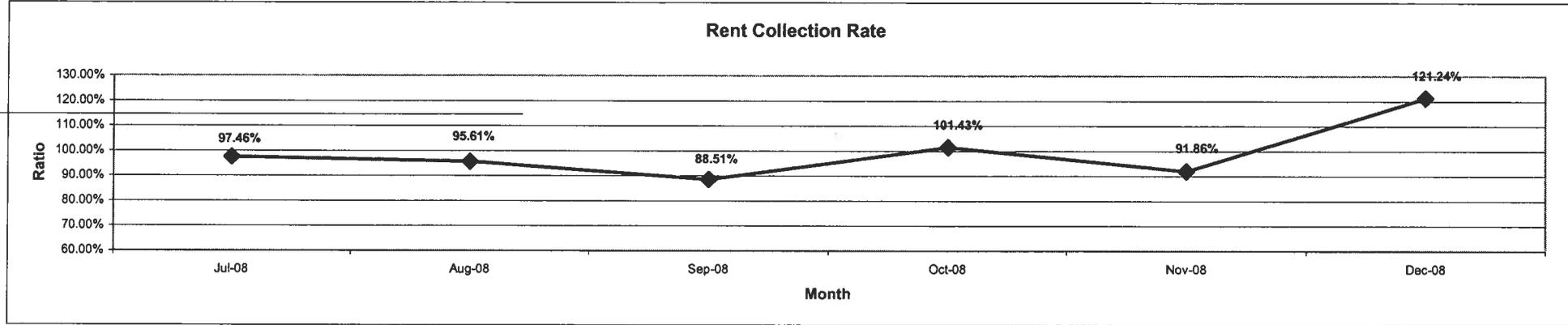
	Jul-08			Aug-08			Sep-08			Oct-08			Nov-08			Dec-08			Total		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$ 115,319.00	119,449.48	103.58%	\$ 119,739.00	123,291.73	102.97%	\$ 123,999.00	118,218.20	95.34%	\$ 124,435.00	113,831.67	91.48%	\$ 129,547.00	107,343.64	82.86%	\$ 128,781.00	124,755.92	96.87%	\$ 741,820.00	\$ 706,890.64	95.29%
Kauai	\$ 79,207.00	75,823.71	95.73%	\$ 79,485.00	75,606.72	95.12%	\$ 75,965.00	86,830.99	114.30%	\$ 78,673.00	81,695.40	103.84%	\$ 79,849.00	69,530.33	87.08%	\$ 80,041.00	90,334.96	112.86%	\$ 473,220.00	\$ 479,822.11	101.40%
Maui	\$ 51,024.00	45,173.29	88.53%	\$ 49,455.00	48,172.59	97.41%	\$ 48,272.00	44,977.14	93.17%	\$ 46,012.00	46,440.18	100.93%	\$ 47,977.00	36,940.13	77.00%	\$ 46,632.00	46,911.49	100.60%	\$ 289,372.00	\$ 268,614.82	92.83%
Oahu	\$ 1,193,678.00	1,248,572.63	104.60%	\$ 1,196,461.00	1,190,819.05	99.53%	\$ 1,198,132.00	1,109,679.21	92.62%	\$ 1,202,730.00	1,143,130.55	95.04%	\$ 1,212,460.00	994,477.73	82.02%	\$ 1,220,327.00	1,202,102.86	98.51%	\$ 7,223,788.00	\$ 6,888,782.03	95.36%
Total	\$ 1,439,228.00	\$ 1,489,019.11	103.46%	\$ 1,445,140.00	\$ 1,437,890.09	99.50%	\$ 1,446,368.00	\$ 1,359,705.54	94.01%	\$ 1,451,850.00	\$ 1,385,097.80	95.40%	\$ 1,469,833.00	\$ 1,208,291.83	82.21%	\$ 1,475,781.00	\$ 1,464,105.23	99.21%	\$ 8,728,200.00	\$ 8,344,109.60	95.60%



STATE PUBLIC HOUSING

Rent Collection from 07/01/2008 to 12/31/2008

	Jul-08			Aug-08			Sep-08			Oct-08			Nov-08			Dec-08			Total		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio									
Hawaii	\$ 11,693.00	\$ 11,046.23	94.47%	\$ 11,028.00	\$ 8,885.00	80.57%	\$ 10,794.00	\$ 8,577.00	79.46%	\$ 10,794.00	\$ 9,230.00	85.51%	\$ 11,223.00	\$ 7,705.00	68.65%	\$ 11,620.00	\$ 9,513.33	81.87%	\$ 67,152.00	\$ 54,956.56	81.84%
Kauai	\$ 5,861.00	\$ 5,247.05	89.52%	\$ 6,313.00	\$ 6,044.95	95.75%	\$ 6,444.00	\$ 5,191.00	80.56%	\$ 6,279.00	\$ 6,314.62	100.57%	\$ 6,854.00	\$ 5,551.00	80.99%	\$ 6,859.00	\$ 7,178.00	104.65%	\$ 38,610.00	\$ 35,526.62	92.01%
Maui	\$ 4,477.00	\$ 3,985.06	89.01%	\$ 4,508.00	\$ 4,147.94	92.01%	\$ 4,556.00	\$ 4,686.00	102.85%	\$ 4,380.00	\$ 2,722.00	62.15%	\$ 4,304.00	\$ 2,955.00	68.66%	\$ 4,203.00	\$ 3,124.00	74.33%	\$ 26,428.00	\$ 21,620.00	81.81%
Oahu	\$ 210,497.00	\$ 206,334.62	98.02%	\$ 211,703.00	\$ 204,218.97	96.46%	\$ 214,215.00	\$ 190,444.64	88.90%	\$ 213,978.00	\$ 220,536.57	103.07%	\$ 214,258.00	\$ 201,154.60	93.88%	\$ 214,175.00	\$ 267,344.66	124.83%	\$ 1,278,826.00	\$ 1,290,034.06	100.88%
Total	\$ 232,528.00	\$ 226,612.96	97.46%	\$ 233,552.00	\$ 223,296.86	95.61%	\$ 236,009.00	\$ 208,898.64	88.51%	\$ 235,431.00	\$ 238,803.19	101.43%	\$ 236,639.00	\$ 217,365.60	91.86%	\$ 236,857.00	\$ 287,159.99	121.24%	\$ 1,411,016.00	\$ 1,402,137.24	99.37%



RENT HOUSING RENT COLLECTION

Federal

Island	Occupancy					Monthly Activity				Federal Waiting List	
	Total Available Units	Total Occupied Units	Occupancy Ratio	Total Vacant Units	Units Rent Ready	Units Vacated	Units Filled	Transfers	Evictions	Family	Elderly
Hawaii	592	541	91.39%	51	10	7	17	5	0	1,423	167
Kauai	315	309	98.10%	6	2	0	3	1	0	118	53
Maui	196	140	71.43%	56	2	0	2	0	0	179	70
Oahu	4,038	3,828	94.80%	210	35	21	40	14	2	6,771	1,709
Total	5,141	4,818	93.72%	323	49	28	62	20	2	8,491	1,999

Island	Non Vacated Delinquencies				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
Hawaii	103	\$ 56,398.42	66	\$ 106,656.43	\$ 128,781.00	\$ 124,755.92	96.87%
Kauai	31	\$ 14,154.59	13	\$ 19,974.08	\$ 80,041.00	\$ 90,334.96	112.86%
Maui	36	\$ 23,870.16	46	\$ 98,487.04	\$ 46,632.00	\$ 46,911.49	100.60%
Oahu	609	\$ 394,035.76	362	\$ 895,363.23	\$ 1,220,327.00	\$ 1,202,102.86	98.51%
Total	779	\$ 488,458.93	487	\$ 1,120,480.78	\$ 1,475,781.00	\$ 1,464,105.23	99.21%

Federal List
HPHA Island Overview Report
 As of December 31, 2008

AMP	Occupancy					Monthly Activity				Federal Waiting List	
	Total Available Units	Total Occupied Units	Occupancy Ratio	Total Vacant Units	Units Rent Ready	Units Vacated	Units Filled	Transfers	Evictions	Family	Elderly
30P-Aiea	361	355	98.34%	6	2	1	7	0	0	616	155
31P-KVH	332	314	94.58%	18	2	4	9	0	0	615	156
32P-MWH	363	353	97.25%	10	0	1	4	0	0	615	156
33P-Kam/Kaamanu	371	362	97.57%	9	0	1	5	1	0	615	156
34P-Kalakaua	568	560	98.59%	8	1	1	3	2	0	615	155
35P-Kalanihua	557	509	91.38%	48	20	6	0	1	0	616	155
37P-Hilo	291	263	90.38%	28	3	4	7	1	0	474	56
38P-Kauai	315	309	98.10%	6	2	0	3	1	0	118	53
39P-Maui	196	140	71.43%	56	2	0	2	0	0	179	70
40P-KPT	738	705	95.53%	33	1	1	7	3	2	616	155
43P-Kona	200	192	96.00%	8	2	2	10	3	0	474	56
44P-Leeward Oahu	258	220	85.27%	38	6	3	0	0	0	616	155
45P-Windward Oahu	226	208	92.04%	18	1	1	4	1	0	616	155
46P-Kamuela	101	86	85.15%	15	5	1	0	1	0	474	56
49P-Central Oahu	150	130	86.67%	20	2	2	1	6	0	616	155
50P-Palolo	114	112	98.25%	2	0	0	0	0	0	616	155
Total	5,141	4,818	93.72%	323	49	28	62	20	2	8491	1999

AMP	Non Vacated Delinquencies				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
30P-Aiea	52	25,929.91	22	12,418.37	\$ 151,300.00	139,095.48	91.93%
31P-KVH	76	68,739.69	39	322,388.50	\$ 114,300.00	93,055.35	81.41%
32P-MWH	34	20,821.01	18	49,376.10	\$ 116,694.00	109,804.40	94.10%
33P-Kam/Kaamanu	35	15,063.35	14	39,319.77	\$ 110,209.00	108,152.79	98.13%
34P-Kalakaua	4	2,162.78	0	0.00	\$ 129,867.00	134,726.51	103.74%
35P-Kalanihua	28	21,897.02	19	48,083.87	\$ 124,712.00	181,445.54	145.49%
37P-Hilo	33	18,214.28	18	15,334.32	\$ 59,985.00	60,246.56	100.44%
38P-Kauai	31	14,154.59	13	19,974.08	\$ 80,041.00	90,334.96	112.86%
39P-Maui	36	23,870.16	46	98,487.04	\$ 46,632.00	46,911.49	100.60%
40P-KPT	196	111,020.64	91	81,517.36	\$ 277,318.00	262,356.71	94.61%
43P-Kona	38	24,925.00	22	36,517.92	\$ 47,342.00	44,137.37	93.23%
44P-Leeward Oahu	98	55,678.60	77	234,472.45	\$ 50,849.00	44,268.65	87.06%
45P-Windward Oahu	47	46,396.98	59	71,020.04	\$ 74,928.00	61,372.68	81.91%
46P-Kamuela	32	13,259.14	26	54,804.19	\$ 21,454.00	20,371.99	94.96%
49P-Central Oahu	21	16,056.00	16	29,359.76	\$ 39,314.00	39,098.00	99.45%
50P-Palolo	18	10,269.78	7	7,407.01	\$ 30,836.00	28,726.75	93.16%
Total	779	\$ 488,458.93	487	\$ 1,120,480.78	\$ 1,475,781.00	\$ 1,464,105.23	99.21%

State DIPH
 HPHA Island Overview Report
 As of December 31, 2008

Island	Occupancy *					Monthly Activity				Federal Waiting List	
	Total Available Units	Total Occupied Units	Occupancy Ratio	Total Vacant Units	Units Rent Ready	Units Vacated	Units Filled	Transfers	Evictions	Family	Elderly
Hawaii	56	29	51.79%	27	0	1	0	0	0	1,218	0
Kauai	26	25	96.15%	1	0	0	1	0	0	39	0
Maui	33	28	84.85%	5	0	0	0	0	0	37	0
Oahu	750	709	94.53%	41	16	1	12	1	0	8,185	489
Total	865	791	91.45%	74	16	2	13	1	0	9,479	489

Island	* Non Vacated Delinquencies				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
Hawaii	12	\$ 6,887.00	12	\$ 12,480.54	\$ 11,620.00	\$ 9,513.33	81.87%
Kauai	4	\$ 1,715.00	1	\$ 409.46	\$ 6,859.00	\$ 7,178.00	104.65%
Maui	13	\$ 2,966.00	21	\$ 16,950.53	\$ 4,203.00	\$ 3,124.00	74.33%
Oahu	45	\$ 26,089.76	72	\$ 309,785.19	\$ 214,175.00	\$ 267,344.66	124.83%
Total	74	\$ 37,657.76	106	\$ 339,625.72	\$ 236,857.00	\$ 287,159.99	121.24%

Island	Occupancy *					Monthly Activity				Federal Waiting List	
	Total Available Units	Total Occupied Units	Occupancy Ratio	Total Vacant Units	Units Rent Ready	Units Vacated	Units Filled	Transfers	Evictions	Family	Elderly
2201-Hauiki	46	44	95.65%	2	1	0	0	0	0	1365	82
2202-Puahala Homes	128	97	75.78%	31	9	1	4	1	0	1364	82
2204-Kawaiihua	26	25	96.15%	1	0	0	1	0	0	39	0
2205-Kahale Mua	33	28	84.85%	5	0	0	0	0	0	37	0
2206-Lokahi	30	17	56.67%	13	0	0	0	0	0	609	0
2207-Ke Kumu Elua	26	12	46.15%	14	0	1	0	0	0	609	0
2401-Hale Po'ai	206	205	99.51%	1	0	0	0	0	0	1364	82
2402-La'iola	108	103	95.37%	5	4	0	5	0	0	1364	81
2403-Kamalu-Ho'olulu	221	220	99.55%	1	1	0	3	0	0	1364	81
2404-Halia Hale	41	40	97.56%	1	1	0	0	0	0	1364	81
Total	865	791	91.45%	74	16	2	13	1	0	9,479	489

Island	* Non Vacated Delinquencies				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
2201-Hauiki	11	\$ 8,681.20	20	\$ 129,147.81	\$ 20,946.00	44,471.37	212.31%
2202-Puahala Homes	26	\$ 15,741.56	36	\$ 175,331.73	\$ 32,709.00	35,646.29	108.98%
2204-Kawaiihua	4	\$ 1,715.00	1	\$ 409.46	\$ 6,859.00	7,178.00	104.65%
2205-Kahale Mua	13	\$ 2,966.00	21	\$ 16,950.53	\$ 4,203.00	3,124.00	74.33%
2206-Lokahi	6	\$ 3,314.00	3	\$ 8,776.57	\$ 7,604.00	6,322.33	83.14%
2207-Ke Kumu Elua	6	\$ 3,573.00	9	\$ 3,703.97	\$ 4,016.00	3,191.00	79.46%
2401-Hale Po'ai	0	\$ -	5	\$ 2,284.00	\$ 56,287.00	66,925.00	118.90%
2402-La'iola	3	\$ 393.00	8	\$ 2,992.26	\$ 29,575.00	33,127.00	112.01%
2403-Kamalu-Ho'olulu	3	\$ 733.00	3	\$ 29.39	\$ 62,210.00	73,018.00	117.37%
2404-Halia Hale	2	\$ 541.00	0	\$ -	\$ 12,448.00	14,157.00	113.73%
Total	74	\$ 37,657.76	106	\$ 339,625.72	\$ 236,857.00	\$ 287,159.99	121.24%

VACANT UNIT REPAIRS

Project	Actual						Projected											
	Vacant Units	Completed	To Be Completed	Assigned to AMP, Team, Others	Assigned to CMS	Assigned to CMS/Team	July 2008	Aug. 2008	Sept. 2008	Oct. 2008	Nov. 2008	Dec. 2008	Jan. 2009	Feb. 2009	Mar. 2009	Apr. 2009	May 2009	June 2009
AMP 30 (Halawa)	4	4	0	0	0		3 A		1 A									
AMP 31 (Kalihi Valley Homes)	130	81	49	0	49	0	1 A 49 C/T	3 T	16 C/T	2 T 10 C/T				27 C			22 C (2/10)	
AMP 32 (Mayor Wright Homes)	11	4	7	1	6		3 A				1 T	1 A 2 C			4 C			
AMP 33 (Kaahumanu/Kam)	15	13	2	1	1		7 A	3 A	3 A			1 C/A 1 C						
AMP 34 (Kalakaua)	22	9	13	0	3	10	1 A 2 C	2 A		4 T						10 C/T	3 C	
AMP 35 (Punchbowl)	44	36	8	1	4	3	1 A			11 A	24 C/T	3 C/T 1 A 4 C						
AMP 37 (Hilo)	51	28	23	11	12			1 A	2 A		16 C	9 T	11 T			12 C		
AMP 38 (Kauai)	22	12	10	2	8		6 A	3 A	2 A	1 A			2 A		4 C		4 C	
AMP 39 (Maui)	61	36	25	17	8		8 A	5 A 6 C	12 C			5 C	1 A 3 C		5 C		1 T	
AMP 40 (Kuhio Park Terrace)	32	8	24	0	24		6 A			2 A							1 A/C	23 C
AMP 43 (Kona)	33	28	5	2	3		10 A 18 C							3 C 2 T				
AMP 44 (Leeward Coast)	25	4	21	12	9		4 A						7 A 5 I			7 C		2 C
AMP 45 (Windward Oahu)	22	18	4	4	0		2 A 4 C		3 A	1 T/A		8 T/A	4 A					
AMP 46 (North Hawaii)	31	13	18	16	2		3 A	3 A	2 A	5 A			6 A	10 A				2 C
MU 48 (Waipahu)	15	15	0	0	0		2 A		5 A 7 V			1 T						
AMP 49 (Wahiawa/Waialua)	16	13	3	0	3		9 A				4 T	1 C						2 C
AMP 50 (Palolo)	3	2	1	0	1			2 V						1 C				
Total	537	324	213	67	133	13	139	28	53	32	20	52	53	16	47	27	12	58

A - AMP C - CMS I - Inmates (Dept. of Public Safety) T - Team V - VIP (Volunteers)

Vacant Unit Completion Status
Units Vacated After 7/1/08
As of 12/31/08

Project	Total Vacant Units from 7/1/08	Completed	To be completed	Jan '09	Feb '09	Mar '09	Apr '09	May '09	Jun '09	FY 09-10
AMP 30 (Halawa)	27	25	2	1	1					
AMP 31 (Kalihi Valley Homes)	19	10	9	5	1	3				
AMP 32 & 33 (Mayor Wright Homes)	24	15	9	9						
AMP 34 (Kalakaua)	15	8	7	2	5					
AMP 35 (Punchbowl)	35	13	22	9	11	2				
AMP 37 (Hilo)	27	7	20	10	10					
AMP 38 (Kauai)	19	17	2		2					
AMP 39 (Maui)	21	8	14	2	10	1				1
AMP 40 (Kuhio Park Terrace)	37	27	10	10						
MU 42 (State Elderly)	43	43	0							
AMP 43 (Kona)	10	9	1	1						
AMP 44 (Leeward Coast)	13	6	7	3	3				1	
AMP 45 (Windward Oahu)	7	7	0							
AMP 46 (North Hawaii)	4	2	2		1	1				
AMP 49 (Wahiawa/Waiialua)	18	7	11	2	3				6	
AMP 50 (Palolo)	1	0	1	1						
State Public Housing	14	3	11	7	3				1	
Totals	334	207	128	62	50	7	0	0	8	1

Previous reports incorrectly reflected vacant units prior to 7/1/08

HONOLULU	TOTAL
ELDERLY 0	16
ELDERLY 1	14
ELDERLY 2	1
HONOLULU FAMILY	
1 BEDROOM	13
2 BEDROOM	16
3 BEDROOM	24
4 BEDROOM	27
5 BEDROOM	3
CENTRAL	TOTAL
ELDERLY 0	9
ELDERLY 1	0
CENTRAL FAMILY	
1 BEDROOM	12
2 BEDROOM	10
3 BEDROOM	5
4 BEDROOM	2
LEEWARD FAMILY	TOTAL
1 BEDROOM	7
2 BEDROOM	11
3 BEDROOM	5
4 BEDROOM	2
WINDWARD FAMILY	TOTAL
1 BEDROOM	2
2 BEDROOM	2
3 BEDROOM	6
4 BEDROOM	3

TOTAL: 190
 DUPLICATED: 7

1/7/2009

BOD follow-up
AMP 34 & 50

AMP 34

- **Provide time of events/staff action/problem/etc. of the power outage - 12/11 to 12/14. Could staff have responded sooner in restoring power and informing residents of the problem and when power would be restored?**

Response: AMP staff responded as quickly as possible to restore power to the mid-rise and 2 high-rises (Makua Alii and Paoakalani), after the transformer fuses had blown twice; 12/11 and 12/12 over 2 days. Mr. Electric responded to both situations and HECO verified that high voltage electrical service was being provided to the AMP. Mr. Electric replaced 1 set (double) of fuses on 12/12 and replaced 2 sets (double) of fuses on 12/12. Each fuse is triplex high voltage fuses and the fuses blown and needed to be replaced were different from each other.

On 12/11 at approx. 1735 hrs, Area staff was notified by the HPD Officer-In-Residence< Glen Luecke of intermittent power at Midrise. Later found several other units in Kalakaua Homes to not have any power. Staff responded and contractor, Mr. Electric diagnosed problem after HECO sent out emergency crew. Power restored at 00:40 hrs on 12/12.

On 12/12, Kone tried to replace the elevator fuse that blew as a result of the 12/11 power outage.

On 12/12 at approx. 1500 hrs, entire AMP wide power outage. Emergency generators on to provide some electricity to power elevators and provide emergency walkway lighting.

On 12/12 at approx. 1845 hrs, the Housing Specialist (HS) was contacted by the Working Foreman, via approval by the Area Manager requesting for assistance in that there is no electrical service and need additional high voltage fuses to change out at the electrical vaults. According to Mr. Electric, the high voltage fuses were not working and additional replacements was not in stock inventory and HECO was at the property to diagnose the service problem again.

Note: The fuses were being blown because the transformer was not working. The transformer is owned by the HPHA. HECO only is responsible for service to the electrical vault on HPHA property. There are less than 7 high voltage specialists that work in the State of Hawaii and most electricians, especially high voltage specialists do NOT work during rain storms. Companies specializing in high voltage do NOT

have an emergency contact telephone number, nor dispatch emergency work crews. Earliest estimation for high voltage specialist to respond would have been Monday, 12/15 and then temporary power would not have been provided until 12/16. AMP staff and contractors worked in inclement weather from 12/11 to 12/13.

On 12/12, at 2030 hrs, high voltage specialist (HVS) from WASA Electric (Jeff Pong) responded to a personal call from HS and worked throughout the inclement weather (heavy rains) trying to diagnose the problem.

On 12/13 at 0230 hrs, WASA Electric completed initial tests of the high voltage lines with Mr. Electric staff and AMP staff assisting. High voltage specialist able to determine at least one transformer is inoperable. Additional tests to the other transformer and electrical lines to be conducted during daylight.

On 12/13, at 0600 hrs, Maintenance staff and HVS started with WASA to test high voltage lines and other transformer. A loaner transformer, owned by WASA, was checked on capability and if able to help power 3 buildings, Mid-rise, Paoakalani and Makua Alii. Loaner transformer was not available for use until Monday due to additional requirements needed to power the building.

On 12/13, at 1000 hrs, Area staff hand-posted notices to residents.

On 12/13, at 1300 hrs, WASA able to determine that Makua Alii transformer is still operable, however Paoakalani transformer is inoperable. HS approved the rental of the back-up generator (after calling 6 companies in the AM) and for the tow of the generator (500 kva generator is transported in a 20' container) since the generator rental company does not provide own transport.

On 12/13, at 1630 hrs, rental generator arrives. WASA with maintenance staff assisting to connect the high voltage electrical lines (note: still bad weather; rain storms while working with electricity).

On 12/13, at 1630 hrs, HS and Area Manager informed by WASA that temporary power to be restored within 4 to 5 hours. HS and Area Manager decided to cancel food service for Paoakalani and Makua Alii.

On 12/13, at 1645 hrs, WASA turned on the Makua Alii transformer after inspecting the high voltage electrical lines and connections to the building.

On 12/13, at 2100 hrs, temporary power restored at the cost of approx. \$6,000 rental cost per day of the generator.

On 12/13, at 2200 hrs, Precision Air checked heat pumps and booster pump to verify that pumps are working correctly.

On 12/14, throughout the day, WASA and maintenance staff (and HS), checked on the generator operation, including but not limited to fuel level. WASA filled up back-up generator with its own diesel fuel since no fuel delivery service was available.

On 12/14, 0800 hrs, Lowrise tenant called and said there was no hot water. Maintenance staff checked and found water heater operating properly.

On 12/15 - WASA and HS working on providing temporary connection with back-up generator. HS found out HECO has a transformer available for rent, but requires PUC approval to rent to State of Hawaii. HECO has no transformer available for sale; transformers are incompatible (500 kva WYE). Cost to manufacture a new transformer is \$75,000, plus installation (\$25,000) and approx. 4 to 6 months to fabricate and manufacture.

On 12/16 - WASA informed HS, through a UHM contact that UHM Facilities Mgmt may have an extra transformer available that matches the inoperable one (500 kva Delta). WASA determines that transformer matches, however UHM needs to transfer item to HPHA. HS initiates contact for its transfer. WASA starts the coordination with Hawaiian Crane and Rigging for the pick-up and transport of the replacement generator. Unitek tests transformer for pcp; transformer built in 1992 and should not have any pcp. HECO will submit "after-the-fact" PUC approval for loan/rental of transformer to HPHA. HECO transformer will serve as standby back-up.

On 12/16 - notices delivered to residents informing of temporary power outage due to the transfer from rental generator to transformer will occur on Friday, 12/18. If no approval from UHM provided by 1500 hrs to transfer transformer, then work is rescheduled to 12/18.

12/17 - UHM gives approval to HS to take possession of the 500 kv Delta transformer. WASA confirms the pick-up and delivery and continues to prepare for the electrical connection and disconnect of the temporary generator to the replacement transformer.

12/18 - Work started at 7:00 am and completed by 5:00 pm. Replacement generator was installed by WASA. Back-up transformer

provided by HECO and second back-up provided by WASA in event the transformer is inoperable.

12/19 - WASA provides follow-up inspection to the replacement generator. Clean-up.

NOTE: No cost to HPHA for the UHM transformer (\$0.00).

Estimated costs:

- Island Power: generator rental - \$25,000 - \$30,000 (est. \$2,000/day or \$6,000/wk + diesel fuel at approx. \$3,000/day)
 - WASA: emergency response \$25,000 (includes hook-up to generator rental)
 - Mr. Electric: emergency response - \$7,500
 - WASA: transformer installation \$35,000 (includes Hawaiian Crane and Rigging)
 - Unitek Solvent Solutions - \$5,000 transformer test
 - misc: other vendors, Precision Air, Siemens, Kone, etc. (ie. booster pump, elevator) - \$10,000 (includes transformer fluid testing for hazardous materials and disposal of transformer)
- **Provide response to Residents submittal of Tort Claim for damages due to the power outage - 12/12 to 12/14. Is staff responsible to notify residents to file Tort Claim, receive the claims, etc.**

Response: State of Hawaii is self-insured. DAGS/Risk Management is the department that oversees all insurance claims filed against HPHA. Risk Management has instructed in their training, as well as stated on the tort claim form for each complainant to submit their claim and supporting documents directly to Risk Management and NOT to the defending agency (ie. HPHA). Therefore, staff is not responsible to notify residents to submit a claim, receive a claim, review the claim or approve the claim. Resident is responsible to directly submit the claim to Risk Management and Risk Management is the approving or denying authority. The Tort Claim form requires that a resident attach all documentation to prove cost value, such as purchase receipts. HPHA is not responsible to receive or send the claim to Risk Management. The complainant is responsible to submit tort claim and support documentation.

AMP staff was receiving quite a number of resident requests to file a claim. As added service to the residents, AMP staff posted a notice on the bulletin boards informing residents to submit claim and tort form by a specific date. AMP staff had received prior approval to post a notice indicating that their office will receive the completed Tort claim

and supporting documentation as a favor to the residents and send to Risk Management, via PMMSB. This plan was executed, contrary to the recommendation by Risk Management instructions to the benefit of the residents.

Note: Lease agreement, Item 10, subitem (e): Management shall not be liable to Tenant or any other person for the temporary failure of the gas, electrical or water service, or from failures or breakdown of any appliance or equipment, not caused by the omission of Management.

- **Provide response to alleged misconduct between Ms. Kamalani Rodrigues and HPD Officer-in-Residence. Is staff permitted to visit HPD Officer unit, during and after office hours?**

Response: It is Management's practice that any employee shall have a work order or written documentation for entering any unit during business hours.

The HPD Officer-in-Residence program is part of the HUD approved program to minimize crime in the Federal LIPH. Ms. Rodrigues and other staff members, including maintenance and contracted security personnel have met with the HPD Officer, during and after office hours. Staff with authorization may work on a flex time and is not similar to the office hours. The HPD Officer has assisted staff after office hours to respond to maintenance and non-maintenance emergencies or situations where staff will meet for a follow-up report.

Complaint regarding alleged "Affair" with HPD Officer. False, no affair occurring with any staff and HPD Officer.

- **Provide response regarding request for bbq activity at the property, such as where is it stated in Project Rules or addendums prohibiting activity or allow for Management to permit or deny request.**

Response: BBQ is not allowed at the Kalakaua complex. The Lease agreement governs each individual unit. Due to safety and health, bbq is not allowed in the buildings walkways.

1. Lease agreement, Item 8, subitem (d): Observe all applicable laws, rules, regulations, and ordinances of governmental authorities that pertain to and establish standards for residential occupants. Note: According to HFD, no open fires are allowed on lanais and 2nd floor and above walkways.
2. Lease agreement, Item 8, subitem (e): Abide by the Project Rules and all applicable rules, regulations, and supplemental agreements which shall be posted in the Project Office and incorporated by reference herein.

3. Lease agreement, Item 8, subitem (f): Not commit or suffer any damage to the dwelling unit, any act shall cause increase in the premiums for fire and other casualty insurance on the building, or any noise or nuisance to the disturbance of other Tenants of the Project.
4. Lease agreement, Item 8, subitem (t): Comply with all obligations imposed upon Tenants by applicable provisions of building and housing requirements of applicable building codes, housing codes, health codes, materially affecting health and safety. Note: According to HFD, no open fires are allowed on lanais and 2nd floor and above walkways.
5. Project Rules, Resident shall: Item 2: Obey all laws, applicable to tenants materially affecting health and safety with respect to maintenance, use or appearance of the rented premises.
6. Orientation booklet (given to each resident), What to do in event of the fire, item 9 (page 8): Open fires are not allowed within or near the building. Do not use hibachis, smokers or gas grills in the stairwells, walkways, or other common areas.

- **Provide response about current and inactive Resident Associations at Kalakaua Complex. Could each section have their own Resident Associations?**

Response: Each section: Kalakaua Homes, Makua Alii, and Paoakalani may have their own Resident Association. The mid-rise is part of Kalakaua Homes. Currently, there is an active Resident Association for Kalakaua Home, which includes the mid-rise. There is no active Resident Association for Makua Alii and Paoakalani. Management staff has encouraged the residents at Makua Alii and Paoakalani to reform a Resident Association, however the residents have not shown any interest to form an active Resident Association.

AMP 50

- **Provide response - trash area dirty**

Response: Management staff has responded to the concerns of the residents and have implemented daily inspections of the trash areas during the workweek. Large items are re-stacked neatly and trash thrown outside and around the trash enclosures are picked up daily during the workweek. In addition, the Management staff has provided during the month of November and December additional trash bins for holiday trash and other bulky items (Thanksgiving to New Year Eve). Furthermore, Management has reminded the disposal company of their responsibility to sanitize the trash receptacles.

Trash stations at Lot A is being cleaned by (2) tenants, Lot B trash stations is never bad and Lot C is kept clean by maintenance staff. (2) CM workers (when available) are assigned full days at AMP 50 on

Mondays and Thursdays and BMW I (TA) assigned at 50 also cleans trash stations daily. Poor condition during non-business hours will be cleaned on the next business day. It is also tenant responsibility to properly dispose trash in bins by lifting the lid and inserting securely wrapped trash.

- **Provide response - exterior building light not working**

Response: The exterior light on the building 1 has been repaired. The conduit wires needed to be replaced. Furthermore, HPHA has initiated an energy conservation contract and Palolo Homes is one of the projects where the company will be addressing the exterior and interior lighting features.

- **Provide response - canal/storm drain blockage**

Response: The canal/storm drain is not owned by HPHA. However, upon receiving indication of any major rain storm, staff is assigned to inspect areas of the storm culvert. In addition, regular monthly visits are made by the maintenance staff to remove large debris, such as bicycles, mopeds, car tires, car parts, furniture, toys, beds, and other debris items.

Staff checks the canal/storm drain at least bi-monthly or as often as needed based upon weather conditions.

- **Provide response - Bldg 4 sewer drain leak**

Response: CMS was assigned to locate and repair leak. In Oct/Nov determined that not water line leak, but sewer drain. In Dec, CMS notifies PMMSB to contract work using CM to expose the drain. CM is unavailable and AMP staff is given task to locate leak and complete repair (01/09).

- **Provide response - tenant monitor program**

Response: AMP staff is waiting for additional information, including but not limited to the following: contract agreement, roles and responsibilities, interview process, rent waiver, effect on reexamination process for rent waiver (is the rent waiver considered income, etc), distribution of tenant roster, etc.

Elevator Repair Report: Hawaii Public Housing Authority Elevators reported as of 12/31/08

Name	Type	Elevator No.	Repair	No. and duration of Repairs to Elevator for month of October			No. and duration of Repairs to Elevator between 7/1/07 to 12/31/08			Start Date	Date or Estimated Completion of Major Repair	Total Repair Cost as of Report Date
				Less than one day	2 to 7 days	More than 7 days	Less than one day	2 to 7 days	More than 7 days			
Kuhio Park Terrace A	Family	1					24	3	2			\$ 112,378.75
		2		5			20	4	2			\$ 68,027.85
		3					2					\$ 2,475.06
Kuhio Park Terrace B	Family	4	Parts used to repair #5	Cannot be repaired.					1	06/29/07	Cannot be repaired.	
		5		Cannot be repaired. Elevator is down since 08/26/08			12	1	2			\$ 138,931.39
		6					41					\$ 5,362.50
Paoakalani	Elderly	1					2					
		2					1		1			\$ 17,038.90
Kalakaua Home	Elderly	1		1			14	1	1			
		2					5	1				\$ 14,538.60
Ho'olulu Elderly	Elderly	1							1			\$ 12,140.20
		2					3					
Kalanihuia	Elderly	1					13	1	1			\$ 27,626.25
		2					15					137.5
Kamalu Elderly	Elderly	1					5	2	1			\$ 9,330.00
		2					3					
Makamae	Elderly	1		1			4		1			\$ 2,722.51
		2		1			2					
Makua Alii	Elderly	1		1			9	2	1			\$ 137.50
		2					3					
Punchbowl Homes	Elderly	1					8	2				\$ 23,350.78
		2					6	1	1			\$ 137.50
Banyan St Manor	Family	1					3					\$ 2,722.51
Hale Poai	Elderly	1		1			8	2				\$ 137.50
		2		1			3					
Halia Hale	Elderly	1					1					\$ 3,323.02
Kulaokahua	Homeless	1		1			5					
Laiola	Elderly	1					1					
		2					4					
Pumehana	Elderly	1					6	2				\$ 17,726.24
		2					5					\$ 240.63
Salt Lake Apts	Family	1					2					\$ 23,350.78
Wilikina Apts	Family	1					5	1				\$ 3,323.02
		2					4					\$ 17,038.90
Total		34		12	0	0	247	24	15			
Total Cost for Repairs to date											\$ 502,197.88	

Elevator Modernization Report: Hawaii Public Housing Authority Elevators reported as of 1/9/09

Note: All dates and costs are subject to change

MODERNIZATION (REBUILDING) OF HPHA ELEVATORS

Name	Housing Type	Elevator No.	Year Elevator Installed	Age of Elevators in Years	Number of Units	Number of Floors	Modernizations Planned		Construction Cost	Funding Source	Design Start	Construction Start	Estimated Construction Completion
							Major	Minor					
Kuhio Park Terrace A	Family	1	1964	44	271	16	3		\$4,152,919	To be funded w/ FY08 Elevator CIP	Sep-07	Jun-10	Oct-10
		2	1964	44							Sep-07	Nov-10	May-11
		3	1981	27							Sep-07	May-09	Apr-10
Kuhio Park Terrace B	Family	4	1964	44	298	16	3			To be funded w/ FY08 Elevator CIP	Sep-07	May-09	Apr-10
		5	1964	44							Sep-07	Jun-10	Oct-10
		6	1981	27							Sep-07	Nov-10	May-11
Kalanihuia	Elderly	1	1968	40	151	15	2		\$520,000	To be funded w/ FY09 Elevator CIP	Aug-08	Aug-09	Nov-09
		2	1968	40							Aug-08	Dec-09	Mar-10
Kalakaua Home	Elderly	1	1983	25	221	10	2		\$650,000	To be funded w/ FY09 Elevator CIP	Aug-08	Feb-10	May-10
		2	1983	25							Aug-08	Jun-10	Sep-10
Punchbowl Homes	Elderly	1	1961	47	144	7	2		\$400,000	To be funded w/ FY09 Elevator CIP	Aug-08	Nov-10	Feb-11
		2	1961	47							Aug-08	Mar-11	Jun-11
Paoakalani	Elderly	1	1970	38	151	17	2		\$550,000	To be funded w/ FY09 Elevator CIP	Aug-08	Feb-10	May-10
		2	1970	38							Aug-08	Jun-10	Sep-10
Pumehana	Elderly	1	1972	36	139	21	2		\$540,000	To be funded w/ FY09 Elevator CIP	Aug-08	Aug-09	Nov-09
		2	1972	36							Aug-08	Dec-09	Mar-10
Makua Alii	Elderly	1	1967	41	211	20	2		\$540,000	To be funded w/ FY09 Elevator CIP	Aug-08	Feb-10	May-10
		2	1967	41							Aug-08	Jun-10	Sep-10
Salt Lake Apts	Family	1	1970	38	28	8	1		\$750,000	To be funded w/ FY09 Elevator CIP	Aug-08	Feb-10	May-10

Elevator Modernization Report: Hawaii Public Housing Authority Elevators reported as of 1/9/09

Note: All dates and costs are subject to change

MODERNIZATION (REBUILDING) OF HPHA ELEVATORS													
Name	Housing Type	Elevator No.	Year Elevator Installed	Age of Elevators in Years	Number of Units	Number of Floors	Modernizations Planned		Construction Cost	Funding Source	Design Start	Construction Start	Estimated Construction Completion
							Major	Minor					
Makamae	Elderly	1	1971	37	124	4	2		\$630,000	To be funded w/ FY09 Elevator CIP	Aug-08	Nov-10	Feb-11
		2	1971	37							Aug-08	Mar-11	Jun-11
Hale Poi	Elderly	1	1989	19	206	7		2	\$320,000	To be funded w/ FY09 Elevator CIP	May-09	Oct-09	Mar-10
		2	1989	19							May-09	Dec-09	May-10
Halia Hale	Elderly	1	1995	13	41	5		1	\$255,000	To be funded w/ FY09 Elevator CIP	May-09	Oct-10	Mar-11
Laiola	Elderly	1	1991	17	108	6		2	\$220,000	To be funded w/ FY09 Elevator CIP	May-09	Dec-09	Feb-10
		2	1991	17							May-09	Mar-10	May-10
Kulaokahua	Homeless	1	1992	16	30	3		1	\$60,000	To be funded w/ FY09 Elevator CIP	May-09	Oct-09	Mar-10
Ho`olulu Elderly	Elderly	1	1994	14	112	7		2	\$245,000	To be funded w/ FY09 Elevator CIP	May-09	Oct-10	Mar-11
		2	1994	14							May-09	Dec-10	May-11
Kamalu Elderly	Elderly	1	1993	15	109	7		2	\$240,000	To be funded w/ FY09 Elevator CIP	May-09	Oct-10	Mar-11
		2	1993	15							May-09	Dec-10	May-11
Wilikina Apts	Family	1	1977	31	119	9							
		2	1977	31									
Banyan St Manor	Family	1	1977	31	55	3							
	TOTAL	34			2,518	181	21	10	\$10,072,919				
	Average age of elevators			31									



EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

December 12, 2008

The Honorable Barack Obama
President-Elect
Presidential Transition Team
Washington, D.C. 20270

Dear President-Elect Obama:

Thank you for your December 3, 2008 letter. I regret I was not able to attend your meeting in Philadelphia with my fellow Governors. I appreciate this opportunity to provide Hawaii's perspective on the unique challenges ahead for our nation and state.

I have been closely following the work of your incoming Administration in addressing our economic challenges and commend your efforts. I share your commitment to re-vitalize our nation with a particular focus on funding infrastructure projects and agree that this form of investment can provide both long-term economic stability and immediate job growth.

My Administration has worked over the past 60 days in partnership with key political, community, labor, and business stakeholders to implement a 5-point economic action plan for Hawaii that includes substantial infrastructure funding. I welcome a collaborative effort with your Administration to identify specific projects eligible for federal funding that would reinforce these and other initiatives.

A key priority of our 5-point economic plan complements your focus on the immediate infusion of dollars into our economy for infrastructure improvements. We have specific projects that we would like to propose as a part of your economic initiative package that would stimulate private sector investment. Attached is a list of "ready-to-go" projects that are currently unfunded. I would like to discuss these projects in further detail with you or with Mr. Nick Rathod at your earliest convenience.

The remaining four points of our economic action plan focus on increased tourism outreach and marketing, lowering business fees and providing tax relief, attracting private investment, especially in energy and maximizing federal dollars and partnerships.

On December 8, 2008, I met with Senator Daniel Inouye to discuss some of these initiatives and will continue to work closely with him and other Congressional leaders in the weeks ahead. Our discussion focused on meeting the needs of our state well into the future. We agreed that Hawaii is uniquely positioned to be a national, if not worldwide, leader in many

President-Elect Barack Obama

December 12, 2008

Page 2

areas. We spoke about renewable energy and 21st technology such as the expansion of our broadband infrastructure, both of which Senator Inouye has been a strong supporter and long-time advocate. I am told you share much of his passion for these issues. We also shared some of our plans for a highway modernization program and several highway projects that are critical in providing congestion relief to our kamaaina, tourists, and our business community. Additionally, modernizing our aging public housing stock will bolster the construction industry and provide long term benefits to low-income residents. These kinds of projects and initiatives will assist in moving Hawaii forward as well as preserving a way of life that is cherished by us all.

As you know, Hawaii is uniquely positioned to play a key role in reestablishing America's economic prosperity. Just days prior to your meeting with the Governors, I returned from a 10-day trip to Asia as part of our 5-point economic action plan. The purpose of my trip was to meet with key Asian leaders to reaffirm confidence in Hawaii's economy.

Countries throughout Asia are looking to the United States to reestablish financial stability around the world. I believe Hawaii's cultural diversity and level of familiarity and comfort of our Asian partners uniquely position the Aloha State to facilitate your Administration's efforts to attract foreign investment back to the United States. I would specifically like to offer my and my Cabinet's assistance in this effort.

I understand you will be returning to Hawaii for the holidays. Should your schedule permit, I would welcome the opportunity to meet with you to discuss these proposals further.

The opportunities before us are enormous and I look forward to working with you to take full advantage of them.

I wish you and your family peace and happiness during this holiday season.

Sincerely,



LINDA LINGLE

Attachment

Hawaii Public Housing Authority --Stimulus Request

Priority	Hawaii Public Housing Authority Modernization & Extraordinary Maintenance Federal Public Housing Needs with No Current Source of Funding	DESIGN TO BE COMPLETED	ESTIMATED CONSTRUCTION BUDGET
1	Kuhio Park Terrace, Honolulu, HI -- Sewerline Replacement for 614 Units and Renovation of 46 Units	March 2009	\$6,280,000
2	Kahekili Terrace, Maui, HI --Spalling and Roof Repairs, Solar Water Heating System Replacement, Weatherproofing/Painting -- 82 Units	January 2009	\$3,446,740
3	Makua Alii, Honolulu, HI -- Concrete and Structural Repairs to Elderly Highrise -- 221 Units	April 2009	\$6,677,556
4	Mayor Wright Homes, Honolulu, HI -- Roof Repairs and Replacement of Solar Water Heating System -- 364 Units	February 2009	\$7,528,571
5	Kalihi Valley Homes, Honolulu, HI - (Phase IV) Retaining Wall/Foundation Restoration, and Renovation -- 22 Units 3 Buildings	May 2009	\$6,136,400
6	Kaahumanu Homes, Mayor Wright Homes, Wahiawa Terrace, Kuhio Park Terrace and Kauliokalani, Oahu, HI - Roof Repairs -- 251 units	May 2009	\$2,446,072
7	Makani Kai Hale, Maui, HI - Upgrade Electrical Distribution System, Roof and Siding Repairs, Weatherproofing/Painting and ADA Renovations -- 24 units;	January 2009	\$2,218,003
	Total		\$34,733,342

Request to Legislature - 1st year (2008-09 Legislature)
 CIP APPROP. REQUEST FY2010-2011 BIENNIUM

Request to Legislature - 1st year (2008-09 Legislature)
 CIP APPROP. REQUEST FY2010-2011 BIENNIUM
 Total, yr 1
 B09 4xxK (D) B09 4xxK (C) Total yr 2
 B10 4xxK (D) B10 4xxK (C)

NOTE: ALL PROJECTS REQUESTED ARE IN PROGRESS

FUTURE PROJECTS (FUNDING APPROPRIATION TO BE REQUESTED) FY10-11		Cofund	Total, yr 1		Total yr 2	
			B09 4xxK (D)	B09 4xxK (C)	B10 4xxK (D)	B10 4xxK (C)
			500	7413	1000	9000
1	- Kuhio Park Terrace: Sewer Repair (Const)	Improve sewer system at high rise to eliminate sewage backup into 56 1st & 2nd floor units, and to repair the units. In design phase CMS 08-24		4500		5000
2	- Kekaha Ha'aheo Ph. 2 - Large Capacity Cesspool Conversions (Const)	Conversion of Large Capacity Cesspools to comply with EPA regs In design phase CMS 08-14	720	1513		
3	- Hale Aloha O'Puna ADA units & mod (Const)	Roofing improvements, asbestos abatement, ADA modifications, interior renovations, exterior repair and paint.		1400		
4	- Lanakila Homes Physical improvements (Design) - (Const)	Match HUD Development Funds, Develop Phase 3b		200		
5	- School St Bldg A Hazmat Abatement (design) (const)	Abate asbestos in Bldg A. Design to be procured (start in FY10)	CFP/RHF 3032.281	300		1600
6	- Ke Kumu Elua: Roofing & Interior Repairs	Repair roofs, exterior paint, interior paint. Includes Repairs of Earthquake Damage			130	1200
7	- Various Physical improvmts for Homeless (Const)	Site and Building Improvements for Exterior repairs at Nakolea and Weinberg Village, Waimanalo				200
8	- Hale Nana Kai O Kea Physical improv. (Design)	Site and Building Improvements for ADA accessibility, Exterior repairs and paint, Roof improvements, Window upgrades (Design FY11)			120	
9	- Salt Lake Apartments Bldg Improvements (Design)	Improve and renovate plumbing and electrical systems, kitchen and baths, and Hazmat abatement (Design FY11)			400	
10	- Hale Hoolulu Physical improvements (Design)	Site and Building Improvements for ADA accessibility, Exterior repairs and paint, Roof improvements, Emergency call system upgrades (Design FY11)			50	
11	- Puahala Homes I, II, III & IV Abatement and modernization (Design)	Lead based paint and asbestos abatement, kitchen and bath renovations, ADA modifications (Design FY11)			200	
12	- Piilani Homes Physical improvements (Design)	Site and Building Improvements for ADA accessibility, hazmat abatement, interior renovation, including kitchen and bath (Design FY11)			50	

RESULTS OF EVICTION REFERRALS

July 2007 – December 2008

MONTH	REFERRALS			RESULT OF EVICTION REFERRAL					Completed
	TOTAL	REASON FOR REFERRAL		Evict	Evict with Cond	10-day Cure	Dismiss	Continued	
		Rent	Other						
July 07	21	11	10	9	3	2	0	7	14
Aug 07	12	7	5	2	5	2	1	2	10
Sept 07	13	7	6	6	1	0	0	6	7
Oct 07	13	5	8	6	3	2	0	2	11
Nov 07	21	15	6	12	3	1	1	4	17
Dec 07	3	2	1	1	0	1	1	0	3
Jan 08	10	10	0	5	3	0	0	2	8
Feb 08	10	9	1	3	2	1	0	4	6
Mar 08	7	6	1	2	1	1	0	3	4
Apr 08	30	27	3	9	13	0	1	7	23
May 08	14	11	3	4	6	0	0	4	10
June 08	12	9	3	6	2	0	1	3	9
July 08	0	0	0	0	0	0	0	0	0
Aug 08	13	9	4	5	2	0	1	5	8
Sept 08	14	12	2	4	2	1	3	4	10
Oct 08	22	15	7	5	7	0	2	8	14
Nov 08	14	10	4	9	2	0	1	2	12
Dec 08	11	10	1	7	2	0	0	2	9
TOTALS	240	175	65	95	57	11	12	65	175

**Contract & Procurement Office
Monthly Status Report for December 2008**

Solicitations Issued in December 2008:

Solicitation No.	Project	Bid Opening/Proposal Deadline
RFI-HPB-2008-31	Provide tenant based rental assistance, short term rental assistance, permanent housing placement, and supportive services under the Housing Opportunities for Persons with AIDS (HOPWA) Program in the counties of Hawaii, Kauai and Maui.	January 23, 2009
RFI-HPB-2008-32	Provide shelter and supportive services to homeless individual and families under the Emergency Shelter Grant program in the counties of Hawaii, Kauai, and Maui.	January 23, 2009

Contracts Executed in December 2008:

Contract No.	Contractor & Project	Supp. Amount	Total Amount
ASO 07-02 Supp. Agreement No. 2	Emphasys Computer Solutions Maintenance of Emphasys system (Flex/Elite) January 1, 2009 to December 31, 2009	\$57,789.99	\$424,591.13
CMS 08-26 Supp. Agreement No. 2	Constructors Hawaii, Inc. Physical Improvements – Lanakila Homes December 11, 2008 to March 21, 2009	\$37,453.00	\$956,293.00
CMS 08-32 Supp. Agreement No. 1	Artistic Builders Corp. Repair 24 vacant units – Maui December 9, 2008 to February 7, 2009	\$32,416.64	\$427,327.11
CMS 08-38	Ameresco/Pacific Energy Energy Investment Grade Audit January 16, 2009 to July 16, 2009	n/a	\$151,436.00
CMS 08-09 Supp. Agreement No. 1	Koga Engineering & Construction Large Capacity Cesspool Conversion – Kaimalino December 17, 2008 to January 2, 2009	\$7,484.00	\$509,684.00
CMS -08-39	SSFMI International, Inc. Structural Investigation and repairs – Makua Alii December 18, 2008 to November 22, 2011	n/a	\$361,238.00
HPS 08-27	Catholic Charities Kawaihae Education & Employment Program February 1, 2008 to January 31, 2009	n/a	\$41,788.00
HPS 06-52 Supp. Agreement No. 2	Alternative Structures International dba Ohana Ola O Kahumana Construction of Community Center December 1, 2008 to November 30, 2009	No-cost Extension	\$2,100,000.00
HPS 08-28	Alternative Structures International dba Ohana Ola O Kahumana Provide services at various homeless shelters on the leeward coast October 1, 2008 to July 31, 2009	n/a	\$1,111,727.00

Status Reports:

1. Sale of Wilikina Apartments
 - a. The Dept of the Attorney General (AG) is finalizing the re-draft of the purchase and sales agreement with a targeted completion date of January 2009.
 - b. Upon completion of the draft purchase and sales agreement by the AG's, the HPHA will review and forward the agreement to the HPHA's real estate advisor, Alvarez & Marsal Real Estate Advisory Services (A&M) for review by the potential buyer.
 - c. Upon finalization of the purchase and sales agreement by the HPHA and potential buyer, the agreement will be executed.
 - d. The potential buyer will then proceed with obtaining the necessary financing for the purchase which may include bonds and tax credits.
 - e. Target date for completion of the sale has been revised to August 2009.
 - f. Staff shall continue to communicate with and monitor A&M's activities to avoid delay of the sale of the property.

2. Sale of Banyan Street Manor
 - a. Staff has completed its review of the draft Request For Proposal.
 - b. RFP issuance date – January 2009.
 - c. Staff will continue to communicate with and monitor A&M's activities to avoid any delay of the issuance of the RFP.

3. Sale of Vacant Parcel, Hana, Maui:
 - a. Hana Coast Realty has received inquiries from two interested parties.
 - b. Hana Coast Realty has recommended clearing of the parcel to increase the value of the parcel.
 - c. Staff will continue to communicate with Hana Coast Realty, the real estate broker for the sale of the vacant parcel in Hana.

Section 8 Subsidy Programs Branch
Program Report

As of December 31, 2008

Federal Housing Choice Voucher (Section 8) Program

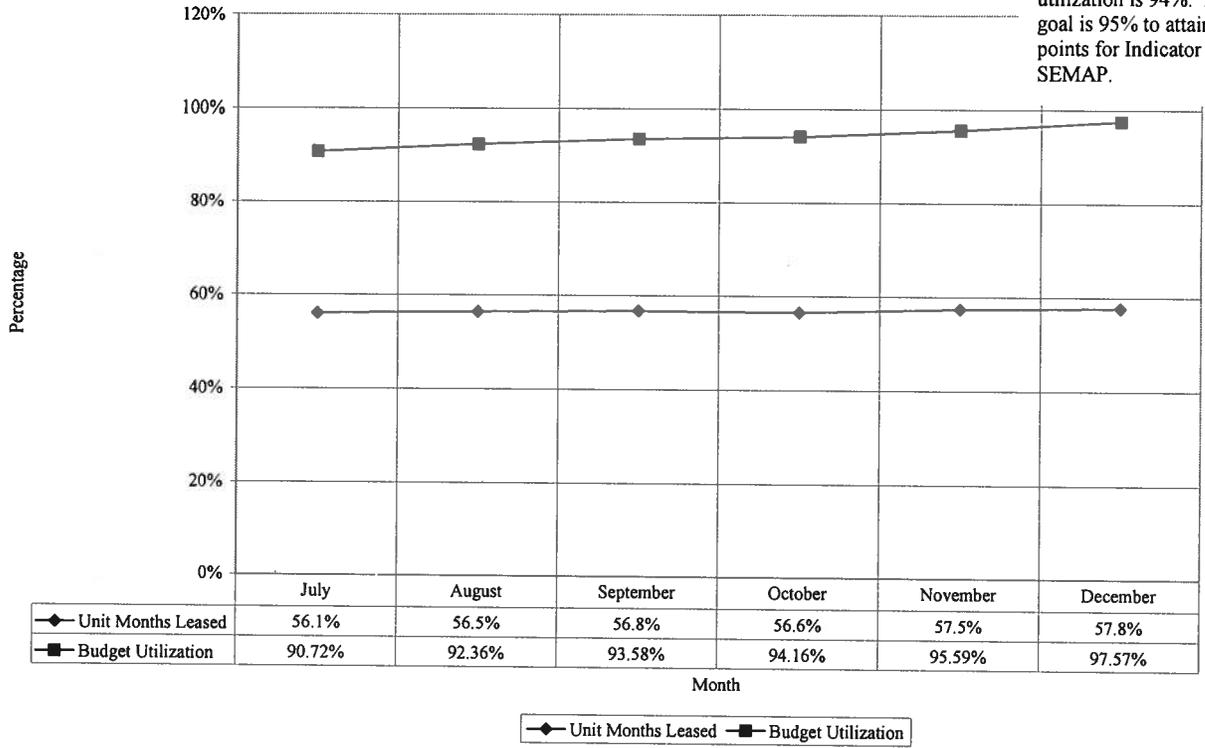
2009 Fiscal Year Report (Cumulative Trend)

- For FY 2009, unadjusted average monthly voucher lease up is 1,739 or 56.87% of the total 3,058 baseline vouchers.
- The Housing Assistance Payments (HAP) unadjusted average annual budget utilization is 94.0% of the total annual allocated budget of \$18,994,788 or \$1,582,899 per month.
- The monthly average per unit cost subsidy is \$855.00 per month. The amount reflects the difference between what the family pays towards rent and the approved payment standard. Payment standards vary among bedroom sizes.
- December 2008 subsidy payments show a 1.98% monthly increase in subsidy expenditures from the previous month and a .3% increase in voucher usage.
- 5 Housing Choice Vouchers were issued for December 2008, bringing total FY 2009 voucher issuances to 51.
- The values for previous reports may not be the same as currently reported due to retroactive adjustments in lease up and subsidy payments.
- The anticipated budget authority for January and February 2009 is \$1,499,441. The amount falls short of the average HAP expenses of \$1,528,712. The unspent HAP reserves for CY2008 of \$1,804,711 should be sufficient to cover FY 2009 HAP expenses.
- The anticipated prorated share of HAP budget authority has been calculated at 95% of the eligible allotment for CY 2009 as reported by the Department of Housing and Urban Development, Financial Management Center. However, the Branch will attempt to reach and maintain a 95% to 98% of the budget authority without exceeding 100% of the budget authority as Congress has yet to approve the CY 2009 budget.

Monthly Report (Monthly Snapshots)

FY 2009 Section 8 Budget Utilization and Unit Months Leased

Current average budget utilization is 94%. HPHA's goal is 95% to attain 15 points for Indicator 13 in SEMAP.

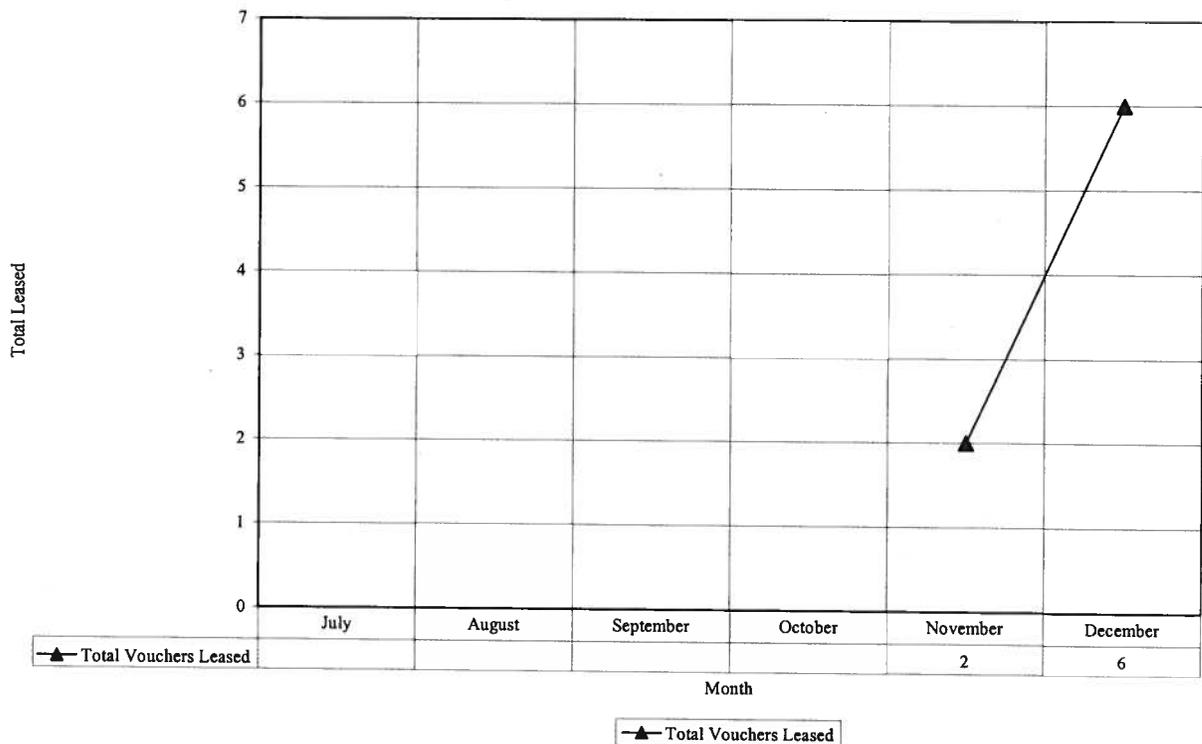


**Federal Housing Choice Voucher (Section 8) Program
Veterans Assisted Supportive Housing (VASH)**

- HPHA has been awarded 70 Veterans Affairs Supportive Housing Vouchers to assist Veterans with housing assistance.
- Eligible applicants under this program are referred to HPHA from Veteran Affairs.
- Veterans Affairs coordinator has referred 4 families for December 2008. The Branch issued 4 VASH vouchers and 5 veteran families were able to attain housing assistance. To date, a total of 6 veteran families are receiving VASH assistance. VA has another 10 veteran families on their pending list to refer to this Branch.

Monthly VASH Report (Monthly Snapshots)

FY 2009 VASH Vouchers



Federal Housing Choice Voucher (Section 8) Program
Quarterly Update of Section 8 Management Assessment Program (SEMAP)

The United States Department of Housing and Urban Development (HUD) established the Section 8 Management Program (SEMAP) to assess performance and delivery of the Section 8 Rental Assistance Program. SEMAP consists of 15 measurement indicators. Hawaii Public Housing Authority's (HPHA) performance for each indicator through December 31, 2008 and respective strategies to achieve maximum points are itemized below.

Indicator	Requirement	Max Score	07-08 Score	08-09 Anticipated Score	Status
1	Wait List Selection (>98% = 15)	15	15	15	Applicants are pulled from the Waiting List in compliance with the Hawaii Administrative Rules Chapter 15-185.
2	Reasonable Rent (>98% = 20; 80-97% = 15)	20	15	20	HPHA's rent comparable data base is updated on a real time basis and reasonable rent is done during lease-up and re-certification. Random audits will be performed to ensure full compliance. 78% files contain no errors. EmPHAsys (ECS) Elite contains a rent comparable module to assist the HQS inspectors when making this determination and improving on this indicator.
3	Adjusted Income (>90% = 20; 80-89% = 15)	20	15	20	Rent computations are formulated via ECS and backed up by manual calculations. This procedure is automated. Section 8 recipients' (S8R) file audits (10%) are conducted to ensure accuracy of the calculation. Current error rate is at 78%, however, the full quarter has not been reviewed as there is a time lag of two months to review tenant files.
4	Utility Allowance	5	5	5	All utility allowance schedules have been made current.
5	Housing Quality Standards (HQS) Control	5	5	5	Although all the required inspections have not been completed, each month based on initial inspections, 2% of the inspections are reviewed.
6	HQS Enforcement	10	0	10	An extremely small percentage of the units have life threatening deficiencies reported during the HQS inspections. The Housing Inspectors immediately call to inform the landlord of all the deficiencies (life threatening and non-life threatening). Furthermore, a copy of the report and corrective actions required is mailed shortly thereafter. The inspectors schedule a follow-up inspection to ensure compliance. Any deficiencies that have not been corrected within 15 days, the HQS clerk contacts the owner/landlord to ensure that corrections were made or not. If corrections not made after 30 days, the HAP will be abated.

Indicator	Requirement	Max Score	07-08 Score	08-09 Anticipated Score	Status
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7	Expand Housing Opportunities	Encourage landlord participation in minimal and poverty participating areas through outreach strategies	5	5	5	HPHA and the City & County of Honolulu, will co-sponsor a Landlord Outreach Seminar in 2009. The date has not been determined. These seminars are for landlords, property managers and service providers.
8	Fair Market Rent (FMR) Limit & Payment Standards	At least 98% of gross rents are less than or equal to current FMR or Payment Standard	5	5	5	HUD has issued a 2009 FMR update and HPHA has updated the payment standard equivalent to approximately 95% of the FMR. Exception is that for studio units, 100% of the FMR will be used to assist the elderly and disabled households. The intent is to assist families with overcoming high rent barriers.
9	Annual Re-examinations (<5% = 10; 5-10% = 5)	Complete annual recertification on time / less than 5% overdue	10	10	10	PIC SEMAP indicator shows 100% or number of families reported to be in compliance with annual re-certifications completed timely.
10	Tenant Rent Calculations	Calculations are done correctly / error rate of less than 2%	5	5	5	Monthly QC will determine whether tenant rent calculations are within the 2% error rate report.
11	Pre-contract HQS (<2%)	98% of units must pass HQS inspection before lease signed	5	5	5	QC audits will indicate whether a unit passed inspection before HAP payments are made.
12	Annual HQS Inspection	Each unit must be inspected annually / error rate of less than 2%	10	10	10	PIC Ad Hoc reports will determine whether unit inspected was completed with 12 months. QC audits will back up data.

Indicator	Requirement	Max Score	07-08 Score	08-09 Anticipated Score	Status
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13	Lease Up (>98% = 30; 95-97% = 15)	Maximize lease up and utilization of Section 8 budget allocation.	20	0	15	<p>As of 12/31/2008:</p> <p>Adjusted Voucher Lease-Up Analysis:</p> <p>Mainstream (175 / 175 or 100%)</p> <p>Section 8 (2,883 / 1,591 or 55.2%)</p> <p>VASH (70/6 or 8.6%)</p> <p>Lease-Up (3,128/1,772 or 56.6%)</p> <p>Budget Authority to date (\$10,445,990/\$9,497,394 or 94.0%)</p> <p>Improvement strategies</p> <ul style="list-style-type: none"> • Increase payment standard to 95% of FMR. This will increase S8R opportunity to find affordable housing. • Continue to mass contact applicants on wait list and to conduct mass orientations. • Exhaust the "homeless" preference applicants to reach lease in placed applicants. • HUD is operating under a Continuing Resolution at this time and is authorized to only spend at the FY 2008 levels and in accordance with the requirements of the FY 2008 Appropriations Act. The estimated eligibility for all PHA has been totaled and compared to funds available to determine a standard pro-ration, which has been applied to each PHA's eligibility; that pro-ration was approximately 95%. Based on this information, HPHA will receive \$87,440 less for the month of January and February 2009. Should the trend continue, the HCV program anticipates meeting indicator 13.
14	FSS (Oahu) (>80% & 30% escrow = 10; 60-79% & 30% escrow = 8; >80% & <30% escrow, or <60% & >30% escrow = 5; 60-79% & <60% escrow = 3)	Maximize enrollment up to budget allocation	10	8	8	The FSS coordinator has been receiving newly leased up referrals to increase the FSS program participants. It is anticipated to have 86 families under contract.
			145	103	138	
15	Deconcentration Bonus (Oahu)	Utilize Section 8 Vouchers to deconcentrate urban areas of poverty	5	5	0	PIC information not available. Points will be determined at the end of the FY 2009.
TOTAL SCORE PLUS BONUS POINTS			150	108	138	

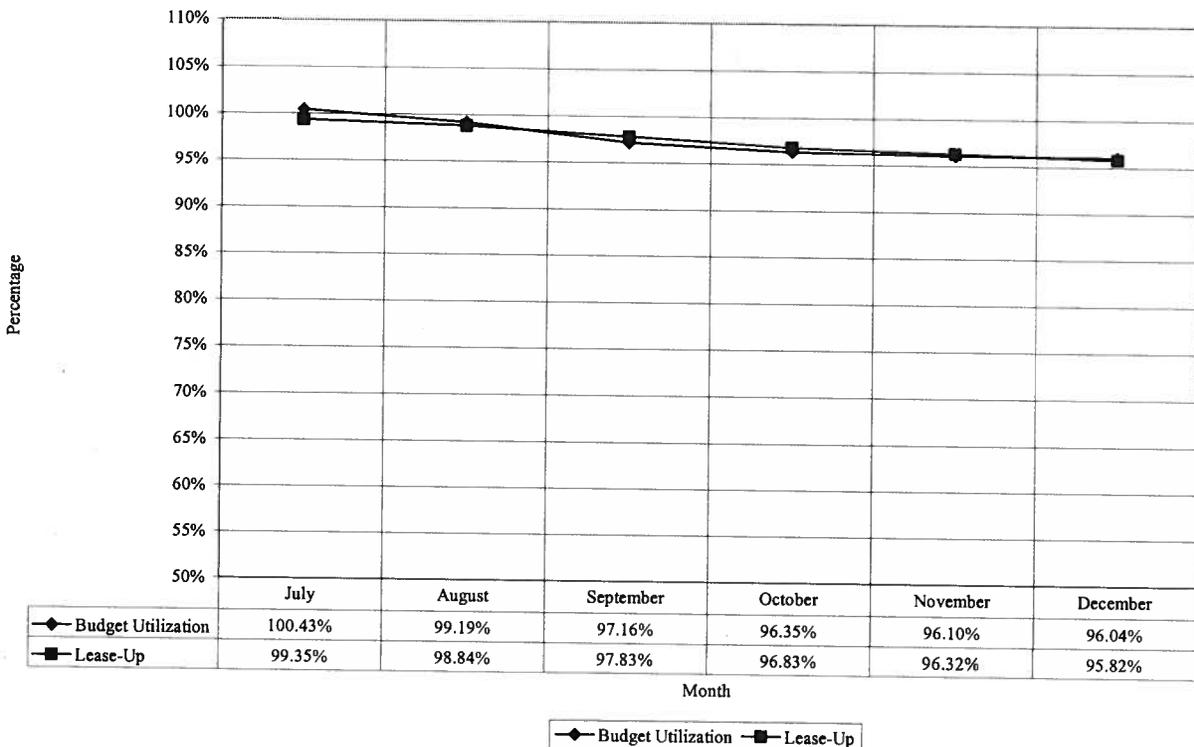
State Rent Supplement Program

2009 Fiscal Year Report (Cumulative Trend)

- For FY 2009, unadjusted average monthly lease up is 387 families or 97.54% of the total 396 possible families when based on the average subsidy payments.
- The Rent Supplement unadjusted average annual budget utilization is 97.54% of the total annual allocated budget of \$924,720 or \$77,060 per month.
- The monthly average per unit cost subsidy is \$194.00 per month. The amount reflects the difference between what the family pays towards rent and the maximum subsidy amount of \$230.00 per month.
- December 2008 Rent Supplement Subsidy payments show a .06% monthly decrease in from the previous month due to 2 families who left the program, which caused a reduction in the budget utilization.
- The program is expecting one family to complete their contract in late December or early January 2009.
- For FY 2010, the Department of Human Services anticipates elimination of 3 permanent general funded positions. Should personnel is loss due to elimination of these positions, the Branch would have to reduce the amount of eligible Rent Supplement assisted families to approximately 340 families.
- The values for previous reports may not be the same as the current reported due to retroactive adjustments in lease up and subsidy payments.

Monthly Report (Monthly Snapshots)

FY 2009 Rent Supplement Program Budget Utilization and Lease Up



HOMELESS PROGRAMS BRANCH
January 15, 2009

I. ACCOMPLISHMENTS

A. Shelter Management

	<u>Total Number of units:</u>	<u>Number of Vacant Units:</u>	<u>Wait List:</u>
1. Weinberg Village Waimanalo (Waimanalo, Oahu) Family Shelter	30	1	57 families
2. Nakolea (McCully, Oahu) Working singles	88	2	1 individual
3. Kulaokahua (Makiki, Oahu) Single homeless seniors	29	0	36 families
4. Next Step Shelter (Kakaako, Oahu) Emergency shelter for singles & families	175	0	n/a
Next Step – Puahala	14	0	n/a
5. Onelau'ena (Kalaeloa, Oahu) Emergency shelter for singles/families	64 family/2 dorms	3 single beds/ 2 units	89 singles/ 36 families
6. Onemalu (Kalaeloa, Oahu) Transitional shelter for singles/families	44	4	108 families
7. Hale Ulu Pono (Kalaeloa, Oahu) Homeless mentally ill singles	72	6 beds	24
8. Paiolu Kaiaulu (Leeward Oahu) Emergency shelter for singles and families	125	6 singles	n/a
9. Kumuhonua (Kalaeloa, Oahu) Transitional shelter for adult familes Currently taking applications	69		
10. Ulu Ke Kukui (Leeward Oahu) Transitional shelter for families Currently taking applications	80		

B. Program Administration – (Stipend, Outreach and Grants Program)

1. Dedication and blessing of Kumuhonua and Ulu Ke Kukui was held on December 17, 2008. Governor Linda Lingle and Comptroller Russ Saito were special guest speakers at both events.
2. Lease documents for both Ulu Ke Kukui and Kumuhonua were completed and signed.

C. Federal Programs

1. Working with the three rural counties to produce a draft of the New Five Year Consolidated Plan for the years 2010 to 2014. The first draft must be completed by January 2009.
2. Coordinating with the four counties to execute the bi-annual statewide homeless point-in-time count for the last week of January 2009. Cleaning up the shelter data in HMIS and training outreach staff on all islands in preparation for the count.
3. Initiating the Request for Information and application forms for Emergency Shelter Grants and Housing Opportunities for Person with AIDS.

**DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY (HPHA)
STAFFING REPORT
As of January 5, 2009**

Branch	Section	Total Full Time Positions			%			Active Recruitment	
		Civil Svc	Exempt	Total	Occupied	Vacant	Vacant	Yes	No
Office of the Executive Director		5	3	8	8	0	0.00%	0	0
		5	3	8	8	0	0.00%	0	0
Planning and Evaluation Office		1	2	3	1	2	66.67%	0	2
		1	2	3	1	2	66.67%	0	2
Compliance Office		1	3	4	2	2	50.00%	1	1
		1	3	4	2	2	50.00%	1	1
Housing Information Office		0	2	2	1	1	50.00%	0	1
		0	2	2	1	1	50.00%	0	1
Hearings Office		1	2	3	3	0	0.00%	0	0
		1	2	3	3	0	0.00%	0	0
Fiscal Management Office	FM Office	4	0	4	2	2	50.00%	0	2
	Acctg Sec	10	0	10	6	4	40.00%	0	4
	Pay & Disb	4	0	4	4	0	0.00%	0	0
	Budget	1	1	2	2	0	0.00%	0	0
	Asset Mgt	1	0	1	0	1	100.00%	0	1
		20	1	21	14	7	33.33%	0	7
Information Technology		1	5	6	3	3	50.00%	0	3
		1	5	6	3	3	50.00%	0	3
Personnel Office		4	1	5	4	1	20.00%	0	1
		4	1	5	4	1	20.00%	0	1
Procurement Office		5	4	9	5	4	44.44%	1	3
		5	4	9	5	4	44.44%	1	3
Construction Mgt. Branch		2	0	2	1	1	50.00%	1	0
	CMS	3	0	3	2	1	33.33%	1	0
	CMS 1	2	7	9	5	4	44.44%	0	4
	CMS 2	4	3	7	6	1	14.29%	0	1
	DSS	1	2	3	2	1	33.33%	0	1
		12	12	24	16	8	33.33%	2	6
Homeless Branch	Homeless	1	10	11	10	1	9.09%	1	0
		1	10	11	10	1	9.09%	1	0
Section 8 Branch	Sec 8 Office	2	0	2	2	0	0.00%	0	0
	Insp Unit	1	7	8	6	2	25.00%	0	2
	Rent Sub Sec 1	14	0	14	10	4	28.57%	0	4
	Rent Sub Sec 2	13	0	13	6	7	53.85%	0	7
		30	7	37	24	13	35.14%	0	13
Property Management & Maint. Services Branch	PMMSB	3	2	5	1	4	80.00%	1	3
	MGT SEC	2	0	2	2	0	0.00%	0	0
	APP	7	0	7	5	2	28.57%	1	1
	RSS	3	8	11	7	4	36.36%	0	4
	PMCS	2	5	7	4	3	42.86%	0	3
	CMSS	23	0	23	19	4	17.39%	0	4
	OAHU 1	25	0	25	20	5	20.00%	1	4
	OAHU 2	28	0	28	21	7	25.00%	2	5
	OAHU 3	35	0	35	29	6	17.14%	3	3
	OAHU 4	27	0	27	21	6	22.22%	4	2
	OAHU 5	30	0	30	21	9	30.00%	3	6
	HAWAII 7	16	0	16	14	2	12.50%	1	1
	KAUAI 8	10	0	10	8	2	20.00%	2	0
MAUI 9	13	0	13	10	3	23.08%	1	2	
	224	15	239	182	57	23.85%	19	38	
TOTAL		305	67	372	273	99	26.61%	24	75

HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES
January 05, 2009

Pos. No.	CS EX TA	Funding Source	Type of Pos. P/T	Authorized Position Title	SR	Status
COMPLIANCE OFFICE						
103020	EX	N	T	Chief Compliance Officer	SRNA	Advertised on HPHA website and SHRM.
41041	CS	W	P	Secretary I	SR12	No action; cost savings.
FISCAL MANAGEMENT OFFICE						
41253	CS	N	P	Secretary II	SR14	No action; cost savings.
98903K	CS	N	P	Office Assistant III	SR08	No action; cost savings.
ACCOUNTING SECTION						
41252	CS	N	P	Accountant IV	SR22	No action; cost savings.
46278	CS	W	P	Accountant II	SR18	Unable to fill; state funded.
22265	CS	W	P	Account Clerk III	SR11	Unable to fill; state funded.
111496	CS	N	P	Accountant III	SR20	No action; cost savings.
ASSET MANAGEMENT STAFF						
96908K	T	N	P	Office Assistant III	SR10	No action; cost savings.
HEARINGS OFFICE						
100913	EX	N	T	Hearings Officer	SRNA	89day appt.
HOUSING INFORMATION OFFICE						
102041	EX	W	T	Housing Information Officer	SRNA	No action; cost savings.
PROCUREMENT OFFICE						
117691	EX	N	T	Contract Specialist	SRNA	No action; cost savings.
100882	EX	N	T	Contracts & Procurement Officer	SRNA	HPHA staff temporarily assigned.
31664	CS	W	P	Procurement & Supply Specialist II	SR20	No action; cost savings.
96903K	CS	N	P	Office Assistant II	SR10	No action; cost savings.
CONSTRUCTION MGMT BRANCH						
25649	CS	N	P	State Housing Dev Administrator	EM07	Received eligilbe listing; pending interviews.
2800	CS	W	P	Secretary II	SR14	No action; cost savings.
102205	SH	N	T	Student Helper II	NA	No action; cost savings.
CONSTRUCTION MGMT SECTION						
5857	CS	N	P	Secretary II	SR14	No action; cost savings.
CONSTRUCTION MGMT UNIT 1						
103024	EX	N	T	Contract Administrator	SRNA	No action; cost savings.
100439	EX	W	T	Housing Warranty & Inspection Asst.	SRNA	State funded unable to fill.
100202	EX	W	T	Project Engineer	SRNA	State funded unable to fill.
102383	EX	N	T	Project Engineer	SR26	No action; cost savings.
CONSTRUCTION MGMT UNIT 2						
102676	EX	W	T	Engineer (Building) IV	SRNA	State funded unable to fill.
DEVELOPMENT SUPPORT SECTION						

HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES
January 05, 2009

Pos. No.	CS EX TA	Funding Source	Type of Pos. P/T	Authorized Position Title	SR	Status
100886	EX	W	T	Housing Development Specialist I	SRNA	State funded unable to fill.
HOMELESS PROGRAM BRANCH (HPB)						
103011	EX	A	P	Homeless Program Specialist	SRNA	Continuous recruitment.
INFORMATION TECHNOLOGY OFFICE						
51820	CS	N	T	Office Assistant III	SR08	No action cost savings.
100388	EX	N	T	HPHA Systems Analyst	99	No action cost savings.
106429	EX	N	T	HPHA Systems Analyst	99	No action cost savings.
PERSONNEL OFFICE						
51784	CS	N	T	Office Assistant III	SR08	No action; cost savings.
PLANNING AND EVALUATION OFFICE						
107934	EX	N	T	Housing Planner	SRNA	No action; cost savings.
98902K	EX	N	P	Office Assistant III	SR 10	No action; cost savings.
PROPERTY MANAGEMENT AND MAINTENANCE SERVICES BRANCH						
101072	CS	N	T	Public Hsg Mgr VII	SRNA	Pending recommendation.
96904K	EX	N	T	Hsg Maintenance Manager	SR26	No action; cost savings.
96905K	CS	N	T	Secretary II	SR14	No action; cost savings.
32210	CS	W	P	Office Assistant III	SR08	No action; cost savings.
CENTRAL MAINTENANCE SERVICES						
5968	CS	N	P	Welder I	BC10	No action; cost savings.
5647	CS	A	P	Office Assistant IV	SR10	State funded unable to fill.
8756	CS	N	P	Bldg Maint Wkr I	BC09	No action; cost savings.
PMMSB-MS-APPLICATION SERVICES UNIT						
9648	CS	N	P	Public Hsg Spclt II	SR18	Pending eligible listing from DHS.
117850	CS	N	T	Public Hsg Spclt II	SR18	Pending request from PMMSB
Asset Management Project 30 (MU 1)						
5636	CS	N	P	Public Housing Spclt II	SR18	No action; cost savings.
6171	CS	N	P	Account Clerk II	SR08	No action; cost savings.
42292	CS	N	P	Social Service Asst IV	SR11	selection made; pending start date.
6791	CS	N	P	General Laborer II	BC03	No action; cost savings.
4940	CS	N	P	General Laborer I	BC02	Employee retired 12/31/08.
105749	TA	N	T	Social Service Aide I	SRNA	No action; cost savings.
105756	TA	N	T	General Laborer I	SRNA	No action; cost savings.
Asset Management Project 31 (MU 2)						
5855	CS	W	P	Secretary I	SR12	Stated funded unable to recruit.
30242	CS	N	P	Office Assistant III	SR08	Pending request to fill and updated position description from manager.
11626	CS	N	P	Building Maintenance Worker II	WS09	Pending interview date.
10879	CS	N	P	Building Maint. Worker I	BC09	No action; cost savings.
4939	CS	N	P	General Laborer II	BC03	No action; cost savings.
32407	CS	N	P	General Laborer I	BC02	No action; cost savings.

HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES
January 05, 2009

Pos. No.	CS EX TA	Funding Source	Type of Pos. P/T	Authorized Position Title	SR	Status
6642	CS	N	P	Truck Driver	BC06	No action; cost savings.
105752	TA	N	T	Janitor II	BC02	No action; cost savings.
101119	TA	N	T	General Laborer I	BC02	No action; cost savings.
101137	TA	N	T	Janitor II	BC02	No action; cost savings.
101128	TA	N	T	Social Services Aide I	SRNA	No action; cost savings.
Asset Management Project 32/33 (MU 3)						
5035	CS	N	P	Public Housing Svvr IV	SR22	Pending request to fill from PMMSB.
9619	CS	N	P	Secretary I	SR12	Ee retired 12/30/08.
6286	CS	N	P	Public Housing Specialist II	SR18	No action; cost savings.
46195	CS	N	P	Social Service Asst IV	SR11	Pending request to fill from PMMSB.
8834	CS	N	P	Bldg Maint Wkr I	BC09	No Action; cost savings.
10541	CS	N	P	Bldg Maint Wkr I	BC09	No action; cost savings.
101126	TA	N	T	Social Service Aide I	SRNA	No action; cost savings.
Asset Management Project 34 (MU4)						
6693	CS	W	P	Public Hsg Spvr IV	SR22	State funded unable to fill.
23696	CS	W	P	Public Hsg Spclt II	SR18	State funded unable to fill.
6728	CS	N	P	Building Maint Wkr I	BC09	Start date 1/16/09.
6792	CS	W	P	Building Maint. Helper	BC05	State funded unable to fill.
8842	CS	N	P	Painter I	BC09	Pending eligible listing from DHS.
12703	CS	N	P	General Laborer I	BC03	Interviews completed; pending recommendation.
101127	TA	N	T	Social Service Aide I	SRNA	No action; cost savings.
119175	CS	N	T	Building Maint. Wkr I	BC09	Interviews scheduled for 1/12/09.
Asset Management Project 35 (MU 5)						
41238	CS	N	P	Bldg. Maint. Wkr II	WS09	Employee retired 12/31/08.
23574	CS	N	P	Bldg. Maint Wkr I	BC09	Pending request to fill from Manager.
5640	CS	N	P	Bldg. Maint Wkr I	BC09	No action; cost savings.
10866	CS	N	P	Bldg. Maint Wkr I	BC09	No action; cost savings.
43948	CS	N	P	General Laborer II	BC03	No action; cost savings.
15486	CS	N	P	General Laborer I	BC02	No action; cost savings.
23698	CS	W	P	Public Hsg Spclt I	SR16	State funded unable to fill.
41666	CS	N	P	Public Hsg Spclt II	SR18	Employee promoted to PHS IV (AMP 35)
8846	CS	N	P	Bldg. Maint. Wkr I	BC09	No action; cost savings.
101115	TA	N	T	General Laborer I	SRNA	No action; cost savings.
Asset Management Project 37 (MU 7)						
6931	CS	N	P	Bldg. Maint. Supervisor	F109	Pending Start Date
8719	CS	N	P	Secretary I	SR12	No action; cost savings.
28995	CS	N	T	Public Housing Specialist I	SR16	No action; cost savings.
101123	TA	N	T	Social Services Aide I	SRNA	Start date 1/2/09
119121	CS	N	T	Building Maint Worker I	BC09	Interviews completed non-selection.
Asset Management Project 38 (MU 8)						
8830	CS	N	P	Secretary I	SR12	Interview completed; pending hire date.
41349	CS	N	P	Public Housing Supervisor III	SR20	Pending request to fill from mgr.
102241	TA	N	T	General Laborer I	SRNA	No action; cost savings.

HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES
January 05, 2009

Pos. No.	CS EX TA	Funding Source	Type of Pos. P/T	Authorized Position Title	SR	Status
102242	TA	N	T	General Laborer I	SRNA	No action; cost savings.
Asset Management Project 39 (MU 9)						
23050	CS	N	P	Public Hsg Spvr III	SR20	No action; cost savings.
6352	CS	N	P	Secretary I	SR12	No action; cost savings.
4938	CS	N	P	Bldg. Maint. Wkr I	BC09	IVA posted by 12/28/08/closes 01/07/09.
101121	TA	N	T	General Laborer I	SRNA	No action; cost savings.
101122	TA	N	T	General Laborer I	SRNA	No action; cost savings.
101134	TA	N	T	Clerk I	SR04	No action; cost savings.
105750	TA	N	T	General Laborer I	SRNA	No action; cost savings.
PRIVATE MANAGEMENT CONTRACTS SECTION (PMCS)						
102048	EX	W	P	Property Management Specialist	SR22	No action; cost savings.
42096	CS	W	P	Secretary I	SR12	State funded unable to fill.
96903K	EX	N	T	Office Assistant III	SRNA	No action; cost savings.
RESIDENT SERVICES SECTION						
41254	CS	N	T	Secretary I	SR12	No action; cost savings.
51818	CS	N	T	Office Assistant III	SR08	No action; cost savings.
103036	EX	N	T	Resident Services Pgm Specialist	99	No action; cost savings.
111874	EX	N	T	Resident Services Pgm Specialist	99	No action; cost savings.
103043	TA	N	T	Social Service Aide I	SR05	No action; cost savings.
SECTION 8 - INSPECTION UNIT						
101214	EX	N	T	Lead Housing Inspector	99	No action; cost savings.
100572	EX	N	T	Housing Inspector	SRNA	No action; cost savings.
101130	TA	N	T	Office Assistant II	SR04	No action; cost savings.
RENT SUBSIDY SECTION 1						
29009	CS	N	P	Office Assistant III	SR08	No action; cost savings.
23029	CS	N	P	Public Hsg Spclt II	SR18	No action; cost savings.
28657	CS	A	P	Public Hsg Spclt II	SR18	No action; cost savings.
46983	CS	A	P	Public Hsg Spclt II	SR18	No action; cost savings.
14977	CS	N	P	Office Assistant III	SR08	No action; cost savings.
RENT SUBSIDY SECTION 2						
28654	CS	N	T	Office Assistant III	SR08	No action; cost savings.
35416	CS	N	T	Public Hsg Spclt II	SR18	No action; cost savings.
23103	CS	A	P	Public Hsg Spclt II	SR18	No action; cost savings.
111465	CS	N	T	Public Hsg Spclt II	SR18	No action; cost savings.
111467	CS	N	T	Public Hsg Spclt II	SR18	No action; cost savings.
111468	CS	N	T	Public Hsg Spclt II	SR18	No action; cost savings.
111469	CS	N	T	Public Hsg Spclt II	SR18	No action; cost savings.
101132	TA	N	T	Office Assistant II	SRNA	No action; cost savings.

FOR INFORMATION

SUBJECT: Discussion on Transitioning All Public Housing Projects on Kauai From Private Management to State Management

I. FACTS

- A. West Kauai has been privately managed by private management contractors since 1994 when the Hawaii Housing Authority made an effort to reduce the number of units within the state managed area for greater efficiency and manageability due to the extensive relocation and construction work that resulted from Hurricane Iniki. It also allowed the agency to introduce new management concepts and ideas from the private sector.
- B. In 2006, HUD required conversion of all projects to Asset Management Projects (AMP). The island of Kauai is currently made up of two management units, East Kauai with 6 projects (1 state funded) for a total of 166 units and West Kauai with 5 federal projects and a total of 181 units. Due to the total number of units and private management cost, it was determined that it would be cost effective to have AMP38 managed by State employees, rather than contracted out.

II. DISCUSSION

- A. It was intended that the State would take over the management of West Kauai in 2007, however, the staffing for the area was not completed in time and a short term contract was issued. The private management companies were informed that the basis for the short term contract was to allow time to transition back to State managed operations.
- B. Management, Inc. is the current contractor and their contract will expire on June 30, 2009. The current annual contract cost for salaries, benefits, insurance and management fees are \$454,368.36.
- C. The proposed staffing to be added to the AMP would include the following positions and the estimated cost is \$340,667.

Additional Positions:

- 1) Deputy Manager
- 2) Public Housing Specialist II
- 3) Building Maintenance Worker I
- 4) Building Maintenance Worker I
- 5) Building Maintenance Helper
- 6) General Laborer

Attachments: Attachment A – Contractor Price Proposal
Attachment B – AMP 38 Proposed Additional Staffing

Prepared by: Sandra Kouchi, AMP 38 Manager and Glori Inafuku, Housing Compliance and Evaluation Specialist 

Reviewed by: Stephanie L. Fo, Acting Property Management and Maintenance Services Branch Chief 

Contract No. PMB 08-03
Supplemental No. 1
Property Management and Maintenance Services - MU 41
Price Proposal

Exhibit A - Amended Budget

	Management Fee - Price Proposal	
	July 1, 2008	June 30, 2009
	Monthly	Annual
Administrative Salaries:		
Manager	\$ 4,300.00	\$ 51,600.00
Housing Specialist	\$ -	\$ -
Clerk	\$ 2,400.00	\$ 28,800.00
Total Admin. Salaries	\$ 6,700.00	\$ 80,400.00
Admin. Payroll Taxes	\$ 830.80	\$ 9,969.60
Total Admin. Expenses	\$ 7,530.80	\$ 90,369.60
Maintenance Salaries:		
Working Foreman	\$ 3,939.00	\$ 47,268.00
Maintenance Worker II	\$ 3,712.00	\$ 44,544.00
Maintenance Worker II	\$ 3,080.00	\$ 36,960.00
General Laborer	\$ 2,769.00	\$ 33,228.00
Total Maint. Salaries	\$ 13,500.00	\$ 162,000.00
Maint. Payroll Taxes	\$ 1,674.00	\$ 20,088.00
Total Maint. Expenses	\$ 15,174.00	\$ 182,088.00
Admin./Maint. Benefits		
Payroll Medicare	\$ 322.00	\$ 3,864.00
Medical Insurance	\$ 3,150.00	\$ 37,800.00
TDI	\$ 167.00	\$ 2,004.00
Workers Comp Insurance	\$ 1,671.00	\$ 20,052.00
Total Admin./Maint. Benefits	\$ 5,310.00	\$ 63,720.00
Management Fee	\$ 8,910.23	\$ 106,922.76
Liability Insurance	\$ 319.00	\$ 3,828.00
Auto Insurance	\$ 225.00	\$ 2,700.00
Total Management Fee	\$ 9,454.23	\$ 113,450.76
Additional Expenses (Negotiated w/HPHA)		
Travel	\$ 250.00	\$ 1,500.00
Office Supplies	\$ 270.00	\$ 3,240.00
Total Additional Expenses	\$ 520.00	\$ 4,740.00
TOTAL PRICE PROPOSAL	\$ 37,989.03	\$ 454,368.36

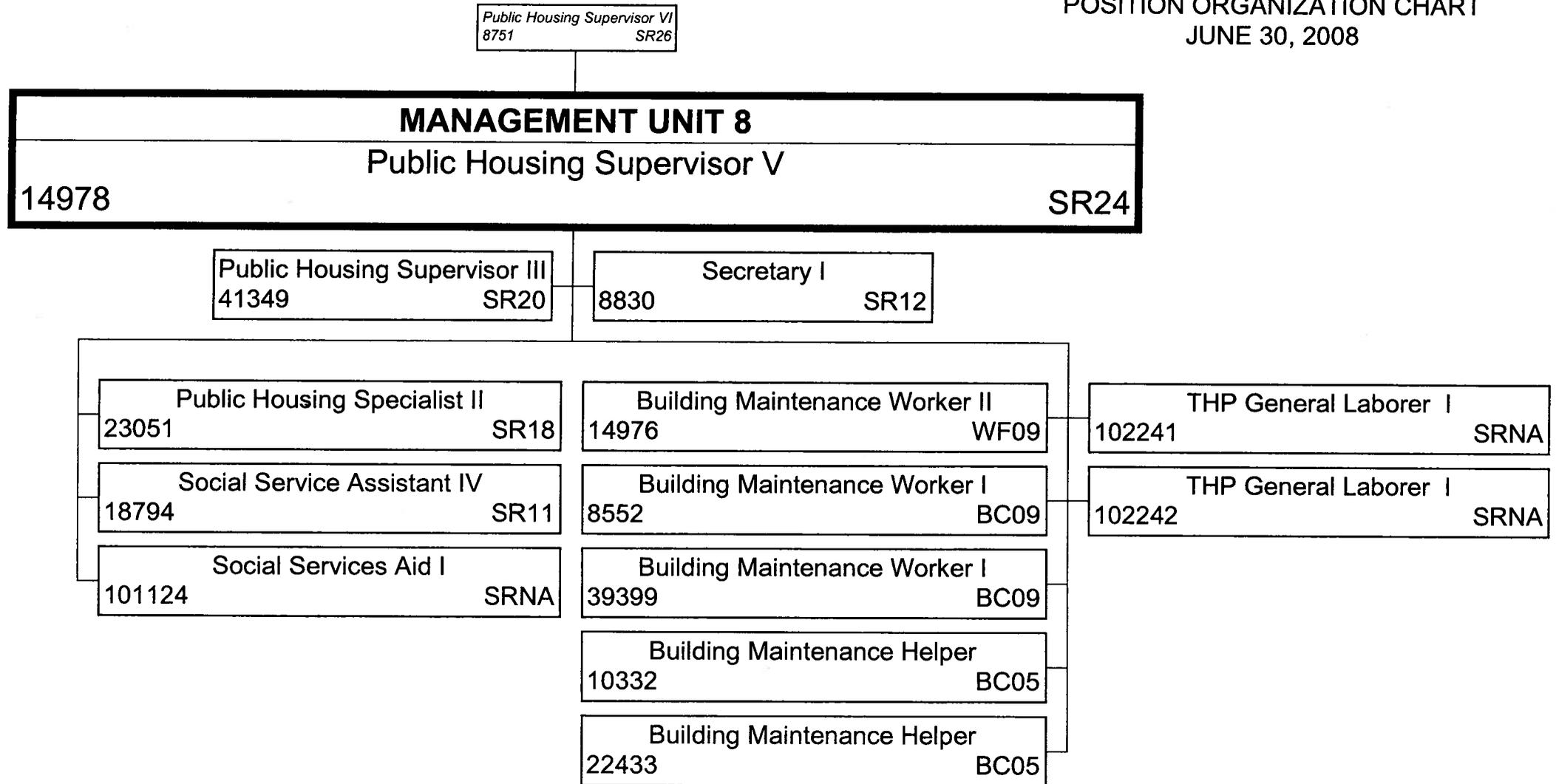
Exhibit A - Amended Budget

**Asset Management Project 38 Staffing
Additional Staffing**

Position	Position Title	Status	Location	New Position Title	Salary + Fringe Benefits
96905K	Secretary I	T	PMMSB	Public Hsg Specialist IV	\$ 64,262.16
96903K	Office Assistant	T	PMMSB/Contracts Section	Public Hsg Specialist II	\$ 54,973.08
8756	Building Maint. Worker I	P	Central Maint.	Building Maint. Worker I	\$ 61,791.84
17576	Building Maint. Worker I	P	Central Maint.	Building Maint. Worker I	\$ 61,791.84
15486	General Laborer I	P	AMP 35	No redescription	\$ 46,326.96
10541	Building Maint. Worker I	P	AMP 32/33	Building Maint. Helper	\$ 51,521.40
Total:					\$340,667.28

STATE OF HAWAII
 DEPARTMENT OF HUMAN SERVICES
 HAWAII PUBLIC HOUSING AUTHORITY
 PROPERTY MANAGEMENT & MAINTENANCE SERVICES BRANCH
 MANAGEMENT SECTION
 MANAGEMENT UNIT 8

POSITION ORGANIZATION CHART
 JUNE 30, 2008



FOR INFORMATION

SUBJECT: Process for Performance Monitoring and Appraisals of Asset Management Project (AMP) Managers

I. FACTS

- A. The Property Management and Maintenance Services Branch (PMMSB) is required to conduct performance appraisals for all staff. All of the AMP Managers have their performance monitored under the State's Performance Appraisal System (PAS) as required by the Department of Human Resources Development.
- B. Section 76-41, Hawaii Revised Statutes states that the purpose of the PAS is to evaluate the performance of employees in the civil service system and to improve employee performance. The PAS is not a tool to discipline employees for misconduct or willful violation of agency policy.
- C. In addition, the PMMSB monitors an AMP's progress towards meeting agency goals and compliance with federal and State requirements through monthly desk and site monitoring reviews.

II. DISCUSSION

A. HPHA Performance Appraisals

All AMP Managers are required to meet with the Property Management and Maintenance Services Branch Chief (or appropriate supervisor) regarding their performance appraisal.

1. New hires are put on a 6 month probationary period.
2. Once a new hire completes the 6 month probationary period, the PAS is done on an annual basis.
3. Goals and expectations are discussed with employees at the beginning of the rating period.
4. Throughout the rating period, supervisors monitor their staff's performance and any substandard performance is documented. Supervisors are required to provide coaching and training with the goal of improving performance. Continued monitoring occurs during this evaluation period.
5. Supervisors must continue on-going communication, and provide feedback on an employee's performance, including recognition for performance that exceeds expectations.

Included in Attachment A is the PAS overview and employee performance appraisal form.

B. Substandard Improvement Plan

1. After discussing with an employee his/her failure to perform and substandard performance continues, the HPHA must issue the employee a written "Notice to Improve Performance" memo. The employee is provided a reasonable period of time to improve (up to 3 months) to bring performance to a satisfactory level. Extensions to the improvement period may be given at the discretion of the HPHA.

2. If an employee fails to improve, the HPHA has three options: 1) demotion; 2) transfer; or 3) termination. Termination is usually used as the last option and the HPHA must demonstrate that the feasibility of transferring or demoting an employee to another position for which the employee qualifies was considered prior to termination.

C. Monitoring of Program Goals

1. The PMMSB has established objectives for each AMP. AMP monitors conduct desk and site visit reviews on a monthly basis to evaluate an AMP's progress. If deficiencies are identified by the AMP monitors, the AMP staff are required to implement corrective actions and report back to the AMP monitors. Attachment B is the monthly monitoring report form.
2. In addition, the PMMSB works with staff from the U.S. Department of Housing and Urban Development (HUD) who also conduct regular desk and site monitoring. By doing regular monitoring, HUD is able to immediately identify compliance issues which require corrective action and training.
3. The AMP facilities are also inspected on an annual basis by an independent party contracted by HUD to review HPHA's facilities, exterior grounds, and major systems. Known as REAC (Real Estate Assessment Center) inspections, AMPs are rated on a numeric rating system. A score of less than 60 (out of a possible 100) means that an AMP has failed the inspection.

D. Contract Administration

1. AMPs operated under a private management contract are monitored on a monthly basis using the same objectives as established for State managed properties. Attachment C is the monitoring report form for the privately managed AMPs.
2. Private management agents are not evaluated using the State's Performance Appraisal System.

E. Trainings for Managers

1. During the December 18, 2008 meeting, the Board was provided a copy of training classes that the AMP Managers attended.
2. Future training includes:
 - a. Scheduled

Communication Skills - Train the Trainer January 13, 2009. The training will be held from 8:15 a.m. to 12:00 noon.

PIH EIV System & Security Awareness Training, February 11-12, 2009.

"Unlawful Harassment in Employment: A Briefing for Supervisors" January 13 or February 17, 2009

b. Planned

Monday Morning Leadership	-	DHRD
7 Habits of Effective Managers	-	DHRD
Exploring Behavioral Styles	-	DHRD
Workplace Violence	-	DHRD
Improving Communication	-	DHRD
Unlawful Sexual Harassment	-	DOH
Workplace Investigation 101	-	DHRD
Handling Difficult Interactions	-	DHRD
Mediation Skills	-	DHRD
Beyond Basic Facilitation	-	DHRD

Attachments:

- Attachment A - Employee Performance Appraisal
- Attachment B - Monthly AMP Review Form
- Attachment C - HPHA Property Management and Maintenance Services Branch
AMP Monthly Monitoring Report

Prepared by: Stephanie L. Fo, Acting Property Management and Maintenance Services
Branch Chief SF



State of Hawai'i
EMPLOYEE PERFORMANCE APPRAISAL

HRD 526 (Rev. 9/05)

Section #1

Name of Employee		Position Title	
XXX-XX-			
Social Security No.	Position No.	Salary Range/Step	Bargaining Unit
HUMAN SERVICES			
Department		Division/Branch	

Section #2 **PERFORMANCE APPRAISAL CATEGORIES & EXPECTATIONS**
(Complete this section by the beginning of the rating period.)

a. Goals/Projects: List any specific goals/projects, unless noted on other documents, to be accomplished during this rating period.

Supervisor's Signature _____ Date _____

b. Supervisor's discussion with employee: My current job description, job related performance requirements, and the Performance Appraisal System process have been discussed with me. I received a copy of the PAS Summary for Employees.

Employee's Signature _____ Date _____

Section #3 **OVERALL RATING**
(Complete at the end of the appraisal period)

Appraisal: Initial Prob New Prob Annual Partial Annual

Appraisal Period: From: _____ To: _____

Exceeds Expectations
 Meets Expectations
 Does Not Meet Expectations

Section #4 **SIGNATURES UPON COMPLETION OF PERFORMANCE APPRAISAL**

<p>Employee's Acknowledgement/Comments:</p> <p>My performance for the rating period has been discussed with me. I understand that I may rebut this rating by attaching my comments.</p> <p>My signature does not necessarily mean agreement.</p> <p>(Check if comments attached.) <input type="checkbox"/></p> <hr/> <p>Employee's Signature _____ Date _____</p>	<p>Supervisor's Certification:</p> <p>This rating was discussed with the employee on the following date:</p> <hr/> <p>Supervisor's Signature _____ Date _____</p> <p>Signature of Reviewing Officer _____ Date _____</p> <p>Signature of Appointing Authority _____ Date _____</p>
---	--

**SUMMARY INSTRUCTIONS FOR COMPLETING THE
EMPLOYEE PERFORMANCE APPRAISAL FORMS, HRD 526, 527, 528, and 529**
(Refer to Performance Appraisal System Supervisory Manual, Revised July 2001, for more detailed information)

Section #1: • Review preprinted information for errors. Check with your Departmental Personnel Office before changing/adding information.

Section #2: *Phase I - Performance Planning, Communication of Performance Expectations/Requirements, and Goals/Projects*

- List any special goals/projects (related to employee's class of work), unless noted on other documents, to be completed during the rating period. If additional goals/projects are set during the rating period or original goals/projects are changed, discuss them with your employee at the time.
- Additional categories (i.e., "Optional" categories) may be selected if they apply to the employee's position by placing a checkmark (✓) in the appropriate boxes before meeting with the employee. Blue-collar non-supervisory workers should be rated on Performance Categories 1-5 only (i.e., "Fixed" categories), unless you strongly feel some of the "Optional" categories are applicable.
- Meet with the employee at the beginning or shortly after the start of the rating period to discuss how the PAS works. Explain the Performance Categories and your expectations/requirements to the employee. Explain how the employee can get an "Exceeds Expectations" rating.
- Inform the employee that if he/she gets a "Does Not Meet Expectations" rating in even one "Significant Category," noted by asterisk ("*"), the "Overall Rating" will be "Does Not Meet Expectations".
- Ask employee to sign.¹

Sections
#5 & 6:

Phase II - Performance Monitoring and Coaching

- Observe, monitor, and coach the employee throughout the rating period.
- Talk to the employee throughout the rating period about his/her work performance.
- Record on the Supervisor's Discussion Notes Form, HRD 529, (SDN) significant incidents of outstanding and/or substandard work performance. If the notes describe performance problems/deficiencies, be sure to follow the steps in the PAS Supervisory Manual under "Documentation." Discuss these notes with the employee and ask him/her to initial the form. ¹ Give the employee a copy of any notes describing performance problems/deficiencies.
- Encourage the employee to talk with you throughout the rating period about any job-related questions or concerns.

Sections
#3, 4, 5:

Phase III - Completion of the Appraisal

- Review the following and other relevant documents, which can help you to objectively rate the employee.
 - * Performance expectations/requirements established in Phase I, Performance Planning.
 - * Performance Categories, especially the Significant Categories of Quality & Quantity & Timeliness.
 - * Supervisor's Discussion Notes (HRD 529).
 - * Conditions beyond the employee's control that may have affected the employee's performance.
- Complete Section #3, "Overall Rating," based on the Final Ratings for the "Significant Categories."
 - * An Overall "Exceeds Expectations" rating must be supported by notes on the SDN.
 - * An Overall "Does Not Meet Expectations" may not be given unless the employee was first given a "Notice to Improve Performance" and given a reasonable period, up to three months, to bring the employee's performance to a satisfactory level.
 - * You may use the "Supervisor's Comments" column to make any general employee performance comments.
- Set up a meeting with your employee to discuss the rating.
 - * Encourage feedback from your employee.
 - * Allow the employee to make written comments or a rebuttal on a separate sheet.
 - * Have the employee sign Section #4.¹
- Begin Phase I again for the next rating period.
- Give the employee a copy of the appraisal forms after the Reviewing Officer and the Appointing Authority sign the form.

¹ In phases I, II, & III if the employee does not wish to sign/initial the form, note: "Employee does not wish to sign/initial." You may ask a witness to date/sign, if necessary. Be careful the witness does not see confidential information.

Appraisal Period:				
XXX-XX-		From:	To:	
Name of Employee _____		Social Security No. _____		
Section #5 PERFORMANCE CATEGORIES FOR WORKERS AND WORKING SUPERVISORS (BLUE COLLAR; WHITE COLLAR; REGISTERED PROFESSIONAL NURSE; INSTITUTIONAL, HEALTH & CORRECTIONAL WORKER; FIREFIGHTER; PROFESSIONAL & SCIENTIFIC) Significant Categories are noted by "*"	FINAL RATING			SUPERVISOR'S COMMENTS At the end of the rating period, use this column to make any general comments on the employee's performance.
	Expectations			
	Exceeds	Meets	Does Not Meet	
*QUALITY OF WORK <u>Worker</u> Usually: completes assigned work in accordance with work expectations. For example, work is usually accurate, neat, and/or complete. 1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
*QUALITY OF WORK UNIT OUTPUT <u>Working Supervisor</u> Usually: work unit completes assigned work in accordance with work expectations. For example, work unit output is usually accurate, neat, and/or complete.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
*QUANTITY & TIMELINESS OF WORK <u>Worker</u> Usually: produces amount of work in accordance with work expectations; completes work on schedule. 2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
*QUANTITY & TIMELINESS OF WORK UNIT OUTPUT <u>Working Supervisor</u> Usually: work unit produces amount of work expected; completes work on schedule.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
THE CATEGORIES BELOW MAY AFFECT THE RATINGS FOR QUALITY, QUANTITY & TIMELINESS				
3 RELIABILITY & INITIATIVE Usually: accepts responsibility; is flexible and, when requested, adjusts to varying job situations; and/or initiates work independently, as required for the job.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4 RELATIONSHIPS WITH OTHERS Usually: works well with supervisor, team members, and/or others on assignments; accepts suggestions for improvement; is cordial when serving the public; and/or provides information, help, and/or coverage to others when needed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5 SAFETY & USE OF EQUIPMENT <u>Worker</u> Demonstrates possession and application of the knowledge of safety practices, rules, and procedures of the profession; uses and operates equipment in a safe manner; and maintains tools, equipment and other apparatus, including office related equipment, in a safe and acceptable manner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>Working Supervisor</u> Instructs and monitors subordinates to follow safety rules and regulations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

PERFORMANCE CATEGORIES FOR <u>WORKERS</u> AND <u>WORKING SUPERVISORS</u>		Exceeds	Meets	Does Not Meet	SUPERVISOR'S COMMENTS
CHECK ADDITIONAL CATEGORIES BELOW IF APPLY TO EMPLOYEE					
<input type="checkbox"/>	COMMUNICATION <u>Worker</u> Usually: demonstrates oral and/or writing skills as required for the job.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6	<u>Working Supervisor</u> Usually: demonstrates oral and/or writing skills as required for the job; and/or demonstrates open communication by sharing information and encouraging subordinate participation/feedback.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	JOB KNOWLEDGE Usually: demonstrates knowledge of theoretical, practical, and/or routine aspects of present job in accordance with work expectations; works with minimal direction; applies the correct instructions, guidelines, policies, procedures, and rules to assigned work; remains up-to-date on current trends in the profession; offers ideas, concepts, techniques, and/or creative solutions; and/or seeks new approaches to simplify and/or improve procedures, techniques, and processes.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7					
<input type="checkbox"/>	PROBLEM SOLVING & DECISION MAKING Usually: identifies and clearly defines problems as they arise; accumulates and analyzes relevant information; uses discretion/judgement to select workable solutions to problems; presents alternative solutions when making recommendations; and/or gets opinions of others, when needed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8					
<input type="checkbox"/>	PLANNING, ORGANIZATION, SETTING PRIORITIES Usually: prioritizes assignments satisfactorily to minimize crisis situations; shows foresight to prevent potential problems and works in contingencies when making short- and/or long-term plans; proposes and reviews benchmarks to monitor work progress and makes work plan adjustments as needed; and/or follows up on assignments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9					
<input type="checkbox"/>	OTHER (Add, if needed)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10					
ALSO COMPLETE CATEGORIES BELOW FOR WORKING SUPERVISOR					
<input type="checkbox"/>	SUPERVISION Usually: monitors work unit progress; provides adequate direction, training, and coaching to staff; takes/recommends the appropriate corrective and/or disciplinary action when needed; provides needed help and/or training for employees with performance problems; encourages career growth for staff members; and/or provides equal opportunity/treatment in all aspects of supervision.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
11					
<input type="checkbox"/>	APPRAISING SUBORDINATES Usually: follows performance appraisal policies, guidelines, and procedures; communicates performance expectations at the beginning of the rating period; oversees and monitors employee performance; and/or rates subordinates (or recommends ratings) objectively, on time, and on work expectations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
12					

EMPLOYEE PERFORMANCE APPRAISAL SUPERVISOR'S DISCUSSION NOTES

HRD 529 (Rev. 9/05)

Section #6		Appraisal Period:
Name of Employee	XXX-XX- Social Security Number	From: _____ To: _____

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1. Use this sheet to keep a record of employee performance throughout the rating period, especially incidents of *outstanding* and/or *substandard* work performance.
2. Indicate the Performance Category number from Section #5 in the first column (e.g., the number of Quality of Work Unit Output is #1).
3. Be sure to have *timely* discussions with your employee for all notes made. If a notation describes *substandard performance/deficiencies*, you must also:
 - A. Give the employee suggestions on how to improve performance. If suggestions are given *orally*, you must also include the following phrase in the notation: "I discussed with you suggestions for improvement." (Do not add to or modify this statement.) If suggestions are given in *writing*, you must note the specific suggestions either on this form or on a separate sheet of paper that must be attached to this form, and
 - B. Include in the notation efforts made to retrain your employee, and
 - C. Be sure to advise your employee that he/she may rebut your notation by attaching a separate sheet of paper describing the rebuttal, and
 - D. Give the employee a copy of this form each time a notation describing substandard performance is made.
4. Ask your employee to initial next to your notes to confirm your discussion with him/her.
5. At the end of the rating period, review your notes to help you to determine the Final Rating for each Performance Category and/or the Overall rating.
6. Attach this form to the other appraisal forms at the end of the rating period only if there are performance notes.

Indicate Performance Category # From Section #5	Discussion Date	Notes	Notes were discussed with me. I was given the opportunity to rebut substandard performance notes. Employee Initials & Date
		I discussed with you suggestions for improvement. See attached supervisors discussion notes.	
		I discussed with you suggestions for improvement. See attached supervisors discussion notes.	
		I discussed with you suggestions for improvement. See attached supervisors discussion notes.	

PERFORMANCE APPRAISAL SYSTEM (PAS) OVERVIEW

The law states that there must be a performance appraisal system for State employees. Section 76-41, Hawaii Revised Statutes, states that the purpose of the system is to evaluate the performance of employees in the civil service system and to improve employee performance. The PAS is used as the basis for evaluating whether employees in the civil service meet performance requirements for their positions.

This will only happen if employees and supervisors have good communication about performance expectations and requirements. The PAS gives supervisors the tools to set up clear communication and understanding with your employees.

The performance appraisal process is divided into three phases:

☛ PHASE I – *Performance Planning, Communication of Performance Expectations/Requirements and Goals/Projects*

Planning takes place by, or shortly after, the beginning of the performance appraisal period. Supervisors should meet with their employees to discuss:

- Duties of the job
- PAS Performance Categories and how they relate to performance expectations/requirements and any specific goal/projects
- Importance of the "Significant" Performance Categories (Quality and Quantity/Timeliness of Work) and its impact on an Overall Rating
- How an employee can get an Overall Rating of "Meets Expectations"

Discussion should give employees a clear understanding of performance expectations. Be sure that employee has a copy of the "PAS Summary for Employees."

☛ PHASE II – *Performance Monitoring and Coaching*

This should be practiced throughout the appraisal period. To coach effectively, you should:

- Observe and develop supervisor's discussion notes for *significant* incidents
- Communicate regularly and clearly with employee. Discussions should provide information about: 1) specific performance deficiency(ies); 2) ongoing work expectations; and 3) supervisory assistance, as appropriate.

☛ PHASE III – *Completion of the Appraisal*

This phase comes at the end of the rating period. You must evaluate the employee's performance for the entire rating period and must:

- Complete the appraisal forms
- Conduct the performance appraisal conference with the employee

*reference: Performance Appraisal System, Supervisory Manual, pg. 5-6

Due Date: 15th of each month

MONTHLY AMP REVIEW

Site: _____
Date: _____

Manager Present for Site Visit Yes No
Other staff present, specify _____ Yes No

GROUNDS/ EXTERIOR

Signage visible	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Signage presentable	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Parking lot clean	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Gates/ fences presentable	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Dumpsters presentable	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Dumpster area free of debris	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Lawn/Trees/Shrubs neat/green	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Trees/Shrubs dead/missing	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Building exterior clean	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Building exterior damage	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Roof concerns – describe below	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Pavement in good cond.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
			Presence of graffiti	<input type="checkbox"/> Yes	<input type="checkbox"/> No

COMMON AREAS

Laundry Room clean	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Damage	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Lights Operating	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Machines Operating	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Money collected recently	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Community room presentable	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Community room rules posted	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Safety Guidelines Followed	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Gates/Fences secured	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Elevators operational	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Elevators clean	<input type="checkbox"/> Yes	<input type="checkbox"/> No			

MAINTENANCE SHOP

Clean/ organized	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Storage areas well maintained	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Inventory organized	<input type="checkbox"/> Yes	<input type="checkbox"/> No	On-call closet stocked	<input type="checkbox"/> Yes	<input type="checkbox"/> No
P. M. schedule current	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Doors and windows secured	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Shop free of safety hazards	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Safety equipment available	<input type="checkbox"/> Yes	<input type="checkbox"/> No

(Gloves, dust mask, goggles, etc)

MARKETING

Vacant units “sparkled” Yes No
Resident Selection Plan posted or in Application Package Yes No

OFFICE

Presentable/organized	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Staff appearance appropriate	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Fair Housing and Employment material posted	<input type="checkbox"/> Yes	<input type="checkbox"/> No			

Expenses and Income

Petty Cash Reconciliation	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Purchase Orders logged and filed	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Number of invoices on hand _____			Age of oldest invoice on hand _____		
Open Payables Reviewed	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Cash Flow: Income on Budget	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Expenses on Budget	<input type="checkbox"/> Yes	<input type="checkbox"/> No			

If no, Explanation: _____

Review of Delinquencies : AMOUNT CHARGED _____ AMOUNT RECEIVED _____ GOAL% _____ ACTUAL% _____

Comments:

Number of accounts with rent balance more than 90 days _____ Number referred to hearings _____
Number of accounts with rent balance more than 60 days _____ Number referred to hearings _____

Incident/Police Reports and monthly crime stats reviewed with manager Yes No
Monthly crime stats/ police reports reviewed with Security Patrol Rep Yes No

If no, why not? _____

Due Date: 15^H of each month

MONTHLY AMP REVIEW

WORK ORDERS

Emergency Work Order issues: _____

Work Order Log: Call residents with recent work orders to confirm completion and resident satisfaction.

Acceptable _____ # Unacceptable _____ Number of outstanding work orders: _____

Comments: _____

Charging for damages Yes No Emergencies Abated within 24 hours Yes No

APPLICATIONS/RECERTS

of applications approved _____ # of applications pending _____ Total # of applications _____

Applications checked for accuracy Yes No List: _____

Recertification's processed timely Yes No TOTAL # COMPLETED _____ TOTAL OVER DUE _____

If no list reason _____

Re-certs checked for accuracy _____

VACANCY ANALYSIS

Confirm Move-ins Yes No Confirm Move-outs Yes No

Confirm Vacants Yes No Confirm Notices Yes No

Occupancy % _____

FILES

Attached are completed file audit forms for units (minimum of 3)

Files audited (unit/name) _____ / _____, _____ / _____, _____ / _____

Applicant files audited: _____ / _____, _____ / _____, _____ / _____

VACANT UNITS

Vacant units inspected: _____

Date unit vacant: ↓ _____, ↓ _____, ↓ _____, ↓ _____, ↓ _____, ↓ _____, ↓ _____

Vacant unit's condition matches condition stated on Vacancy Analysis Yes No

Do the vacant units match the List of Vacant Units from EMPHASYS? Yes No

Have any units been vacant for more than 20 days Yes No

If yes, please identify and explain: _____

Problem Areas: _____

Solution: _____

Completed file audit forms for at least 3 units, Vacancy Report and Vacancy Status Report from Emphasys must be attached. **For any item with an unfavorable answer, notes must be written above or attached.**

Pictures Attached Yes No N/A

List of other attachments: _____

Reviewed with Manager Yes No

Manager's Initials _____ Date _____

Supervisor's Signature _____ Date _____

HPHA – Property Management and Maintenance Services Branch
AMP Monthly Monitoring Report

Date: _____

Contractor: _____

Contract No. _____

AMP No.: _____

Management Fee MO/YR: _____

ADMINISTRATIVE REQUIREMENTS

Activity	Standard	Actual	Satisfactory (Y/N)	Corrective Action Plan	Comments
Supervisor's Review	10%				
Re-exams	5% or below				
EIV Discrepancy	Due by End of Month				
Community Service	At placement and annually reviewed				
Crime Reports	Incidents logged and semi annual reporting				
Pre-Rent Run	Due by Rent Run				
Occupancy Rate	95% or greater				

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HPHA – Property Management and Maintenance Services Branch
AMP Monthly Monitoring Report

RENT COLLECTION & TENANT ACCOUNT RECEIVABLES

Activity	Standard	Actual	Satisfactory (Y/N)	Corrective Action Plan	Comments
Delinquency Rate	6% or below				Current Tenant Status Report
90 Day Accounts	All accounts following rent collection policy				Aged Receivables

VACANT UNIT TURNOVER

Activity	Standard	Actual	Satisfactory (Y/N)	Corrective Action Plan	Comments
Total Turnover Days/# of Placements	20 Days or less				PHAS Unit Turnaround Report

WORK ORDERS

Activity	Standard	Actual	Satisfactory (Y/N)	Corrective Action Plan	Comments
Emergency Work Orders	Closed/ Abated within 24 hrs		N		PHAS Work Order Worksheet
Non-Emergency Work Orders	Average Closed within 25 Days or Less				PHAS Work Order Worksheet

**HPHA – Property Management and Maintenance Services Branch
AMP Monthly Monitoring Report**

ROUTINE AND PREVENTIVE MAINTENANCE

Inspections	Scheduled	Completed	Satisfactory (Y/N)	Corrective Action Plan	Comments
Units					Annual Inspections Report
Buildings					Annual Inspections Report
Site					Annual Inspections Report

UNIT, COMMON AREA & GROUNDS

Site Visit Date	Site Name	Conducted by	Satisfactory(Y/N)	Corrective Action Plan	Comments

HPHA – Property Management and Maintenance Services Branch
AMP Monthly Monitoring Report

MANAGEMENT FEE CALCULATION:

MONTHLY FEE: _____

WITHHOLDING:

Administrative: _____

Rent Collection: _____

Unit Turnover: _____

Work Orders: _____

Routine and Preventive Maint.: _____

Unit, Common Area, Grounds: _____

Total Withholding: _____

NET MANAGEMENT FEE: _____

Report Completed by: _____

Phone No. _____

OIC Signature: _____

Phone No. _____

FOR INFORMATION

SUBJECT: Status of Contract with Ameresco for an Energy Performance/Investment Grade Audit of Federal Housing Projects

I. FACTS

- A. The Hawaii Public Housing Authority (HPHA) issued a Request for Proposal for an energy performance contract for 67 federally subsidized low-income housing projects in February 2008.
- B. The HPHA executed a contract with Ameresco/Pacific Energy JV ("Ameresco") on November 21, 2008. Ameresco will perform an investment grade energy audit of all of HPHA's federally subsidized low-income housing projects statewide.
- C. A kick-off meeting was held on December 3, 2008. Participants at that meeting were key members of the Ameresco consultant's team, representatives from the Department of Housing and Urban Development (HUD), Mr. David Birr, Special Energy Consultant retained by the Department of Business Economic Development and Tourism (DBEDT) and HPHA staff.
- D. Included at Attachment A is the schedule discussed at the kick-off meeting on December 3, 2008.
- E. Included at Attachment B is the scope of work (pages 1 to 5) excerpted from the executed contract between HPHA and Ameresco.

II. DISCUSSION

- A. Cost of Energy Audit. Ameresco will be compensated in an amount not to exceed \$151,436.00 for the completion of an investment grade energy audit.

The current contract between the HPHA and Ameresco covers the investment-grade energy audit only. After completion of the investment-grade energy audit, the HPHA and the contractor will consider the development of an Energy Services Agreement (ESA) to implement cost effective energy conservation measures.

If the HPHA decides to accept the investment grade audit and NOT pursue any energy conservation measures under an ESA with Ameresco, the HPHA will pay Ameresco the contract amount of \$151,436.00. If the HPHA proceeds to negotiate and execute an ESA the cost for the ESA will be covered under the energy saving generated.

- B. Schedule/HPHA Board Action. Based on the current schedule, the staff will provide a progress report to the HPHA Board in April 2009. In June 2009, the staff will present recommended projects based on the results of the investment grade energy audit.

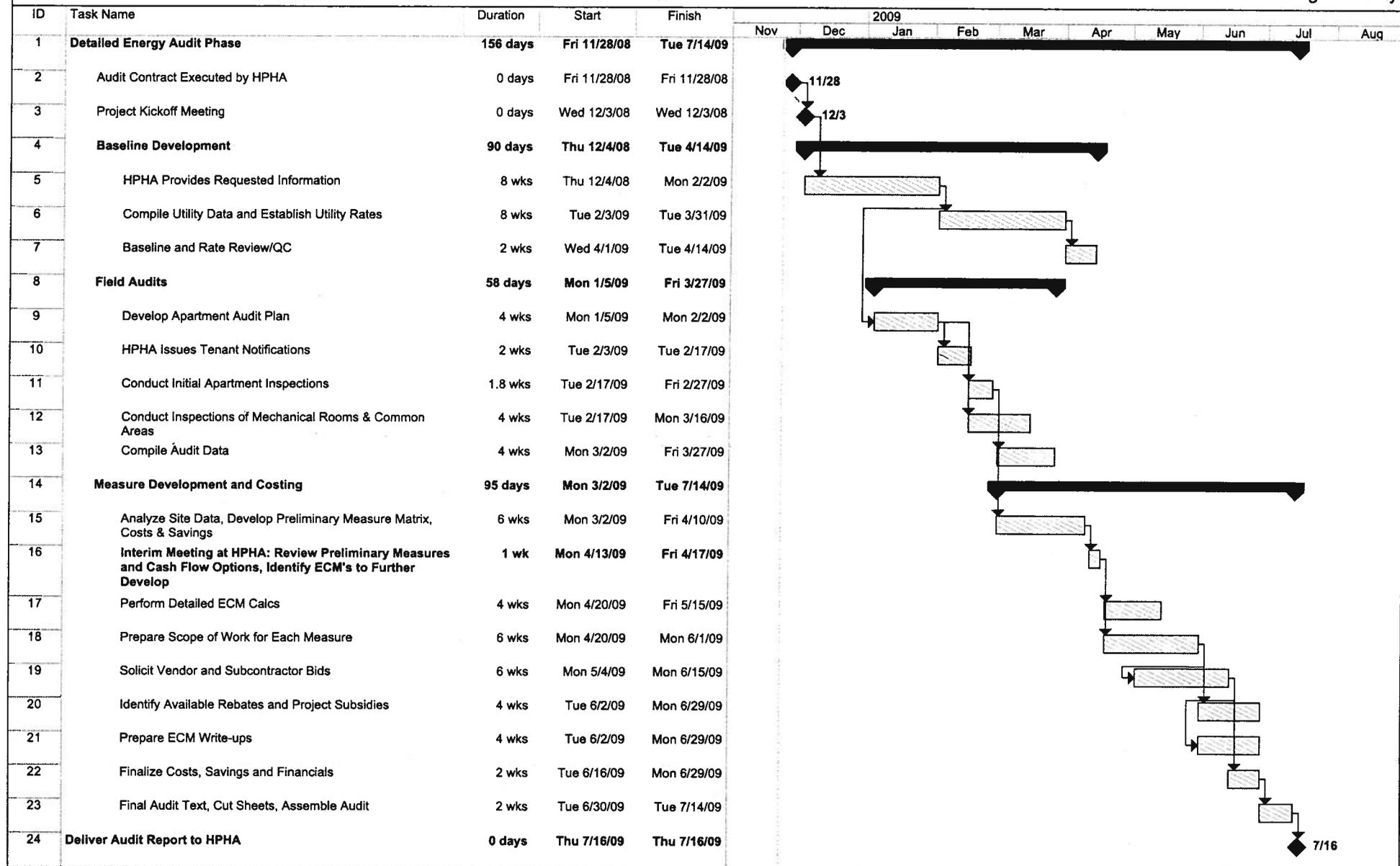
Attachments: Attachment "A" – Energy Audit Schedule
Attachment "B" – Scope of Work, Energy Performance Contract – Energy Audit

Prepared by: Glenn Sunakoda, Project Engineer GS

Reviewed by: Marcel Audant, Acting Construction Management Branch Chief MA

Energy Audit Schedule

Hawaii Public Housing Authority



Project: HPHA Job # 02566 Print Date: Mon 11/24/08	Task	[Hatched Box]	Milestone	◆	External Tasks	[Dotted Box]
	Split	[Dotted Line]	Summary	[Thick Bar]	External Milestone	◆
	Progress	[Solid Bar]	Project Summary	[Thin Bar]	Deadline	↓

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ATTACHMENT "A"



STATE OF HAWAII
SCOPE OF WORK

Project: Energy Performance Contract – Energy Audit (State wide), Hawaii

Job No.: HPHA Job No. 07-043-000-F

The HPHA desires to participate in a utility savings program as permitted pursuant to the regulations providing incentives for energy conservation, which appear in Parts 965 and 990 of title 24 of the CODE OF FEDERAL REGULATIONS, as amended, by the United States Department of Housing and Urban Development (“HUD”);

The CONTRACTOR and the HPHA agree that a utility savings program can only be accomplished by first performing an investment grade Energy Audit to determine the potential for utility savings, the approximate cost of the energy conservation measures necessary to achieve these savings, and a cash flow projection indicating the overall financial and programmatic effects of the utility savings program.

The CONTRACTOR will conduct an investment grade Energy Audit of the Facilities consisting of engineering analyses and written reports in conformance with the Scope of Work as set forth in section A.1 below. The analyses will validate utility-related billing and operating data and site and equipment conditions for the Facilities. The analyses will also include estimates of the installation costs and utility cost savings related to a proposed utility savings program.

A. SCOPE OF ENERGY AUDIT. The scope of the investment grade Energy Audit of the Facilities will be as follows:

1. The CONTRACTOR will examine the existing building envelope, mechanical, electrical, lighting, plumbing and control systems within the Facilities, in order to determine the potential for energy and water related improvements and associated consumption and cost savings. The CONTRACTOR shall be solely responsible to verify the building envelope, mechanical, electrical, lighting, plumbing, and control systems and shall not rely solely on building and equipment records provided by the HPHA. The CONTRACTOR will supplement its field examination by using HPHA-provided building and equipment records as described in Section A.2 below. The CONTRACTOR will begin to examine the Facilities as outlined below, within thirty (30) days of receipt of all of the utility consumption and cost data specified in Section A.2. The Scope of Work will be performed by the project and engineering staff identified in the Proposal or substitute personnel approved by the HPHA.

The CONTRACTOR will inspect no less than ten percent (10%) of the dwelling units at the Facilities, and all of the Administrative, Maintenance, Laundry, and Community Buildings or spaces that are eligible for inclusion under 24 CFR 990. Based upon this inspection, the CONTRACTOR will compile and deliver to the HPHA a written description of the existing electrical, plumbing, HVAC and other energy and water consuming systems, as well as building shell systems. The CONTRACTOR’S on-site inspection will, at a minimum, include a review of the



STATE OF HAWAII SCOPE OF WORK

Project: Energy Performance Contract – Energy Audit (State wide), Hawaii

Job No.: HPHA Job No. 07-043-000-F

existing equipment and systems, such as those listed below, to determine the potential for energy and water conservation measures (“ECMs”) at each Facility listed above.

- Heating, heat distribution systems, associated piping, and insulation;
- Cooling and cooling distribution systems and related equipment;
- Apartment temperature controls and other energy-related control systems;
- Ventilation systems, exhaust systems, and related equipment;
- Domestic hot and cold water systems;
- Electric motors, transmission and drive systems;
- Interior and exterior lighting;
- Apartment appliances; and
- Building shell systems, including insulation, windows and doors.

The CONTRACTOR will provide the following information for each Facility in its investment grade Energy Audit Report:

- For heating, cooling, and hot water equipment, equipment types (e.g., space heater, window AC, centralized), description of distribution systems, locations, approximate age, condition, efficiency, and available nameplate information;
- For apartment temperature controls and other energy-related control systems, types of existing controls (if any) and status of condition or use;
- For window systems, window types, condition, and U-value and shading factors;
- For envelope systems, such as walls, ceilings, and floors, data on assembly components and insulating values. Estimated natural infiltration rates and mechanical ventilation rates will be provided for all Facilities;
- For lighting, fixture types, lamp/ballast types, counts, wattage, voltage/current, and location;
- Description of ventilation systems and equipment;
- For potable water systems, information on the existing infrastructure and plumbing fixtures;
- Types of apartment appliances, including refrigerator makes, model numbers, and rated energy consumption;
- For utility delivery, tables listing utility type, account numbers, payment type (by agency or tenant), and current rate schedule.



STATE OF HAWAII
SCOPE OF WORK

Project: Energy Performance Contract – Energy Audit (State wide), Hawaii

Job No.: HPHA Job No. 07-043-000-F

The investment grade Energy Audit Report shall include, at a minimum, the following:

- Executive Summary;
- Baseline Development;
- Energy Conservation Measures;
- Long Term Services;
- Existing Site Conditions Reports; and
- Attachments.

2. The CONTRACTOR will assess historic utility records, which will be provided by the HPHA and/or its utility providers (provided the HPHA provides consent to the CONTRACTOR to access such providers):

For the “HPHA-paid” utilities, the CONTRACTOR will analyze not less than three (3) years of HPHA-provided historic monthly meter and account information; will approximate monthly master-metered usage by major end use; and will normalize weather-sensitive data for degree days to create a workable “Base Line” of utility usage. The CONTRACTOR will provide an analysis of utility consumption patterns, trends, benchmarks for all end-uses. For the “tenant-paid” utilities, if applicable, the CONTRACTOR will analyze HPHA-provided utility data, to the extent available, to determine whether utility usage assigned in the current tenant allowances is consistent with sample tenant use, for incorporation within the Base Line.

3. The CONTRACTOR will conduct interviews with the HPHA's maintenance and management staff, residents, as well as local utility company personnel in an effort to acquire information on the operating characteristics of the existing equipment and systems, the HPHA's goals for system improvements, and approximate future utility service provision and rate schedules.
4. The CONTRACTOR will perform a utility rate analysis for verified pre- and estimated post-retrofit usage to identify impacts of conservation on delivered costs to the HPHA.
5. The CONTRACTOR will determine the feasibility of and develop recommendations for, a long-term, utility-saving program including the following comprehensive energy services for the HPHA's Facilities:
 - a. the design, selection and installation of energy and water efficient equipment and systems;



STATE OF HAWAII
SCOPE OF WORK

Project: Energy Performance Contract – Energy Audit (State wide), Hawaii

Job No.: HPHA Job No. 07-043-000-F

- b. maintenance and service obligations for the newly-installed systems and equipment for the term of any CONTRACTOR-proposed long-term program or contract;
- c. the maintenance or improvement of current levels of comfort and service conditions;
- d. the possibility of arranging project financing, and the matters involved in successfully securing same, including, but not limited to: approximate current total utility use and cost; approximate capital costs to install utility-saving equipment and systems; approximate annualized program costs, including debt service and service fees; gross projected utility consumption and cost savings; approximate utility demand-side management (“DSM”) funding available for work at the Facilities; and projected utility cost savings net of program costs. If applicable, the savings analyses will include the impact on the current tenant utility allowances provided by the HPHA.

6. The CONTRACTOR shall provide the following:

- a. Preliminary Energy Audit Report
 - Submit four (4) copies to the HPHA for review.
- b. Final Energy Audit Report
 - Four (4) “hard copies” of report.
 - Digital Files: One (1) CD in electronic format (suitable for printing) of report.
- c. A minimum of three oral presentations.

B. ENERGY SERVICES AGREEMENT. The HPHA and the CONTRACTOR will use the investment grade Energy Audit to consider the development of an Energy Services Agreement (“ESA”) under the terms of which, the CONTRACTOR would design, install, arrange financing and provide certain annual services, such as monitoring, equipment inspections, and resident education on the energy conservation measures and the equipment in a manner substantially similar to that included in the CONTRACTOR’s response to the HPHA’s RFP. Any ESA, if considered by the HPHA, will be by a separate written instrument. Nothing in this Contract will obligate the HPHA to enter into such an ESA. The ESA will also include a guarantee of savings, in such form and with such risk protections as are mutually agreed, resulting from the installation of said equipment which, at a minimum, will allow the HPHA to cover debt and annual program costs incurred as a result of the installation of said equipment.

FOR INFORMATION

SUBJECT: Discussion of Security Measures Employed by the Hawaii Public Housing Authority and Security Efforts to be Considered for Future Implementation

I. FACTS

- A. Over the past several months, public housing residents and neighboring community members have submitted complaints and testified at HPHA Board meetings about security concerns. The complaints include concerns with ineffective security services and management practices, increased vandalism, fear of retaliation by perpetrators or management staff, and other criminal activities.
- B. HPHA has contracted security guard service at 11 public housing sites on Oahu: Puuwai Momi, Kalihi Valley Homes, Mayor Wright Homes, Kalanihuia (Elderly), Kalakaua Homes, Makua Alii (Elderly), Paoakalani (Elderly), Kaahumanu Homes, Kamehameha Homes, Punchbowl Homes, and Makamae (Elderly). Security services are funded by Federal and State funds.

II. DISCUSSION

- A. The HPHA recognizes that a multi-faceted approach is needed to address communities that have high crime, drug and other criminal activities. Additionally, each public housing community is at risk for different problems and implementing a planned and targeted response by community is most effective.
 - 1. Crime Prevention. Crime prevention efforts are designed to create communities which have a greater likelihood of preventing crime before it happens. Although crime prevention efforts are geared primarily toward the lower level crimes and "first time" offenders, it is safer and healthier for communities to prevent crime, than deal with law enforcement issues, treatment for victims and other problem behaviors.

Staff is proposing to implement a combination of programs in each community which would be tailored to that community's needs. The HPHA will implement crime prevention strategies, including but not limited to the following:

- a. Tenant Monitor Program. The HPHA will implement a pilot program at one site on Oahu, measure its effectiveness, and expand the program when appropriate.
- b. Formation of Voluntary Tenant Patrols and Neighborhood Watches. The HPHA will revive previous efforts to form active patrols and neighborhood watches in all public housing communities, in cooperation with local law enforcement agencies.

- c. Security guards. The HPHA will continue the use of contracted security services, where the services are determined to be effective and necessary to maintain community safety.
- d. Security features, such as security cameras, security gates, tiger teeth, key fobs, identification cards. The HPHA will install various security features, facilities, or improvements where necessary, subject to the availability of funds.
- e. Crime Prevention Through Environmental Design (CPTED). The HPHA will promote CPTED strategies at all projects where feasible and in all future construction and/or modernization activities.
- f. Suitability screening of new applicants. The HPHA will continue to monitor the consistent application of the requirement to screen new applicants for suitability.
- g. Formation of Resident Associations. The HPHA will continue to work with each community to form resident associations. There are currently 31 active resident associations.
- h. Police Presence. The HPHA will pursue an increased police presence in housing by offering dwelling units to the police for housing purposes, or non-housing purposes (such as an office). The HPHA will revive its efforts to meet with the Police Department to assist in the planning and evaluation of crime prevention activities, including the partial funding of police officers at certain sites, as practiced successfully by public housing authorities such as the St. Paul Housing Authority. The HPHA will request that AMP managers meet monthly with residents and police to discuss security matters and methods.
- i. Drug Prevention Programs. The HPHA will continue to work with nonprofit service providers to make available drug prevention activities, and economic and social self-sufficiency programs for residents in public housing.
- j. Communication and Education. The HPHA will improve efforts to communicate with public housing families regarding their ability to improve community safety through participation in crime prevention activities.

2. Enforcement (Laws, Rules, Lease Agreement)

Enforcement activities are geared towards addressing crime, security issues or incidents that have already occurred in an attempt to prevent their reoccurrence.

- a. Evictions. The HPHA will make efforts to enforce lease violations on a consistent basis to improve its ability to successfully evict tenants who are violating their lease agreement.

- b. One Strike Policy. The HPHA will review and strengthen its policies regarding residents who violate their lease agreement and threaten the health and safety of other residents.
 - c. Law Enforcement. The HPHA will continue work with law enforcement agencies and cooperate in investigations, sting operations, drug busts, community education and management practices.
 - d. Grievance Hearings. The HPHA will continue to recruit and train grievance hearings officers who will work in the best interest of the residents and preserve a safe and health community.
- B. The HPHA will gather baseline statistics and other qualitative information that will be used to determine the effectiveness of the strategies implemented. The staff will also work with the management staff, residents, law enforcement, and other interested parties to evaluate progress
- C. The HPHA will continue to track crime and security concerns at all AMPs to compare those with baseline data.

Prepared by: Barbara E. Arashiro, Executive Assistant BA

Reviewed by: Chad K. Taniguchi, Executive Director CT



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Development Team

Urban Housing Communities and Morgan Stanley will be joint-venture partners in the rehabilitation of *Kuhio Park Terrace*. Listed below are principal team members and trusted project partners with whom UHC has worked with in the past and are capable of bringing the rehabilitation of *Kuhio Park Terrace* to a successful completion. All contracts (e.g. architects, general contractors, and consultants such as civil engineers) will be competitively bid to local companies only and union labor will be employed.

TEAM MEMBER	ROLE AND RESPONSIBILITY
Developer/General Development Partner	
Douglas R. Bigley, President Urban Housing Communities 2000 E. Fourth St. Suite #205 Santa Ana, CA 92705 (714) 835-3955 x207 dbigley@uhcllc.net	
Brad Wells, Senior Vice President Development Urban Housing Communities 2000 E. Fourth St. Suite #205 Santa Ana, CA 92705 (714) 835-3955 x111 bwells@uhcllc.net	Project Manager
Jonathan Kwon, Vice President Development - Hawaii Urban Housing Communities 1221 Kapiolani Blvd. Suite #930 Honolulu, HI 96814 (808) 440-9625 jkwon@uhcllc.net	Assist Project Manager
Staci Kashiwabara, Acquisitions Assistant Urban Housing Communities 1221 Kapiolani Blvd. Suite #930 Honolulu, HI 96814 (808) 440-9625 skashiwabara@uhcllc.net	Assist Project Manager
Dawn M. Bigley, Designer Urban Housing Communities 2000 E. Fourth St. Suite #205 Santa Ana, CA 92705 (714) 835-3955 x206 dmbigley@uhcllc.net	Oversight of architecture and visual design
Kaye Mondell, Vice President Development Administration Urban Housing Communities 2000 E. Fourth St. Suite #205 Santa Ana, CA 92705 (714) 835-3955 x103 kmondell@uhcllc.net	Oversee and process financial applications for bonds, tax credits, and other funding sources



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Robert Gouette, Vice President Construction Urban Housing Communities 2000 E. Fourth St. Suite #205 Santa Ana, CA 92705 (714) 835-3955 x105 rgaouette@uhcllc.net	Construction Management
Joint Venture Partner	
Todd Lee, Executive Director Morgan Stanley / Global Capital Markets 1585 Broadway, Floor 04 New York, NY 10036 (212) 761-2269 Todd.Lee@morganstanley.com	Provide or arrange for tax credit equity and debt, and fund pre-development activities
General Managing Partner	
Lowell Kalapa, President Ikaika Ohana 126 Queen Street, Suite #304 Honolulu, HI 96813 (808) 536-4587 llkalapa@yahoo.com	Managing partner during operations and coordinates and provides resident social services
Legal Counsel	
R. Wade Norris, Partner Eichner & Norris 1225 19th Street NW, Suite 750 Washington, DC 20036 (202) 973-0100 wnorris@enbonds.com	Financial Adviser
Wayne H. Hykan, Partner Ballard Spahr Andrews & Ingersoll LLP 1225 17th Street, Suite 2300 Denver, CO 80202-5596 (303) 299-7309 hykanw@ballardspahr.com	Adviser and legal counsel regarding matters related to HUD, public/private partnerships, and the federal Low Income Housing Tax Credit (LIHTC) program



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Project Experience

COMPLETED AND UNDER DEVELOPMENT	CITY/STATE	UNITS
Cottages of Belton	Belton, MO	72
Cottages of Kansas City East	Kansas City, MO	108
Crossings at Elk Grove	Elk Grove, CA	116
Crossings at Hilo (Rehab)	Hilo, HI	74
Crossings at Madera	Madera, CA	64
Crossings at Middleton	Thermal, CA	240
Crossings at Morgan Hill (Rehab)	Morgan Hill, CA	24
Crossings at North Hills (Rehab)	Los Angeles, CA	38
Crossings at Palm Desert	Palm Desert, CA	144
Crossings at Santa Rosa	Santa Rosa, CA	49
Crossings at Thyme Square	Cloverdale, CA	44
Crossings on 29th Street, Phase I	Los Angeles, CA	58
Crossings on Amigo, Phase I	Los Angeles, CA	36
Crossings on Arrow Highway	Fontana, CA	60
Crossings on Elder Place	Escondido, CA	60
Crossings on Knickerbocker Road	Big Bear, CA	84
Crossings on Market Street	San Diego, CA	84
Crossings on Washington Blvd.	Los Angeles, CA	42
Hale Makana O Nanakuli	Waianae, HI	48
Hale Pauahi	Honolulu, HI	396
Heritage Park at Arcadia	Arcadia, CA	54
Heritage Park at Glendale	Glendale, CA	52
Heritage Park at Hanford	Hanford, CA	81
Heritage Park at Hilltop	Richmond, CA	192
Heritage Park at Monrovia (Rehab)	Monrovia, CA	78
Heritage Park at Taft	Taft, CA	61
Heritage Park on Woodman (Rehab)	Panorama City, CA	155
Heritage Park/Cathedral City	Cathedral City, CA	153
Heritage Place at Tustin	Tustin, CA	54
Horizons at Indio	Indio, CA	80
Horizons at Market Street	San Diego, CA	36
Horizons at Morgan Hill	Morgan Hill, CA	49
Kauhale Ohana (Rehab)	Honolulu, HI	26
Las Brisas	Madera, CA	81
Maple Leaf Townhomes	Green Bay, WI	36
Prairie Meadows Senior Housing II	Germantown, WI	40
Prairie Meadows Senior Housing III	Germantown, WI	34
Primrose Apartments of Neenah	Neenah, WI	72
Pualani Manor	Honolulu, HI	63
Stoneridge at Elk Grove	Elk Grove, CA	96
Tanglewood Senior Apartments	Kenosha, WI	100
Livermore Senior Housing	Livermore, CA	250
North Arlington Senior	Arlington, TX	260
Cypress Creek	Austin, TX	200
Village Creek	San Marcos, TX	156



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Transforming Communities Through Housing

Welcome

Urban Housing Communities LLC (UHC), an affordable housing development partner of Morgan Stanley, specializes in multi-family and senior housing facilities in California and Hawaii. With each project, we build a community where residents become neighbors as they enjoy activities, socialize and benefit from social programs such as health and wellness services, extended learning classes, job training, child-care centers, credit counseling, home buyer assistance programs, and other life-enhancing services.



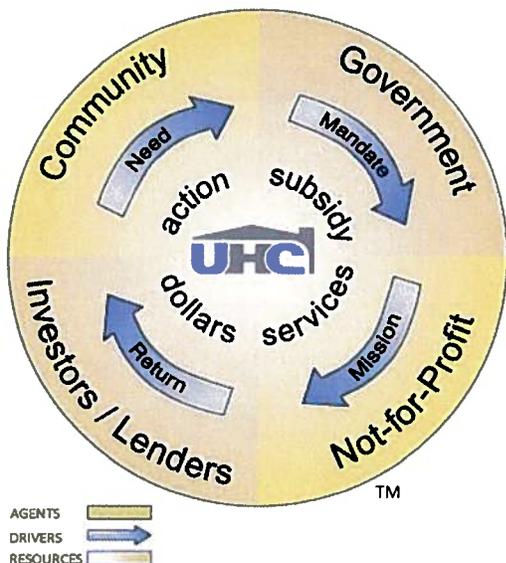
The Crossings at 29th Street, Los Angeles

"In our view, a commitment to housing, in its broadest sense, is the single most important contribution a community can make to improve itself and, therefore, must be a priority."

– David Bigley

Together

UHC collaborates with local community groups, government agencies, not-for-profit organizations, for profit enterprises, and investors and lenders that share a passion and/or need to engage and answer the call for affordable housing. Combining the thoughts, efforts, skills and resources of UHC and Morgan Stanley with these organizations, we set out a collective plan and deliver a brand of housing and services that transforms communities.



Our approach is resourceful and proven. In addition to applying our expertise in tax-exempt bond financing, we combine the sale of low income housing tax credits with city, county, state and federal affordable housing programs. This practical approach creates financial capacity that would be unattainable through conventional financing methods.

UHC's project management team coordinates the various aspects of affordable housing endeavors and oversees fundamental development activities such as financial engineering, site selection, market research, entitlement and architectural planning, budgets, contractor selection, construction, compliance and management after completion.



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Benefits

Assessment and fulfillment of housing requirements. Cities and counties can work with UHC representatives to coordinate the resources necessary to meet mandated housing requirements.

Industry Experience. The professionals of UHC have deep experience in both general and niche issues related to affordable housing.

Experience in California and Hawaii. UHC has been successful in complex building environments.

Established lender and tax credit investor relationships. UHC has the appropriate financing partners, including Morgan Stanley, to support affordable housing projects.

Dedication to quality. We employ award-winning architecture firms and experienced general contractors that specialize in multi-family and senior housing.

Fulfillment of residents needs. UHC has the resources to provide necessary onsite services that address the specific needs of residents.



Conceptual Site Plan

Our mission is to strengthen and sustain communities by providing a foundation for a lifetime of health, happiness, and contribution.

We care. Everyone at UHC is committed to the idea that we make a difference in people’s lives and they make a difference in ours.

Our Credentials

UHC was formed in 2003 by key executives of AIG SunAmerica, ASL Housing, and Heritage Community Housing. Since then, they have been joined by professionals from KB Home, CalFed Bank (acquired by Citibank) and the California State University system resulting in a combined experience in either the financing or developing of approximately 10,000 housing units across California and Hawaii. Executives of UHC have developed over \$500 million in affordable housing.





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Resumes

[Douglas R. Bigley – Chief Executive Officer and President](#)

Douglas has over 20 years of experience in the field of affordable housing development, real estate finance and accounting. Prior to founding Urban Housing Communities, Douglas acted as Chief Operating Officer for an affordable housing development firm that constructed and owned family and senior housing throughout California. He directed all of the company's daily operations and was responsible for reporting to the Board of Directors. He served as Senior Vice President of Acquisitions for AIG SunAmerica's Affordable Housing Division. AIG is ranked as one of the largest corporations internationally. His division ranked in the top five affordable housing investors in the country during his tenure. On their behalf, he acquired tax credit projects with an asset value exceeding 1.2 billion dollars. Early in his career, Doug worked as a CPA, he was a manager at Kenneth Leventhal, a leading public accounting firm that specializes in real estate. There he was responsible for a wide range of disciplines in tax, audit, and consulting. Douglas graduated from the UCLA with a B.A. in Economics. He serves as President and CEO for Urban Housing Communities.

[John Bigley – Chief Operating Officer](#)

John has worked in the fields of finance and real estate for more than 15 years. He was the Executive Director of Heritage Community Housing, where he was responsible for land acquisitions, oversight of accounting and all financial reporting. John worked closely with the board of directors to achieve company goals. As a lead contact with cities and regulatory agencies, he assisted them in meeting their affordable housing requirements, while developing key partnerships for HCH. Early in his career, John was a commercial loan officer and worked in management for a consumer finance company. He received his B.A. in Finance from California State University, Fullerton. John's responsibilities as C.O.O. of UHC include, directing acquisitions, establishing and maintaining partnerships with cities and other governmental agencies and managing projects from conception through operation.

[David Bigley – Chief Financial Officer](#)

David, for 20 years, has held executive positions in Finance and Accounting. He served as Assistant Director of Accounting and Process Management for the J. Paul Getty Trust, a nine billion dollar not-for-profit enterprise. During his tenure, the Trust built and now operates two world-class museums. Prior to that, David was an Assistant Vice President at California Federal Bank (now Citibank), where he managed the real estate syndications and accounting division. His division was responsible for overseeing the bank's real estate and real estate partnerships, more than a billion dollars of assets. He earned a B.A. in Economics/Political Science at UCLA. David's CFO responsibilities at UHC include managing finance and administration, compliance and asset management, and process improvement. He is responsible for reporting to UHC investors and lenders, among others, Morgan Stanley, Red Capital Group, Citibank, US Bank and Bank of America.



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Bradley Wells – Senior Vice President Development

Brad has over 18 years of experience in public finance and non-profit administration. As Vice President of Finance and Administration for the J. Paul Getty Trust, he managed all accounting and financial reporting, tax, treasury, debt financing, budget planning and payroll. He instituted a debt program that managed a tax-exempt and taxable debt portfolio of over \$600 million. He presided over all procurement and contract services, facility maintenance and construction. As Assistant Vice Chancellor of Financial Services for the California State University system, he directed a broad range of financial services. He supervised CSU property development, notably, the construction of a 950-unit housing development at Channel Islands. He managed the issuance of over one billion in tax-exempt debt for the development of housing and other new construction. Brad oversees due diligence, planning and entitlement for UHC.

Thomas G. Fisher – Senior Vice President

Thomas has over 25 years of real estate and finance experience. Thomas has advised corporate, institutional, and individual clients on a wide range of real estate and investment matters involving the site selection, purchase, development, sale, lease, financing, equity, and management of commercial real estate. He was President of a national real estate advisory firm operating in the affordable housing industry and was responsible for all facets of entitlement, development, property management, and brokerage activities of the firm. Thomas served as the SVP and Director of Portfolio Services at Trammell Crow Company (TCC), where he was responsible for the bottom-line success of Portfolio Transaction Services for the client's (KeyBank National Association) commercial real estate portfolio. Thomas's experience includes over \$300 million in real estate mortgage financing in the multi-housing sector and he has been the General Partner in the development of over 80 affordable apartment communities serving families and seniors throughout the country. At UHC, Thomas serves as a principal and is involved in the development, management, and investment activities of the firm.

Jonathan Kwon – Senior Vice President Development Hawaii

Jonathan Kwon has been active in real estate since 1989. Prior to joining UHC, Jonathan served as Senior Vice President of the Industrial and Investments Division for Coldwell Banker Commercial Pacific Properties specializing in the leasing and sales of industrial and retail real estate in the State of Hawaii. Early in his career Jonathan worked in residential sales before transitioning to commercial leasing and sales of real property. Jonathan currently is a candidate for the Certified Commercial Investment Member (CCIM) designation conferred by the CCIM Institute held by only 6% of the estimated 125,000 commercial real estate practitioners nationwide. Jonathan earned a B.A. degree from the University of Hawaii. Jonathan oversees UHC's development activities in Hawaii.

Mark Irving – Director Land Planning and Entitlement

Mark has nearly 20 years of experience in real estate. Most recently, he served as Project Manager and Forward Planner for KB Home in Riverside. He was responsible for obtaining land entitlements and managing project approvals, a position that required close collaboration with political leaders to resolve development issues. Prior to KB Home, Mark acted as President of an international real estate consulting firm that advised multi-national corporations on international requirements, practices and market trends. He earned a B.A. in Architecture from the University of Notre Dame and is licensed to sell real estate in the State of California. Mark is responsible for obtaining site, planning, zoning and regulatory approvals.



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Robert Gauette – Vice President Construction

Bob has worked in construction management for more than 30 years. He acted as General Manager and Senior Project Manager for a general contracting firm that built retail stores, shopping centers, assisted living, medical facilities, commercial, industrial, office buildings and child care facilities. Bob was responsible for the oversight and direction of all general contractors, designers, architects, consultants, and engineers. He managed the bidding process, negotiated prime contracts, scheduled and coordinated all phases of construction. Bob's UHC responsibilities include management and oversight of all aspects of construction.

Kaye Mondell - Vice President Development Administration

Kaye's 30 years of experience encompass the areas of real estate development, design, construction and property management. She is a Certified Property Manager and Broker. Kaye's UHC responsibilities include overseeing and processing all applications related to the allocations associated with the financing of affordable housing projects. She manages all due diligence and tracks the entitlement process.

Jean Laurin Lawrence - Vice President Community Development

Jean has devoted 30 years to assisting city and state governments and regulatory agencies achieve their housing goals. Her vast experience includes housing element legislation, rural housing program development, exclusionary housing, redevelopment, special care facilities, farm labor housing, senior housing and support facilities, student transitional and military housing. She has extensive experience with market studies and regulations related to relocation. Jean holds a B.S. in Public Service Administration/Economics, University of Redlands and Masters in Human Resources and Organizational Development, University of San Francisco. She was designated, Senior Housing Market Analyst (SHMA) by the National Association of Home Builders. At UHC, Jean works with cities and agencies to find locations for affordable housing and oversees early predevelopment including the identification of soft financing.



TAX FOUNDATION OF HAWAII

Lowell L. Kalapa

Position: Executive Director and President since 1979
Tax Foundation of Hawaii

Education: Punahou School
Northwestern University, BS and MSJ (Medill School of Journalism.)

Community Service – Current

- Hale Pauahi Housing Corporation - President
- Pualani Manor Nonprofit Housing Corporation - President
- Self-Help Housing Corporation of Hawaii - Board Member
- Ikaika Ohana - President
- Child Welfare League of America - Board Member, Treasurer
- Family Programs of Hawaii - Board Member and Vice-Chair
- Hui Hanai - Board Member
- Parents and Children Together (PACT) - Board Member and Treasurer
- Henry & Dorothy Castle Memorial Fund - Member, Advisory Council
- Project Safe Neighborhoods - Task Force Member
- Weed & Seed - Member, Steering Committee
- Friends of Drug Court - Chair
- Business Pathway (DOE) Advisory Board - Member, Chair
- Community Entrepreneurs - Chair
- Northwestern University Alumni Admissions Council - Regional Director
- Investment Committee, Kawaihae Church - Member

Community Service – Past

- Advisory Council of Queen Lili'uokalani Children's Center - Member, Past Chair
- Aloha Society of Association Executives (ASAE) - Past Board Member & President
- Aloha United Way - Community Building Council Volunteer
- American Red Cross - Hawaii Chapter - Board Member
- Bishop Museum Association - Council Member, Past President
- The Casey Family Program Community Resource Council - Member and Past Chair
- College Connections - Board Member
- Family Peace Center - Board Member
- Friends of Foster Kids - Board Member, Assistant Treasurer
- Good Beginnings Alliance - Secretary and Board member
- Hale Kipa - Past President; Board Member
- Historic Ewa - Board Member, Treasurer
- Honolulu Civic Entrepreneur Initiative - a project of the Pew Charitable Trust
- Hoolaulima Committee - an initiative to encourage collaboration - Chair
- The Journal of Community Building & Development - Member of the editorial board
- Main Street - Member Statewide Committee, Hilo Partner
- Punahou Alumni Association - Board Member, Past President, Treasurer
- The Finance Project - a Carnegie Foundation initiative aimed at finding a solution to financing a universal system of early childhood education and care

Professional Associations – Current

- Sales Tax Committee of the National Tax Association - Tax Institute of America
- National Taxpayers Conference
- Oahu Metropolitan Planning Organization - Member

Professional Associations – Past

- Chamber of Commerce of Hawaii - Member Tax and Government Affairs Committees
- Governmental Research Association - Trustee
- Hawaii State Council on Revenues – Member, Past Chair
- Hawaii Visitors Bureau - Research Committee Member
- Oahu Development Conference - Member Transportation Committee
- Western States Taxpayers Conference - Member

Weekly Column

- Maui News
- The Garden Island
- West Hawaii Today
- The Hawaii Reporter

Board Governance and Strategic Planning

Among the many other educational activities undertaken by Mr. Kalapa, he has assisted numerous nonprofit organizations in understanding the roles and responsibilities of board members of those organizations and where the line begins and ends insofar as oversight and governance of those organizations. Unlike corporate boards, members of nonprofit organizations must remember that they are not responsible to stockholders/investors, but to the community at large. Often volunteers on nonprofit governing boards misunderstand their roles and lack the broader picture of what they are accountable for and to whom they remain accountable.

An advocate of community building, Mr. Kalapa has provided leadership and guidance to numerous community groups and nonprofit organizations in the area of board governance, fiduciary responsibility, and strategic planning. Of particular interest to Mr. Kalapa have been the challenges that face the Hawaiian community and he has facilitated board training and strategic planning for agencies such as Queen Lili`uokalani Children=s Center, the Native Hawaiian Educational Council, Papa Ola Lokahi, and the Board of Trustees of Kawaihao Church. He has given guidance to many of the member agencies of Aloha United Way as part of the Community Building Evaluation Committee.

The **Tax Foundation of Hawaii** is a private, nonprofit, non-partisan, educational organization established to research issues confronting governments in the area of public finance, taxation, and public administration. Although the Foundation is often mistaken for a state or county agency, it is supported entirely by private contributions.

EIGNER & NORRIS PLLC

ATTORNEYS AT LAW

R. Wade Norris, Esq.

R. Wade Norris is a partner at Eichner & Norris PLLC in Washington, D.C. Mr. Norris is widely recognized as one of the country's leading experts in the field of multifamily housing bond finance, and Mr. Norris has often played a major role in developing new financing techniques in this area of finance. Since 1977, Mr. Norris has been involved as Underwriter's Counsel or Special Bond Matters Counsel to the Borrower in over 1,000 multifamily housing bond and other tax exempt bond financings, totaling over several billion dollars in almost every state in the United States. These financings have involved almost every type of credit enhancement used in multifamily housing bond finance, including municipal bond insurance with all the major bond insurers (e.g., MBIA, AMBAC, FSA, FGIC, Capital Guaranty), bank letters of credit, insurance company guaranties, and enhancements provided by FDIC, FHA, Ginnie Mae, Fannie Mae, Freddie Mac and other institutions, as well as multiple-tier non-credit-enhanced financings utilizing senior/subordinated and other structures.

Mr. Norris has been a speaker at numerous seminars and the author of numerous articles on multifamily housing bond finance over the past 20 years. Mr. Norris' frequently updated paper entitled Introduction to Tax Exempt Multifamily Housing Bonds is widely regarded as the industry's leading introductory article on tax exempt multifamily housing bond finance. Mr. Norris attended Duke University where he received his B.A. degree in Economics with distinction in 1969 and served as Student Body President. Mr. Norris received an MBA from Stanford University in 1971, with a concentration in systems analysis and finance. Mr. Norris received his law degree from Duke University School of Law in 1974, where he graduated with distinction and served as Editor-in-Chief of the Duke Law Journal during his final year. He is a member of the State Bar of Georgia, the American Bar Association, the National Association of Bond Lawyers and the American College of Bond Counsel. Mr. Norris also serves as Chair of the Bond Financing Committee of the American Bar Association Forum on Affordable Housing and Community Development Law.



BALLARD SPAHR ANDREWS & INGERSOLL, LLP

**Wayne H. Hykan
Partner**

Wayne H. Hykan is a partner in Ballard Spahr Andrews & Ingersoll's Real Estate Department. Mr. Hykan has over 20 years experience in affordable housing and community redevelopment.

He has represented tax credit investors, developers, lenders and governmental agencies in a wide variety of transactions, including low-income housing tax credit investments, public/private partnerships, mixed-use development and energy performance contracts.

Mr. Hykan is a member of the American Bar Association, Forum on Affordable Housing and Community Development, and the Colorado Bar Association. He is licensed to practice in Colorado (1980) and California (1998).

Mr. Hykan is a graduate of the University of Illinois, (B.A., summa cum laude, 1977), University of California, Berkeley (M.B.A. 1985) and Harvard Law School (J.D., cum laude, 1980).



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**Kuhio Park Terrace and Kuhio Homes
Summary Project Schedule
December 18, 2008**

<u>Step</u>	<u>Completion</u>
Award RFP	Day 1
Negotiate Exclusive Negotiating Agreement	Day 60
Negotiate Disposition and Development Agreement	Day 180
Apply for Private Activity Bonds	Day 210
Develop Design Documents	Day 300
Solicit Construction Bids	Day 360
Receive Private Activity Bond Allocation	Day 390
Award Construction Bids	Day 420
Commence Construction	Day 450
Complete Construction	Day 1,180

Kuhio Park Terrace and Kuhio Homes
PERMANENT SOURCES & USES OF FUNDS
December 18, 2008

SOURCES OF FUNDS	<u>Total</u>	<u>Per Unit</u>
Federal Tax Exempt Private Activity Bonds	\$ 23,115,000	\$ 30,902
Federal 4% Tax Credit Proceeds	72,767,380	97,283
CFFP Bond	46,367,484	61,989
Cash Residual Loan	84,150,000	112,500
Interim Income	1,350,000	1,805
Deferred Developer Fee	<u>11,651,356</u>	<u>15,577</u>
TOTAL SOURCES OF FUNDS	<u>\$ 239,401,220</u>	<u>\$ 320,055</u>
USES OF FUNDS		
Land and Building Acquisition	\$ 84,200,001	\$ 112,567
Construction Costs	104,720,000	140,000
Fees and Permits	1,000,000	1,337
Developer Fee	22,847,756	30,545
Professional Services	2,357,900	3,152
Financing	9,888,000	13,219
Relocation	9,250,000	12,366
Other	1,916,618	2,562
Reserves and Contingency	<u>3,220,945</u>	<u>4,306</u>
TOTAL USES OF FUNDS	<u>\$ 239,401,220</u>	<u>\$ 320,055</u>

Kuhio Park Terrace and Kuhio Homes
CONSTRUCTION SOURCES & USES OF FUNDS
December 18, 2008

SOURCES OF FUNDS	<u>Total</u>	<u>Per Unit</u>
Construction Loan	\$ 119,705,000	\$ 160,033
Federal 4% Tax Credit Proceeds	22,544,864	30,140
Cash Residual Loan	84,150,000	112,500
Interim Income	1,350,000	1,805
Deferred Developer Fee	<u>11,651,356</u>	<u>15,577</u>
TOTAL SOURCES OF FUNDS	<u>\$ 239,401,220</u>	<u>\$ 320,055</u>
USES OF FUNDS		
Land and Building Acquisition	\$ 84,200,001	\$ 112,567
Construction Costs	104,720,000	140,000
Fees and Permits	1,000,000	1,337
Developer Fee	22,847,756	30,545
Professional Services	2,357,900	3,152
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Relocation	9,250,000	12,366
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Reserves and Contingency	<u>3,220,945</u>	<u>4,306</u>
TOTAL USES OF FUNDS	<u>\$ 239,401,220</u>	<u>\$ 320,055</u>

**Kuhio Park Terrace and Kuhio Homes
55 Year Statement of Cash Flows
December 18, 2008**

	<u>Total</u>
Rental Income	751,335,138
Laundry and Vending	10,366,087
HUD Operating Support	<u>98,332,541</u>
Gross Potential Income	<u>860,033,766</u>
Forecasted Vacancies	43,001,688
Other Rental Concessions	<u>-</u>
Total Vacancies & Reductions	<u>817,032,078</u>
Operating Expenses	485,910,312
Replacement Reserves	<u>53,990,035</u>
Total Annual Operating Expenses & Reserves	<u>539,900,346</u>
NET OPERATING INCOME (LOSS) BEFORE DEBT SERVICE	277,131,731
Federal Tax Exempt Private Activity Bonds	<u>50,922,500</u>
NET CASH FLOW AVAILABLE BEFORE OTHER CHARGES	<u>226,209,231</u>
Asset Management and Related Fees	10,205,371
Deferred Developer's Fee	11,651,356
Cash Residual Loan	98,630,165
Cash Flow to Partners	<u>105,722,339</u>
NET CASH FLOW AVAILABLE	<u><u>-</u></u>

**Kuhio Park Terrace and Kuhio Homes
Variables and Assumptions
December 18, 2008**

Date of Financial Projection:	December 18, 2008
Project Name:	Kuhio Park Terrace and Kuhio Homes
Estimated Vacancy Rate:	5.00%
Estimated Increase in Rents:	3.00%
Estimated Increase in Expenses:	3.00%
Replacement Reserve:	\$500 /unit/yr
Increase in Replacement Reserves:	3.00%
Debt Coverage Ratio:	1.200
Laundry and Vending Income:	\$96 /unit/yr
Management Fee:	5.00% /first yr
Operating Costs:	\$4,500 /unit/yr
Model Tax Credit Type:	4%
Federal Tax Credit Price-Market:	0.79
Acquisition Tax Credit Rate:	3.36%

Loans	Principal	Rate	Term
Federal Tax Exempt Private Activity Bonds	\$ 23,115,000	6.10%	30.0 Yrs
Deferred Developer Fee	\$ 11,651,356	0.00%	15.0 Yrs
Construction Loan	\$ 119,705,000	4.50%	22 months
Cash Residual Loan*	\$ 84,150,000	3.00%	52.0 Yrs

*Cash residual loan approximates proceeds from sale of building





"Outdoor Rooms"



Lanai



Community Gardens



Landscape



Native Plants



Recreation



Kuhio Park Terrace
Honolulu, Hawaii

.....an affordable family community

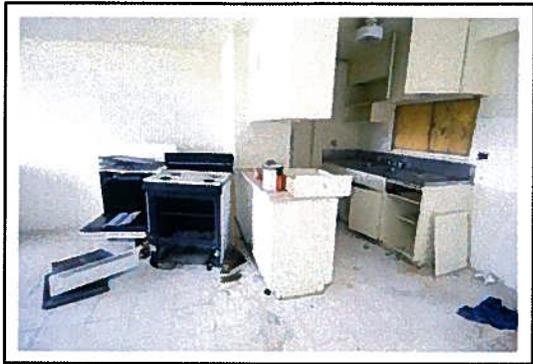


Architecture + Planning
17992 Mitchell South
Irvine, CA 92614
949.851.2133
ktgy.com

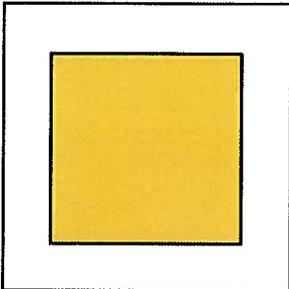


December 16, 2008

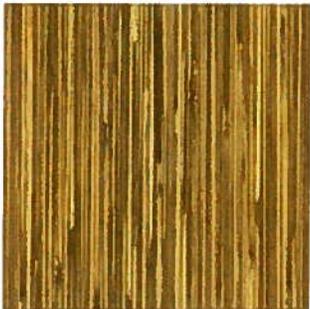
KITCHEN



Existing Kuhio Park Terrace Kitchen



Dunn Edwards
Ecoshield- Low VOC Paint
Color: Paloma Tan



Formica "Rattan Cane"
Laminate Countertops
Formaldehyde Free Board
Low VOC Adhesives



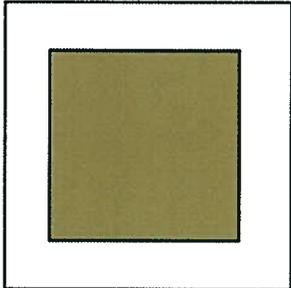
Concept for Kitchen Kuhio Park Terrace



Floor Color: Burlap
Integral color cement



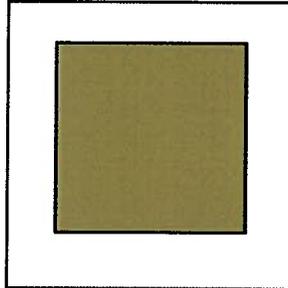
Urban Housing Communities, *Horizons at Indio*



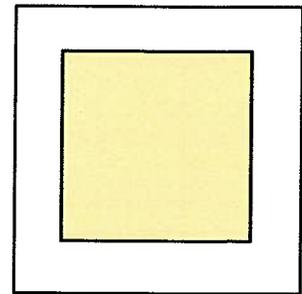
BATHROOM



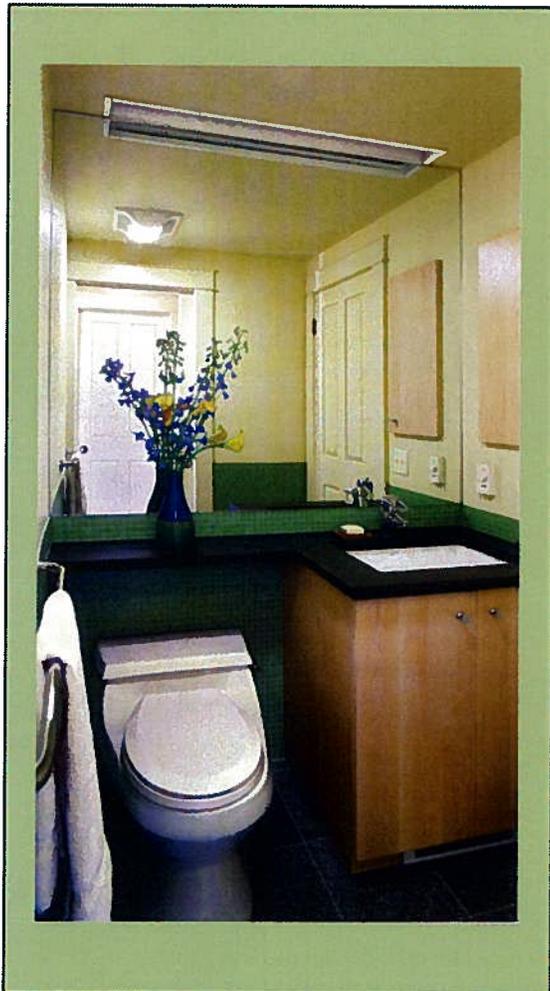
Existing Kuhio Park Terrace Bathroom



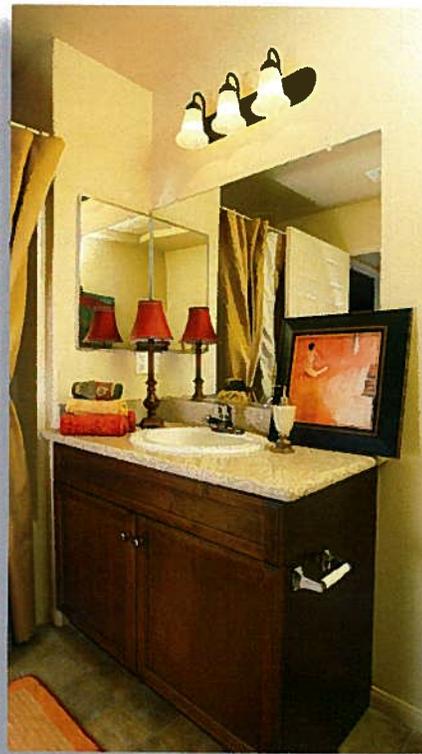
Floor Color: Burlap
Integral color cement



Dunn Edwards
*Ecoshield- Low VOC
Paint*
Color: Spanish White



Concept Bathroom



Urban Housing Communities
Horizons at Indio

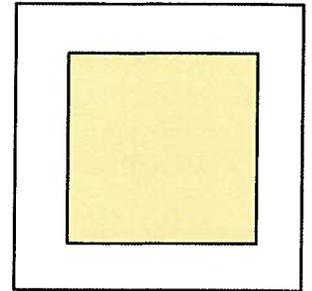


*Water saving
plumbing fixtures.*

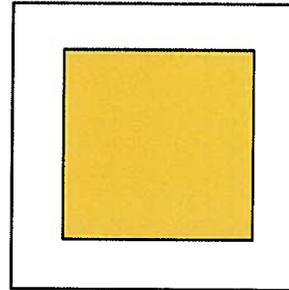
LIVING ROOM



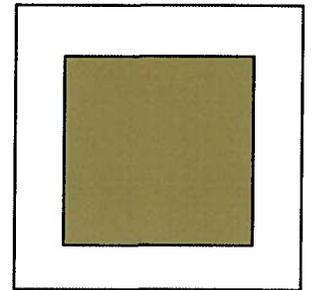
Existing Kuhio Park Terrace Living Room



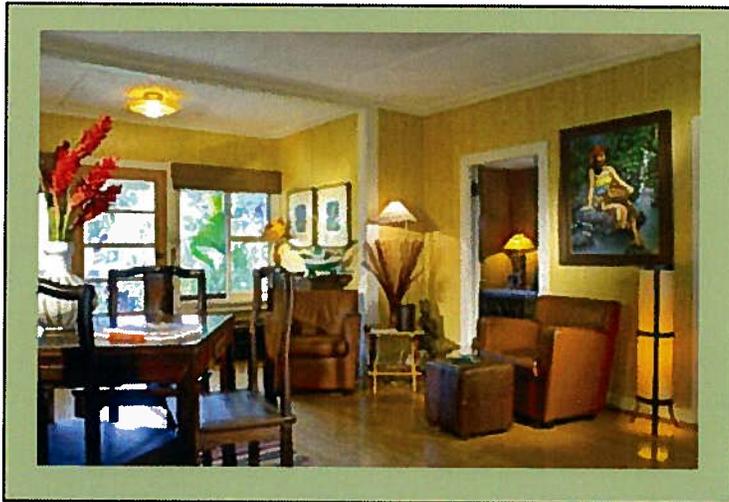
Dunn Edwards
Ecoshield- Low VOC
Paint
Color: Spanish White



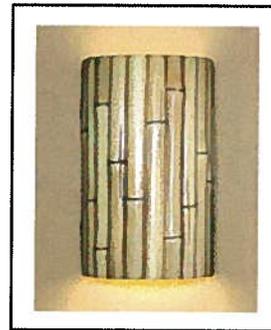
Dunn Edwards
Ecoshield- Low VOC
Paint
Color: Paloma Tan



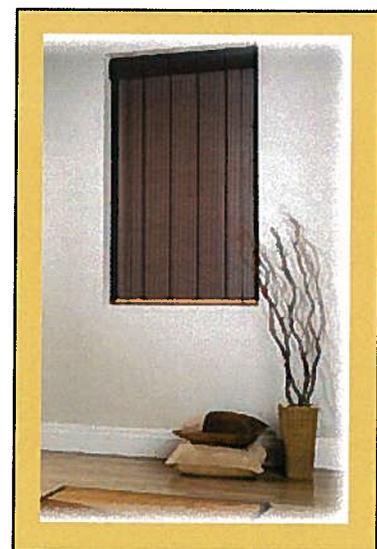
Floor Color: Burlap
Integral color cement



Concept for Living Room Kuhio Park Terrace



Urban Housing Communities, *Horizons at Indio*

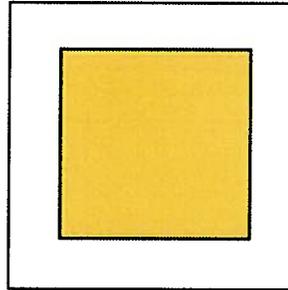


Woven wood shades

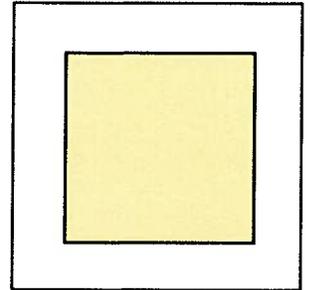
BEDROOM



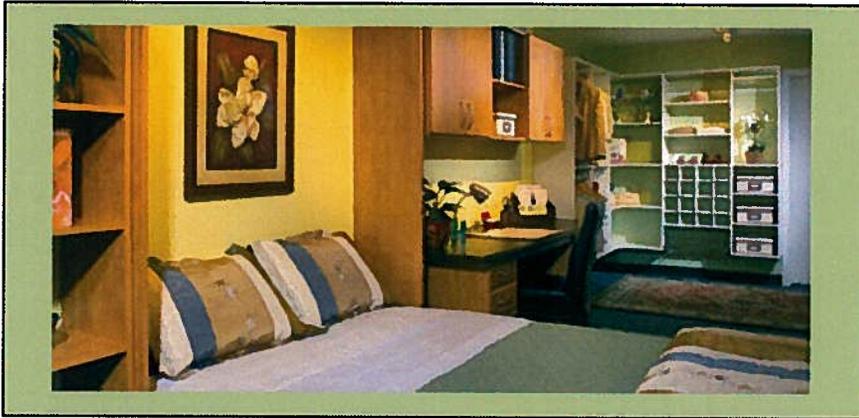
Existing Kuhio Park Terrace Bedroom



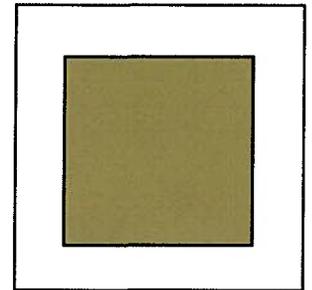
Dunn Edwards
*Ecoshield- Low VOC
Paint*
Color: Paloma Tan



Dunn Edwards
*Ecoshield- Low VOC
Paint*
Color: Spanish White



Concept for Bedroom Kuhio Park Terrace



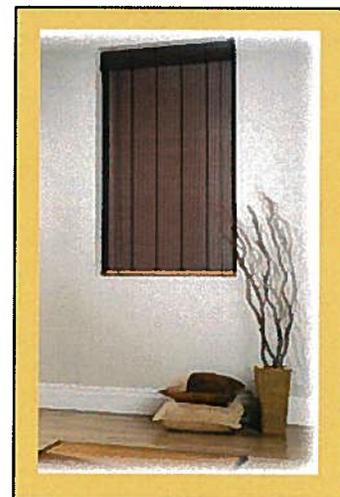
Floor Color: Burlap
Integral color cement



Ceiling fan w/ light



Urban Housing Communities, *Crossings at Elk Grove*



Woven wood shades



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UHC's Existing Green Building Practices

- All lighting is Fluorescent, Title 24 compliant, and Energy Star Rated.
- IPower Solar Panel System (full & partial systems)
- Dunn Edwards, Zero-VOC Ecoshield Interior Paint and Primer used for interior painting. Will incorporate exterior paint when option is available.
- La Habra NTS (New Technology) Stucco. Low Dust.
- High-Efficiency / Low-flow toilets (less than 1.6 gallons) for water conservation.
- All windows and sliding glass doors are double pane, vinyl-clad Energy Star rated.
- Engineered wood products such as shutters, building trim and window blinds. Recommended by California Green Builder.
- CertainTeed fiber cement siding that contains recycled content, does not emit harmful chemicals into the environment and is manufactured in environmentally friendly plants. SFI certified.
- CertainTeed energy efficient roofing that contains recycled content, does not emit harmful chemicals into the environment and is manufactured in plants that are ISO 14001 certified.
- Appliances are Energy Star rated and will be gas, as opposed to electric, in most projects.
- Shaw Industries Eco-Solution nylon carpet. Made using a carpet to carpet recycling process.
- Landscaping site furniture made from recycled content.
- Minimum sod and turf areas to conserve irrigation water.
- Drought tolerant and non-invasive plant species used where possible.
- Interlocking pavers on walkways to assist in water drainage percolation.
- Green Building certified air conditioning sealed ducts (includes certifications)
- Weather-based irrigation controllers that provide only the amount of water required to sustain the landscaping (Smart Controller).
- Recycling bins provided at every trash location during and after construction completion.
- Trex fencing systems that are made from 50 percent (%) recycled and reclaimed plastic, and 50 (%) percent reclaimed wood. Trex is one of the largest plastic bag recyclers in the United States.
- Therma-Tru fiberglass entry door systems that are Energy Star compliant and NFRC certified and contain recycled content.
- Water heating systems are central gas hydronic or tankless.
- One (1) bike rack stall per five (5) units. Encouraging residents to travel by bike.



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- Radiant barriers under roof sheeting.
- Kitchen hoods vented to exterior.
- Reflective roofing.
- Building's design and lay-outs for maximum efficiencies.
- Site drainage self-contained onsite, and maximum percolation rates utilized where possible.
- Insulated walls, ceilings, floor joists, and roofs.
- Durable and non-combustible materials utilized where possible.
- Use of natural lighting where possible.



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UHC's Green Landscape Practices

Water Treatment and Infiltration:

- Rain gardens
- Vegetable swales, catchments, buffering strips, retention basins.
- Rain barrels/cisterns
- Green roofs or planted roofs (podium projects only) pervious paving. Inter-locking pavers and other forms of porous/semi-permeable paving surfaces.
- Dry wells

Conservation of Water:

- Reuse rainwater, grey water, and waste water
- Use of irrigation techniques and devices such as: watering schedules, wind/rain meters, drip irrigation, moisture sensors, Eto (Evapotranspiration) smart controllers
- Native/drought tolerant plants
- Mulching
- Planting and irrigation by hydrozones
- Drought tolerant turf
- Composting

Provision of Space:

- Community gardens
- Recycled site furniture, trash cans, BBQs

Conservation of Energy:

- Solar Energy (i.e. Carport Solar Panel Roofs)
- Lighting sensors
- Energy Star site lighting

Recycling

- Provide recycle bins at each trash location
- Recycle post construction waste
- Recycle post construction waste "in place" for landscaping, as feasible



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- Use of recycled mulch
- Use of recycled playground surface (similar to: <http://www.groundrubber.com/playground.htm>)

Pools

- Provide pool covers for energy and water savings
- Solar heating for pools

Site Planning

- Building orientation in harmony with ecological attributes of the site.
- Site selection of family sites walking distance to schools, parks, stores & senior sites consider walking distance to amenities stores & medical services.
- Higher percentage of low water landscaped open space and lower density housing

Conservation

- Arborist analysis of existing trees to integrate into site planning for energy savings and environmental conservation.
- Shade Trees located for maximum future shading of buildings.
- Shade Tree coverage of impervious parking areas to reduce "hot areas".
- Reduction of percentages of lawn areas. Use of low water grass where applicable.
- Screening and shading of above ground AC compressors.
- Development of maintenance guidelines setting standards for organic fertilizers, replacement of shredded/recycled wood mulch as needed, development of irrigation watering charts to assist in minimizing overwatering and clarification of the separate irrigation zones for turf and shrub areas.

Reduce Urban Heat Island Effect

- Utilize cool paving, roofs & surface materials (high solar reflectance= SRI 29+)
- Shade surfaces with trees, vegetation or shade structures (but avoid reducing airflow).
- Use water features & wetlands for evaporative cooling, increase soil moisture



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Kuhio Park Terrace and Kuhio Homes *A Multi-Family Affordable Housing Community*

Project Overview

Urban Housing Communities LLC is proposing to revitalize and modernize *Kuhio Park Terrace* and *Kuhio Homes*, two public housing communities on Oahu that are being considered for renovation by the Hawaii Public Housing Authority (“Authority”). The Authority has conducted an assessment of deferred maintenance and these properties have been identified as a priority.

Public Housing is a national problem with a lack of funds giving rise to dilapidated housing conditions across the country. Built in 1965, *Kuhio Park Terrace* and *Kuhio Homes* have been plagued by deferred maintenance issues and inadequate funding that have rendered some of the development’s 748 units uninhabitable. Broken elevators, sewage backups and a malfunctioning fire protection system are among the emergency maintenance concerns. Given the lack of affordable housing in Hawaii and thousands of people on the waiting list for Public Housing, the Hawaii Public Housing Authority has committed itself to finding a solution.

UHC’s plan for rehabilitating *Kuhio Park Terrace* and *Kuhio Homes* will increase both inventory and capacity. The 18.69 acre development will be revitalized and modernized inside and out to protect the health and safety of the property’s 2,500 residents. Vacant units will be returned to inventory and programs to transition families to other affordable and market-rate housing at an appropriate time will be implemented. Our not-for-profit partner, Ikaika Ohana, will collaborate with community-based organizations to design supportive services that meet the physical, educational, professional and social needs of our residents. In addition, UHC will contract with a proactive property management organization that will be responsible for operations, maintenance and compliance according to agreed upon standards. Once revitalized and modernized, these programs will be a critical component to preventing the communities from falling into disrepair and empowering families to acquire the skills and resources they need in order to attain other affordable or market-rate housing.

To ensure the sustainability of *Kuhio Park Terrace* and *Kuhio Homes* in perpetuity, the financial model includes sufficient cash flow and adequate reserves to cover ongoing maintenance and capital improvements. Quality building materials and green and energy-efficient design features also will contribute to the community’s sustainability.

Kuhio Park Terrace and *Kuhio Homes* will become the standard for sustainable affordable housing in Hawaii.

Scope of Renovations

Kuhio Park Terrace and *Kuhio Homes* consist of 68 one-bedroom, 350 two-bedroom, 243 three-bedroom, 79 four-bedroom and 8 five-bedroom apartments occupying two 16-story buildings and multiple low-rise structures. The conceptual elevation and interior designs for *Kuhio Park Terrace*



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included in the “Conceptual Design and Development” section of this proposal were designed to complement and blend with the existing architectural style of the neighborhood. At this juncture, the architecture only addresses what we consider Phase 1, which is *Kuhio Park Terrace*. Since the towers are visible from the Honolulu Airport, it is important that the façade be enhanced to make a positive first impression on visitors to Hawaii.

Revitalization and modernization efforts for *Kuhio Park Terrace* and *Kuhio Homes* will focus on restoring the original buildings and substantially upgrading interior and exterior finishes. The scope of renovations will include, but not be limited to:

- Modernizing the mechanical, electrical and plumbing systems (including replacing elevators and boiler systems) and bringing them up to current code, while considering energy efficiencies and green-building standards, where appropriate.
- Refurbishing apartment interiors with new appliances, cabinets, finishes and flooring.
- Renovating common areas, including hallways and stairways, with new finishes, flooring and window coverings.
- Upgrading and re-painting the exterior façade.
- Repairing and replacing roofs, as needed.
- Repairing and repaving roadways, sidewalks and parking areas.
- Resolving all outstanding maintenance needs.
- Designing and implementing a sustainable landscape plan.

An initial investment in quality building materials, appliances and finishes will be required to ensure that the apartments are sustainable and capable of withstanding heavy use by families. An added benefit of this investment is resident pride in the property. Please refer to the “Conceptual Design and Development” section for more detailed information (e.g. color palettes and specifications) regarding rehabilitation and modernization of the interiors and exteriors.

Green-Building

Green-building practices that reduce the impact *Kuhio Park Terrace* and *Kuhio Homes* have on the environment, decrease energy costs (e.g. solar power), and create healthier living environments will be included in the revitalization and modernization efforts. These practices incorporate LEEDs standards. Refer to the “Conceptual Design and Development” section for Sustainable/Green Building Practices that are achievable and have become standard practice at UHC’s communities under development. Our goal at *Kuhio Park Terrace* and *Kuhio Homes* will be to maximize the use of these practices based on available funding. Funding sources typically offer incentive-based programs which facilitate the addition of sustainable building features that may increase costs.

In addition, the grounds including the patio, walkways, recreational and perimeter areas will be sustainably landscaped to create an attractive environment that is in balance with the local climate and



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requires minimal resources. UHC's Green Landscape Practices are more fully illustrated in the "Conceptual Design and Development" section of this proposal.

Affordability

In order to revitalize and modernize the greatest number of units *Kuhio Park Terrace* and *Kuhio Homes*, the financial model identifies 50% of the units for Public Housing, 25% for project-based vouchers, and 25% for tax credits with deep income restrictions. All units will be deed restricted. Blending the incomes and restricting them to low income levels, is the most efficient way to rehabilitate the greatest number of units. This is more clearly demonstrated in the "Financial Plan" provided in Section IV of this proposal.

The purpose of this Public Housing facility is to provide a safety net and a place for people to transition to better circumstances. Therefore, among other proactive strategies to mitigate permanent relocation of current residents, we will identify the residents with the highest area median income and assign them to the tax credit units. In addition, existing units that currently are offline also will become tax credit units until we fill the tax credit category. For purposes of this model, the assumption is that the tax credit units will average approximately 30% of area median income.

Security

A key component of security at *Kuhio Park Terrace* and *Kuhio Homes* will entail keeping the youth occupied and enriching the lives of all residents through supportive services (discussed in greater detail in the following section). Other security features include controlled access to the community, perimeter fencing, security cameras, and abundant site lighting. Private security patrol, which has proven effective at other UHC communities, will be hired to ensure the safety of our residents.

Services and Operations

UHC has a proven formula for improving the lives of its families that begins with creating attractive, safe, and healthy affordable housing—but that is only the starting point. All residents of *Kuhio Park Terrace* and *Kuhio Homes* will undergo a thorough screening process (e.g. income verification, credit and criminal background reviews, and landlord reference check) to ensure they qualify and will be in harmony with the community. Next, we assess the needs of our residents to create programs and services that meet their physical, educational, professional and social needs. To do this, we will partner with, Ikaika Ohana, a not-for-profit social service provider, who will be responsible for collaborating with community-based organizations to ensure that supportive social programs are available by move-in day. Programs encompass the following categories:

- Health and Wellness: immunizations, health screenings, healthy living (e.g. nutrition education, physical fitness, environmentally-friendly practices)



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- Community Development: resident advisory council, neighborhood watch program, get-to-know-your-neighbor activities (e.g. potlucks, holiday parties, movie nights, arts & crafts, earth day clean-up)
- Personal Growth: tutoring, after-school programs, occupational certification courses, resume preparation and job referrals, GED classes, and financial counseling
- Leadership: volunteer opportunities, ROTC, sports teams, girl and boy scouting troops
- Assistance: transportation, emergency food and clothing, financial advisement

Another component of this formula is proactive property management. To ensure that *Kuhio Park Terrace* and *Kuhio Homes* are maintained and managed according to defined and measurable standards, UHC will contract with two full-service property management organizations specializing in multi-family affordable housing. A local property management company will be selected to handle marketing, leasing, operating and maintaining the community. A property management and maintenance team will live and work onsite, and also will be responsible for creating a supportive and enriching environment by facilitating delivery of Ikaika Ohana's resident services. Our not-for-profit partner and property manager will work together to build a cohesive and well-maintained community. Ideally, the supportive services provided by Ikaika Ohana will create invested and motivated residents that, in turn, will have a positive impact on the operations and maintenance of the community. In addition, UHC will contract with a property management company on the mainland to assist with compliance and asset management, and provide the local property manager with additional resources.

Once our families have acquired the necessary skills and resources, they will be able to transition to other affordable or market-rate housing, providing an opportunity for another needy family. The final step in this formula will be to measure the effectiveness of our property management and supportive services against pre-established goals. **How well our communities are doing tells us how well we are doing.**

As an example, resident health and the availability of healthcare will be UHC's and Ikaika Ohana's top priority. Our goal will be that every child living in *Kuhio Park Terrace* and *Kuhio Homes* is immunized and receives an annual health screening. Resident participation will be encouraged and tracked with an annual report demonstrating the effectiveness of our wellness program. These reports will be used to optimize the effectiveness of future resident programs.

Temporary Relocation

Temporary relocation of *Kuhio Park Terrace's* and *Kuhio Homes's* current residents during renovation will be handled by UHC through a contract with a relocation consultant. The relocation consultant will be responsible for qualifying residents based on income, interviewing current residents to determine their housing needs, and finding decent, safe, and sanitary housing for the duration of the renovation. To avoid relocating all 2,500 tenants at once, UHC will utilize a rolling renovation method, which requires only relocating those residents living in units undergoing renovation activities at that time. One method we may explore is to locate trailers onsite to give the residents an opportunity to see progress. Another



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method may be to contract with local hotels. To reach out to the community, we will give presentations and solicit their feedback during the design phase.

Jobs Creation

The current economic condition is the best argument for why we should commit to the redevelopment of Public Housing now. Revitalizing and modernizing *Kuhio Park Terrace* and *Kuhio Homes* will create employment opportunities in the construction services market. Recent estimates published by the National Association of Home Builders in their report, entitled "The Local Economic Impact of a Typical Tax Credit Housing Project" provide a well substantiated approach to quantifying the direct and indirect benefits that result from the development of affordable housing. Using the methodology provided in this report, the rehabilitation of *Kuhio Park Terrace* and *Kuhio Homes* would support approximately 1,100 jobs, which include direct construction and professional positions as well as additional secondary job benefits for the local community. The one-year economic stimulus resulting from the expenditure of public and private funding is estimated to increase local business income by \$12,656,000, and increase local salaries and wages by \$41,955,000. The creation of jobs and the economic stimulus resulting from the project are strong arguments in favor of moving quickly.



December 18, 2008

Mr. Chad K. Taniguchi
Hawaii Public Housing Authority
1002 N. School Street
P.O. Box 17907
Honolulu, Hawaii 96817

Dear Mr. Taniguchi,

We have provided for your consideration a proposal to form a Public/Private Partnership between Urban Housing Communities (UHC) or its designee, Ikaika Ohana, a Hawaii not-for-profit, and the Hawaii Public Housing Authority or its designee (the "Authority") for the purpose of revitalizing and modernizing Hawaii's Public Housing.

Under current prevailing economic conditions, we have estimated that the total federal subsidy available to Hawaii in the form of federal private activity bonds and federal low-income housing tax credits for this undertaking would be approximately **One Hundred Forty-Two Million Two Hundred Fifty Thousand Dollars (\$142,250,000)**. The State of Hawaii would NOT be required to provide any direct subsidy to the project other than an amount that would be fully off-set by the sale of the buildings to the new entity. For purposes of this proposal, the pricing and debt included in the Financial Plan are those currently available in the market today.

THE PUBLIC BENEFIT—WHAT WE ARE PROPOSING TO DO:

1. Renovate the existing structures both interiors and exteriors.
2. Modernize the mechanical, electrical, and plumbing systems, which would include replacing the elevators and boiler systems.
3. Introduce a variety of GREEN BUILDING Standards such as LEEDS.
4. Utilize SOLAR POWER and other energy-efficient technologies.
5. Create new elevations that embrace the Hawaiian culture.
6. Mitigate or eliminate permanent relocation through proactive planning.
7. Increase inventory by bringing units online that are out-of-service.
8. Increase capacity by providing programs that will successfully transition residents out when ready.
9. Provide supportive social programs for residents that will enrich their lives such as immunizations and health screenings, after-school tutoring and Head Start, GED classes, occupational certification courses, resume preparation and job referrals, and financial counseling.

10. Create SUSTAINABILITY by using quality building materials, creating cash flows that provide for adequate replacement reserves, managing to pre-determined measurable standards, and enhancing safety and security through supportive resident services and site control.
11. The rehabilitation and modernization of Public Housing will provide a long-term, comprehensive solution for capital improvement requirements as they relate to a substantial portion of the Authority's portfolio.

WHAT WE ARE ASKING FROM THE STATE OF HAWAII, AMONG OTHER THINGS:

1. Select a development team with experience and resources sufficient for a project of this scope and complexity.
2. Enter into an Exclusive Negotiating Agreement (the "ENA") and, if successful, a Disposition and Development Agreement (the "DDA"). Among other things, the ENA will provide for general goals and timing to be met with respect to the DDA, and the DDA will include a detailed SCOPE OF WORK, TIMING, and AFFORDABILITY levels agreed upon with the Authority. This agreement can allow for all of the units to essentially remain PUBLIC HOUSING or may use a combination of public housing units, project-based vouchers, and/or tax credit units such as contemplated in this proposal. With proper planning, you can access additional subsidies such as project-based vouchers and pure tax credit units, mitigate or eliminate permanent relocation, and revitalize and modernize more units.
3. Form the Public/Private Partnership.
4. SELL the buildings to the Public/Private Partnership for a purchase price payable to the Authority equal to the fair market value of the buildings in its as-is condition assuming no HUD restrictions on the date of the transfer.
5. LEASE the land to the Public/Private Partnership under a long-term lease that, a) would require the project to be operated as affordable housing under the terms of the lease; b) would obligate the Public/Private Partnership to pay all costs and expenses of the project including property taxes, insurance, operating costs and reserves; and c) would provide for nominal base rent for as long as the tenant complies with the lease terms.
6. Allocate up to \$200 million of FEDERAL PRIVATE ACTIVITY BONDS. This could happen over multiple years and does NOT require the State of Hawaii to be liable for payments of such bonds or otherwise impact the credit of the State of Hawaii.
7. Pledge a portion of future receipts of the Authority's capital funds financing proceeds to provide a payment source for a portion of the federal private activity bonds.
8. Could pledge short-term DURF funds. These amounts would be used during construction and would be repaid from project equity.
9. Enter into an agreement with the Authority for the Authority to reacquire the buildings at the end of the compliance period on favorable terms.

WHY ACT NOW?

1. Public Housing in Hawaii is currently in need of revitalization and modernization.
2. THE REVITALIZATION AND MODERNIZATION OF PUBLIC HOUSING WOULD PROVIDE A NEEDED ECONOMIC STIMULUS TO THE STATE OF HAWAII. Due to a slowdown in the economy, a large

Hawaiian skilled labor force is readily available. Please refer to the "Jobs Creation" section of the Project Overview for estimates on the number of jobs created and the fiscal impact.

3. The cost of materials and energy has declined, which will partially off-set the difficulty in the capital markets.
4. FEDERAL PRIVATE ACTIVITY BONDS are readily available and each dollar allocated for HOUSING will receive an allocation of FEDERAL TAX CREDITS and will result in additional private equity for the project.
5. HUD programs currently exist that can attract private invest. HUD has a long track record of strong support for the incorporation of Public Housing units into mixed-finance projects and the use of CFFP bond to finance the Public Housing portion of the project.

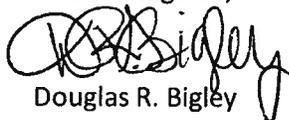
Central to this proposal is **Kuhio Park Terrace** and **Kuhio Homes**, which, in our view for a variety of reasons, are the most likely candidates for such an undertaking. Consequently, we have crafted this proposal assuming the revitalization and modernization of these two assets. If these assets were unavailable to us for any reason, the basic principal, in any case, would apply to any Public Housing asset of similar circumstances.

Our analysis was prepared from assumptions developed using public sources. On occasion, these public sources did not agree, which required us to make judgment calls on how to proceed. We do not believe that any of these judgment calls would material impact our analysis at this time.

There are additional subsidies such as energy credits, which will be available to us, but are not included in this analysis. Additionally, the actual cost of the revitalization and modernization may be less. Should additional subsidies become available and/or the actual cost of construction decline, we will use these funds to revitalize and modernize additional units in other projects as a more detailed plan is developed and the DDA executed. The important point is that this proposal attempts to use Kuhio Park Terrace and Kuhio Homes as a starting point to "KICK START" the revitalization and modernization of all Hawaii Public Housing units. As I am sure you are well aware, there are many models that exist which include mixed-income and mixed-use components. What we have proposed here, as a starting point, is the revitalization and modernization of Kuhio Park Terrace and Kuhio Homes under a mixed-finance model. All units would be deed restricted and we would not be adding a market rate or commercial component. While a mixed-income approach may be appropriate for certain assets and could be explored in detail as we move forward, we felt it was not appropriate for Kuhio Park Terrace or Kuhio Homes given the need that exists for Public Housing and affordable housing, given the resources that are available, and given the location of the property.

Chad, we have spent a great deal of time and effort over the past two years investigating Hawaii's Public Housing and hope that you will view this proposal as a real opportunity to get started.

Kindest Regards,



Douglas R. Bigley
President



Kuhio Park Terrace

Honolulu, Hawaii

A proposal for the revitalization and modernization
of Hawaii's public housing
by
Urban Housing Communities





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- V. Schedule
- VI. Development Team and Experience
- VII. References



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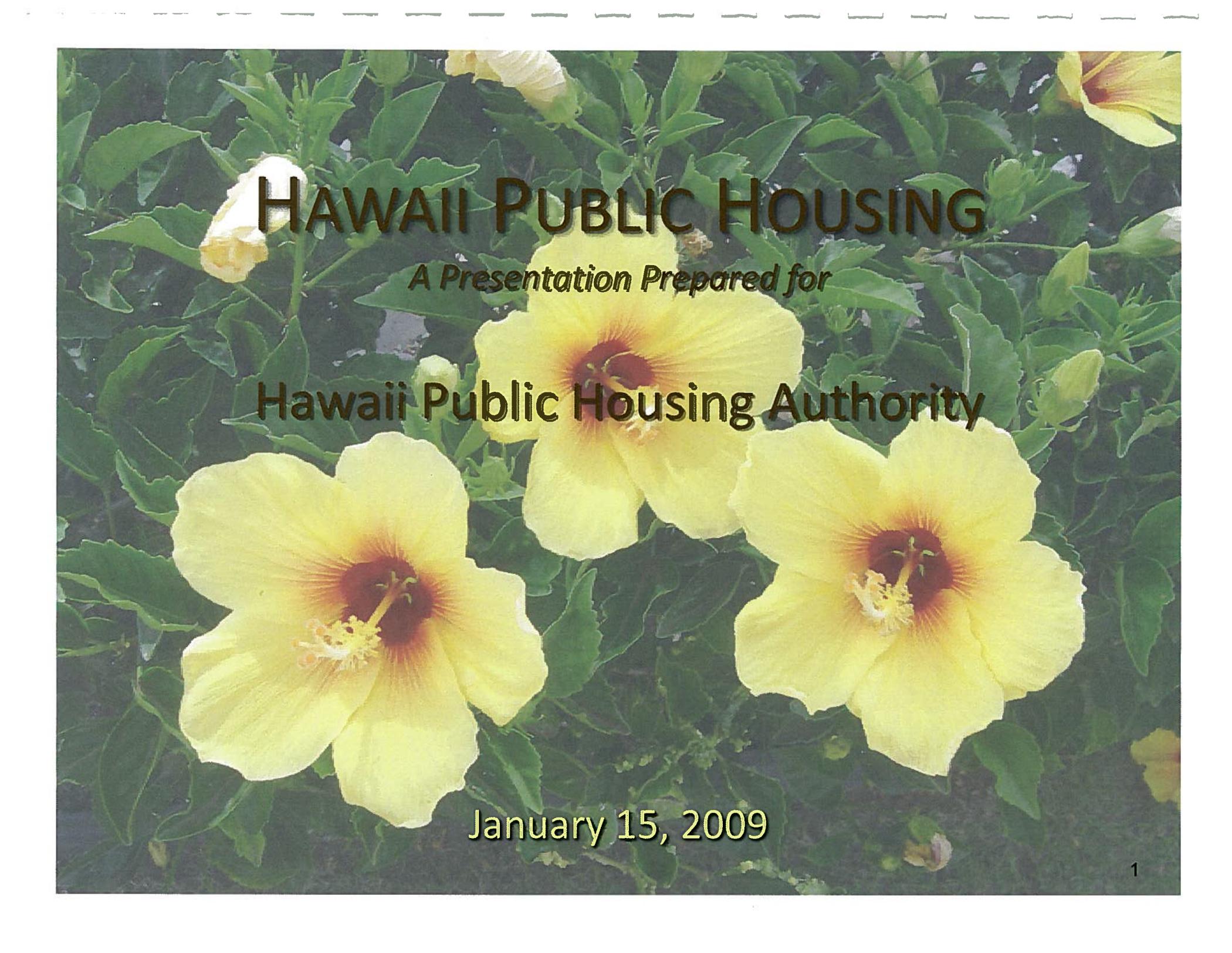
Other References

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The background of the slide is a photograph of several yellow hibiscus flowers with dark red centers, surrounded by lush green leaves. The text is overlaid on this image.

HAWAII PUBLIC HOUSING

A Presentation Prepared for

Hawaii Public Housing Authority

January 15, 2009

Introduction

- Douglas R. Bigley
 - President and Chief Executive Officer of Urban Housing Communities, LLC
 - Former Senior Vice President of Acquisitions for AIG SunAmerica Affordable Housing
 - Former Manager, Kenneth Leventhal & Company, a leading public accounting firm specializing in real estate
 - Lowell L. Kalapa
 - Executive Director and President of the Tax Foundation of Hawaii
 - President, Hale Pauahi Housing Corporation
 - President, Ikaika Ohana
 - Treasurer and Member of the Board of Parents and Children Together (PACT)
 - Vice Chair of Family Programs of Hawaii
 - Owns and Operates two affordable rental projects in Hawaii, Pualani Manor and Hale Pauahi
-



Opportunities to Improve Hawaii's Public Housing

Federal Assistance is Available

- The scarcity of decent, safe, and affordable housing in general and public housing more specifically is a **NATIONAL** issue
 - There are mature and tested financial programs and methods at the **FEDERAL** level to improve public housing and attract private investment
 - There are groups that have extensive experience in **SOLVING** large scale public housing problems
-

The Goal

- Structurally rehabilitate, modernize and improve the Hawaii's public housing inventory
- Develop a model that sustains the community in perpetuity
- Build-in incentives and programs that will enrich residents and transition them out at an appropriate time

Challenges

- Access to necessary technical expertise
- Broad participation
- Coordinating the rehabilitation activities
- Sourcing adequate funds

Overcoming the Challenges

Overcoming the Challenges

- An experienced developer can help:
 - Coordinate a large team of participants
 - Establish a shared vision and common objectives
 - Communicate with a broad group of constituencies and other stakeholder



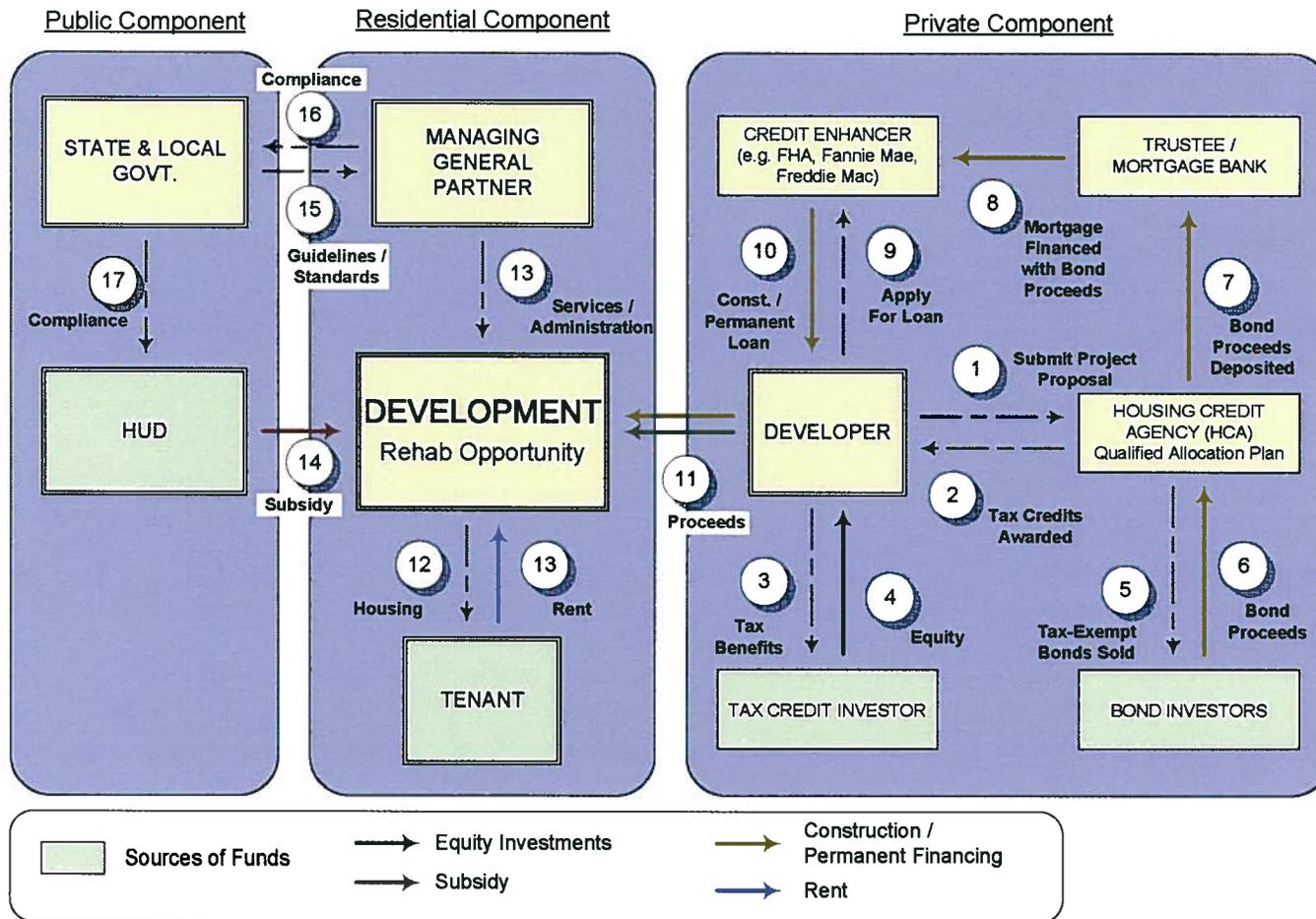
Overcoming the Challenges

PARTICIPANT CATEGORY	POSSIBLE HAWAII RESOURCES	POSSIBLE NATIONAL RESOURCE
Government Agencies	HPHA, HHFDC, HUD, Legislature, Admin.	HUD, OMB
Investors		Morgan Stanley
Architect	Design Partners Incorporated	Ankrom Moisan Architects
Contractor	TBD	
Bank	Bank of Hawaii	Citibank, Freddie Mac, US Bank, FNMA
Not-for-Profit	Ikaika Ohana, PACT, Catholic Charities	
Attorney	Rush Moore, LLP	Ballard Spahr, Eichner & Norris
Property Mgmt.	TBD	Solari Enterprises, Inc.
Labor	Pacific Resource Partnership, Hawaii Building & Construction Trades Council	
Consultants	e.g. green-building, relocation	Facility Strategy Group, LLC
Accountants	TBD	Novogradac & Company LLP

Overcoming the Challenges

- The developer can raise funds by:
 - Utilizing existing federal programs
 - Creating public/private partnerships to renovate public housing
 - Attracting private investment

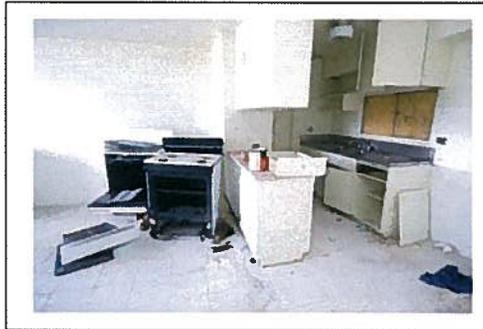
Public / Private Partnership



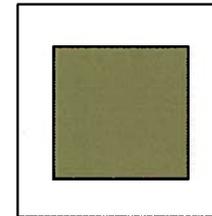
A Proposal to Revitalize and Modernize Public Housing Kuhio Park Terrace & Kuhio Homes



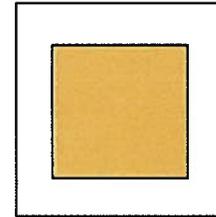
KITCHEN



Existing Kuhio Park Terrace Kitchen



Floor Color: Burlap
Integral color cement



Dunn Edwards
Ecoshield- Low VOC Paint
Color: Paloma Tan



Formica "Rattan Cane"
Laminate Countertops
Formaldehyde Free Board
Low VOC Adhesives



Concept for Kitchen Kuhio Park Terrace

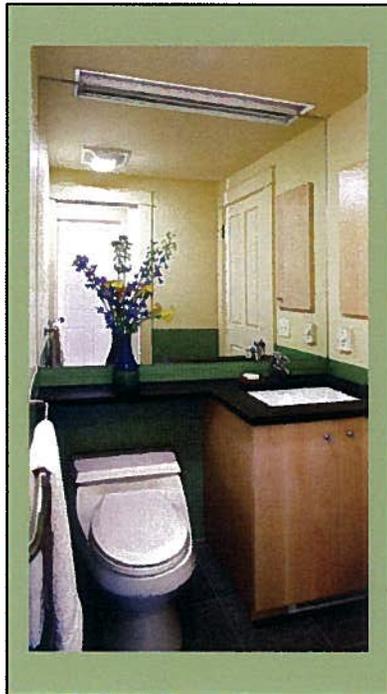


Urban Housing Communities, *Horizons at Indio*

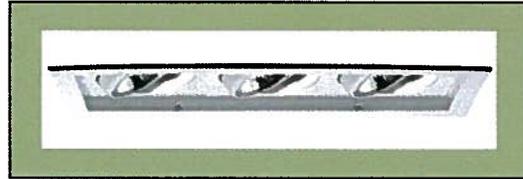
BATHROOM



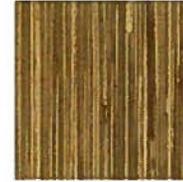
Existing Kuhio Park Terrace Bathroom



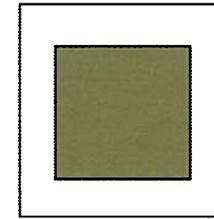
Concept Bathroom



Energy saving light fixtures



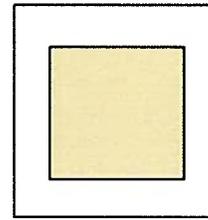
Formica "Rattan Cane"
Laminate Countertops
Formaldehyde Free Board
Low VOC Adhesives



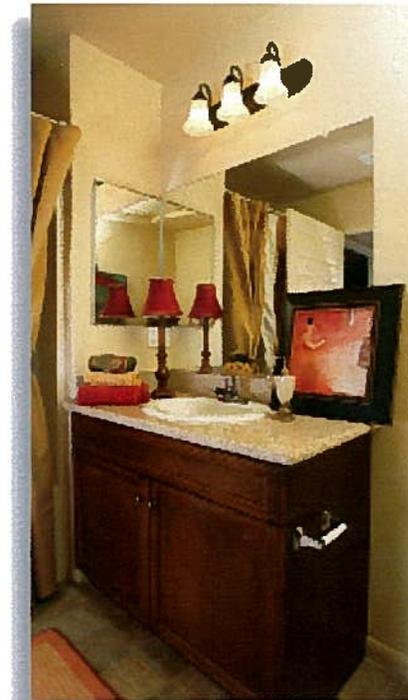
Floor Color: Burlap
Integral color cement



Water saving
plumbing fixtures.



Dunn Edwards
Ecoshield- Low VOC
Paint
Color: Spanish White



Urban Housing Communities
Horizons at Indio

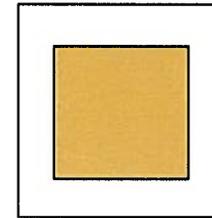
LIVING ROOM



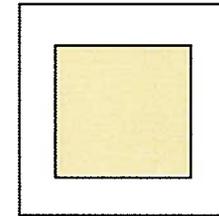
Existing Kuhio Park Terrace Living Room



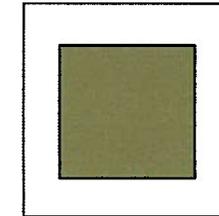
Woven wood shades



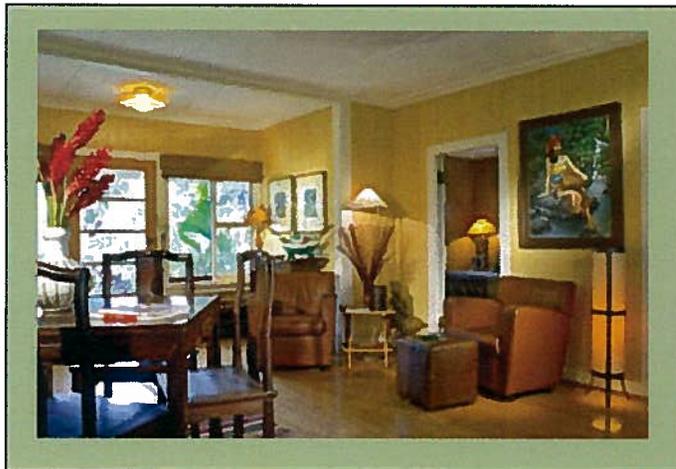
Dunn Edwards
Ecoshield- Low VOC Paint
Color: Paloma Tan



Dunn Edwards
Ecoshield- Low VOC
Paint
Color: Spanish White



Floor Color: Burlap
Integral color cement



Concept for Living Room Kuhio Park Terrace



Urban Housing Communities, *Horizons at Indio*

BEDROOM



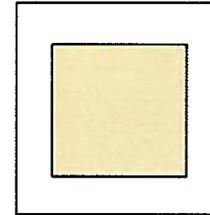
Existing Kuhio Park Terrace Bedroom



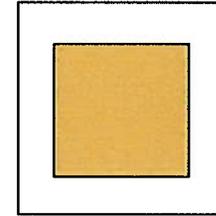
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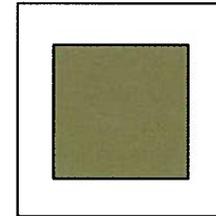
Ceiling fan w/ light



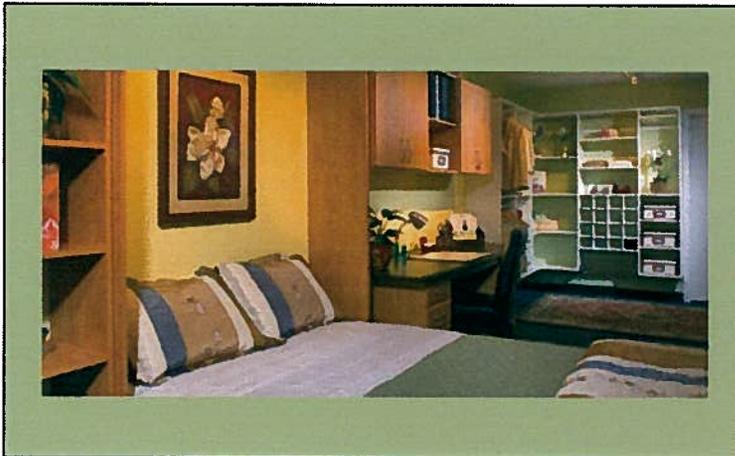
Dunn Edwards
*Ecoshield- Low VOC
Paint*
Color: Spanish White



Dunn Edwards
Ecoshield- Low VOC Paint
Color: Paloma Tan



Floor Color: Burlap
Integral color cement



Concept for Bedroom Kuhio Park Terrace



Urban Housing Communities, *Crossings at Elk Grove*



"Outdoor Rooms"



Land



Community Gardens



Landscape



Native Plants



Recreation



Kuhio Park Terrace
Honolulu, Hawaii

...an affordable family community



Architecture + Planning
17602 Mitchell Gate
Irvine, CA 92614
949.261.2122
ktgy.com



December 15, 2009

Public Benefits

- Renovate buildings interior and exterior
 - Modernize mechanical, electrical, plumbing, boilers and elevators
 - Implement **GREEN** building standards
 - Utilize **SOLAR** power and other energy-efficient technologies
 - Create new elevations that embrace Hawaiian culture
-

Public Benefits

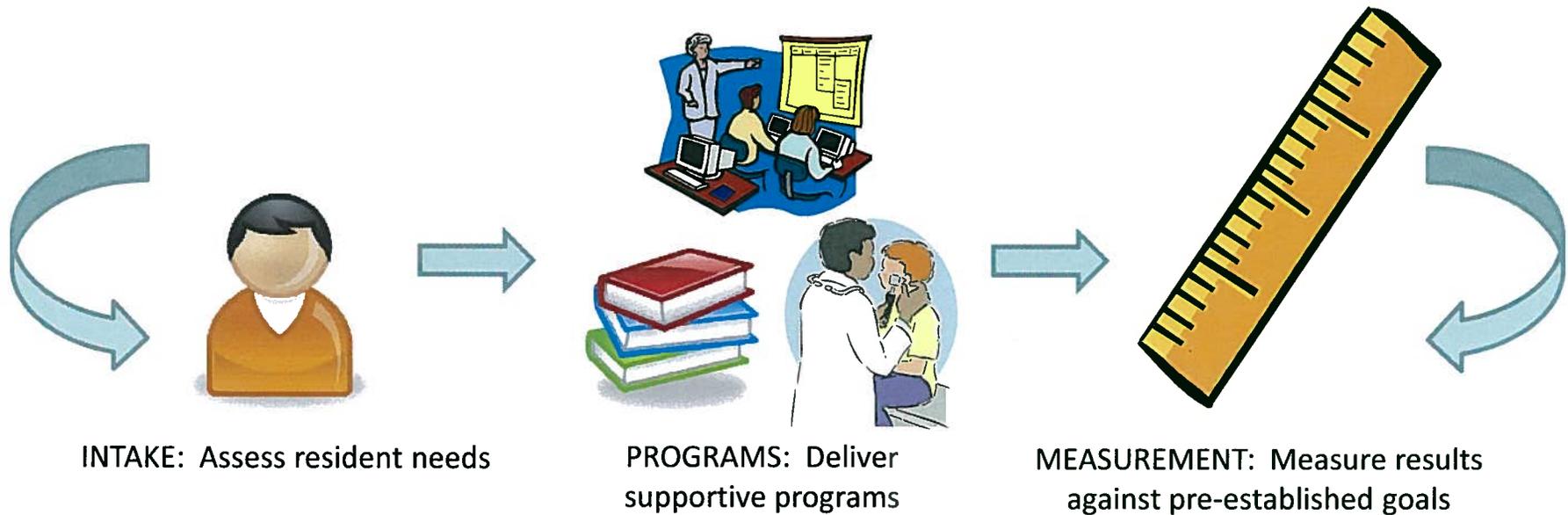
- Mitigate or eliminate permanent relocation through proactive planning
- Increase housing inventory by bringing units online that are presently out-of-service and increase capacity through proven transition programs
- Provide supportive social programs

Public Benefits

- Provide long-term comprehensive solution to meet capital requirements for a substantial portion of the Authority's portfolio
- Create sustainability using quality materials, appropriate reserves, measurable standards, enhanced safety and security

Sustainability

Programs must be relevant and measurable





Financial Highlight of KPT & KH

SOURCES OF NEW MONEY	Amount	Per Unit
Federal tax exempt bonds	\$ 69,500,000	\$ 93,000
Federal tax credits	72,750,000	97,000
	\$ 142,250,000	\$ 190,000
USES OF NEW MONEY	Amount	Per Unit
Construction contract	\$ 104,720,000	\$ 140,000
Financing and other soft costs	17,080,000	23,000
Guarantee, Developer and other fees	11,200,000	15,000
Relocation and Reserves	9,250,000	12,000
	\$ 142,250,000	\$ 190,000

Refer to proposal for details, notes, and assumptions.

What We Are Proposing

- Under current prevailing economic conditions, estimated Federal subsidies are available in the form of private activity bonds and low-income housing tax credits totaling approximately \$142,250,000
 - The State of Hawaii would not be required to provide any direct subsidy other than an amount fully offset by proceeds of the sale of the buildings
-

State of Hawaii Participation

- Select a development team with experience and resources
- Enter into an Exclusive Negotiating Agreement (“**ENA**”) leading to a Disposition and Development Agreement (“**DDA**”)
- Form a public/private partnership
- Sell the buildings and lease the land

State of Hawaii Participation

- Allocate up to \$200 million in Federal private activity bonds. This could happen over multiple years and does not impact the credit of the State.
- Pledge a portion of future capital funds financing
- Enter into an agreement for the Authority to reacquire buildings at the end of the compliance period on favorable terms

Why Now?

Why now?

- Public housing in Hawaii requires revitalization and modernization
 - Local skilled labor force is readily available
 - Materials and energy costs have declined, partially offsetting constrained financial markets
 - Federal private activity bonds are available and each dollar used will generate additional Federal tax credits
 - HUD programs exist that attract additional private investment
-

Why now?

- Recent studies indicate that the rehabilitation of Kuhio Park Terrace and Kuhio Homes would generate and support approximately 1,100 new jobs
- One-year economic stimulus resulting from the expenditure of private and public funding can increase local business activity by over \$53 million

*Source: "The Local Economic Impact of a Typical Tax Credit Housing Project"
National Association of Home Builders, 2007*



Playgrounds



On-site health services



Community building events



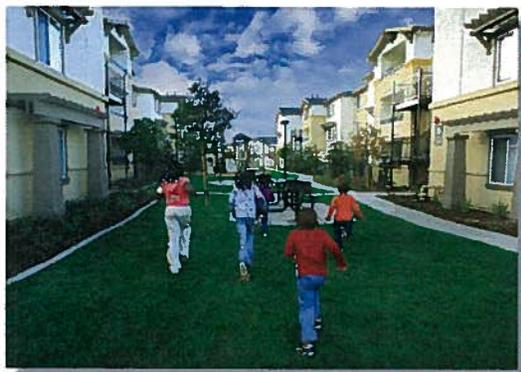
On-site management



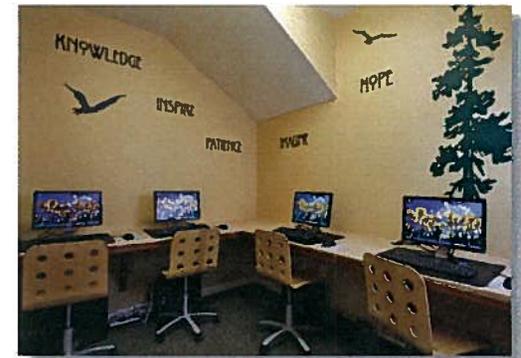
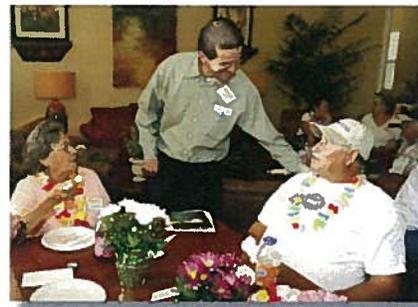
Amenities



After school programs



Open space



On-Site educational programs

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Public housing tenant organizations in Massachusetts have a right to organize, be heard, and participate in matters affecting tenants. These rights can be made much stronger if a tenant organization sits down with housing authority staff and negotiates an agreement called a *Memorandum of Understanding* (or MOU) or a *Memorandum of Agreement* (or MOA).

MOUs can be powerful tools for tenant groups. They can open up better communications between tenants and housing authorities. They can provide access to resources to help strengthen tenant organizations. And, most importantly, they can provide tenant groups with a place at the table to work with the housing authority on issues of concern.

The purpose of this booklet is to explain what an MOU is and what steps you can take to create one. Also included are sample documents, including a sample MOU. Words in *italics* are defined in the **Glossary**.

For more information, contact:

Massachusetts Union of Public Housing Tenants at 617-825-9750.

Creating a Memo of Understanding

1. What is an MOU?

A *Memorandum of Understanding* (or MOU, for short) is a written agreement. In the case of public housing, an MOU is a legal agreement between a tenant organization and a housing authority.¹ Sometimes an MOU is also called a Memorandum of Agreement (or MOA). MOUs and MOAs are the same thing.

An MOU spells out a common understanding of the working relationship between a tenant organization and a housing authority. It clarifies what kind of support a housing authority will provide a tenant group and creates more meaningful ways for tenants to participate. Here is what some residents in public housing said about how their MOU helped their tenant organization:

- ✓ It helped us start our office, get computers, a fax machine, and supplies. Now we have the equipment to put the task force together.
- ✓ It has helped our group work with the housing authority on issues that affect tenants in our buildings.
- ✓ It clearly explained what the tenant organization can use its money for.
- ✓ It clearly defined rights and responsibilities of the housing authority and local tenant council.

2. Why is an MOU important?

There are a number of reasons an MOU is important and worth pushing for, even though the negotiation process takes time.

Sets a better tone for tenant participation

While *regulations* require tenant participation and recognize that it is beneficial to the running of public housing, creating an MOU makes both tenants and housing authorities more familiar with these regulations.² Negotiating an MOU raises a housing authority's awareness about its legal responsibilities to involve tenants in shaping housing authority policies. It also gives tenants the opportunity to define participation in ways that are truly meaningful to the tenant community.

Builds a working relationship

The process of actually negotiating an MOU helps tenants and housing authorities build a better working relationship, better listening skills, and more empathy for the issues that the other group faces. Tenants develop a better understanding of what challenges housing authorities have to deal with—for example, how to work with limited budgets. Housing authorities develop a better understanding of what problems tenants are having and their ideas for solutions that will work in their community.

Sets up a structure for a partnership

An MOU puts in writing what the partnership between a tenant organization and a housing authority is. It provides a structure for a working relationship. For example, while regulations say that the housing authority should meet “frequently” with tenants,³ an MOU can set up a regular schedule for the housing authority and the tenant group to meet—say, once a month.

Clarifies how regulations will be interpreted

While *laws* provide a framework for resident participation, an MOU can clarify how your housing authority will carry out its responsibilities under the law. For example, regulations say a housing authority must ensure “open communications” with the tenant organization.⁴ An MOU can clarify that “open communications” means: access to specific documents, advance notice of any changes in policies, and responses in writing from the housing authority to written comments submitted by tenants.

Protects a tenant organization’s rights over time

Your current tenant organization may have a good working relationship with the current director, but what if a new director comes in who is less open to tenant involvement? Or what if the leadership in the tenant organization changes and it is less democratic? An MOU protects tenant groups over time because it says the the tenant group has certain rights no matter who runs the authority or the tenant group.

Can give federal and state tenants the same rights

If your housing authority has both federal and state public housing, an MOU is an opportunity to get state and federal public housing tenants covered by the same policies. Sometimes there are differences between federal and state laws and regulations, and sometimes these differences can be harmonized in an MOU so that federal and state tenants have the same rights. For example, an MOU could say that:

- State tenants, like federal tenants, can be on a Resident Advisory Board (RAB). Worcester, Boston, and Holyoke RABs all include state tenants.
- State tenants, like federal tenants, can be on hiring committees and have input into hiring decisions.

3. What is generally included in an MOU?

There is no required form for an MOU. Some MOUs are long and detailed. Others are short and general. A tenant group can have one MOU that touches on many issues. It can also have different MOUs that focus on specific issues, such as tenant participation funding, jobs and training, or space for after-school programs for kids. Whatever is included in an MOU offers tenant groups a more detailed layer of protection than what regulations offer.

Included in this booklet is a sample MOU to give you ideas about what to include. There are also other examples of MOUs posted on-line at www.MassLegalHelp.org.

What your tenant organization wants to include in an MOU will depend on your goals and what written policies your housing authority may already have. For example, while the Boston Housing Authority has a written tenant participation policy, each tenant organization negotiates with the housing authority its own MOU about tenant participation funding.⁵

The following is a list of provisions commonly included in an MOU.

Support for tenant group and organizing efforts

Recognition

Your housing authority agrees that your group is the one they will talk to and negotiate with about issues that affect tenants.

Funds for tenant group

The authority agrees to give your group funds to participate, operate, and receive training, agrees to provide accounting assistance to help the group develop its capacity to manage funds,⁶ and agrees on a procedure for the tenant group to submit a yearly budget request.⁷

Freedom to organize

The housing authority agrees that tenants have a right to distribute information about the tenant organization and about proposed or current housing authority policies and a right to meet privately without the housing authority. Housing authority agrees to give all new tenants information about the tenant organization and the tenant group agrees to help create the informational materials for new tenants.

Protection against retaliation

The housing authority agrees that it will not retaliate against any tenant who is organizing or who joins a tenant organization.

Office and meeting space

The housing authority agrees to give the tenant organization private office space, a telephone, fax, supplies, a meeting room, access to the internet, and repair services for office equipment.

Training

The housing authority agrees to provide the tenant organization with funds and resources to be trained as a group on the law and organizational issues.

Improved communications

Information and documents

The housing authority agrees to give your group information about its program, how it operates, and access to relevant documents, such as proposed policies and plans, correspondence between the housing authority and HUD and DHCD, minutes from board meetings, and contracts with *bidders*.

Regular meetings

Members of your organization and housing authority staff agree to meet regularly to discuss issues of concern to both and to have meetings on particular issues where specific staff are invited, such as a meeting on security with the public safety staff.

Board meetings

Your tenant group gets an automatic place on the agenda of the housing authority's governing board meetings and receives agendas and handouts for the meeting in advance.

Written responses

The housing authority agrees to provide written responses to written comments that a tenant group makes about any change in policy. This is important to establish a record of the discussion and what is being agreed to.

Respect

The housing authority and tenant organization agree to treat each other with respect.

Resolution of disputes

If the housing authority and tenant organization have a dispute that cannot be resolved, both agree to go through arbitration and abide by decisions of an independent arbitrator.

Right to participate in management

Policy changes

The housing authority agrees to meet with the tenant group before changing major policies in order to get tenants' input.

❑ Housing authority budgets

The housing authority agrees to review its budget requests with the tenant group and to allow tenants a chance to comment on the budget.

❑ Hiring and jobs

The tenant group has a representative on hiring committees for key housing authority staff; receives notice of when the housing authority has job openings; and works with the housing authority to develop economic opportunities for residents.

❑ Modernization

The tenant group has input into *modernization* plans, the right to be involved in writing *requests for proposals* to hire firms to do the modernization, and is involved in reviewing where modernization funds are going.⁸

4. What steps are involved in creating an MOU?

It is important to understand that in most cases it is not up to the housing authority whether it wants to negotiate an MOU. It is required to do so by law.⁹ See **Question 8**. While there is no one recipe for how to put together an MOU, it helps to understand where to start and what the process commonly involves. In general, there are four major steps recommended in creating an MOU:

1. Tenant group drafts its own MOU.
2. Tenant group gives its draft MOU to the housing authority.
3. Tenant group and housing authority meet to negotiate the terms of the MOU.
4. Tenant group and housing authority agree on final MOU.

What follows are some ideas about how to carry out these four major steps.

Tenant group drafts its own MOU

1. It is better for your tenant group to give the housing authority the first draft of an MOU than for the housing authority to give you the first draft. This way, the tenants establish the terms of the MOU and are “in the driver’s seat.”
2. You don’t have to start from scratch. You can use the sample MOU at the end of this booklet as a starting point. It will give you ideas about what to include. You can also find other sample MOUs on-line at www.MassLegalHelp.org. In addition, the Mass. Union of Public Housing Tenants can e-mail you the sample MOU or send it to you on a disk to save you lots of typing.
3. It is helpful to spend time polling tenants about what issues they care most about and weave these issues into the MOU. But keep in mind that because MOUs are very

detailed and technical, it is hard to involve lots of tenants in the nitty-gritty of putting an MOU together. The process of developing an MOU, however, is a real opportunity to develop a more active tenant group.

4. Create an **MOU committee** of tenants who have the time and interest to read through the sample MOU and work on drafting. Then go through the sample MOU one section at a time. Add and delete provisions and talk about how to change it to best suit your situation. Take good notes so you remember what you talked about and agreed to. Make sure the issues that people care most about are in your MOU.
5. Draft your MOU with the changes people wanted to make. It is very helpful to have an attorney help you draft an MOU and be part of the MOU committee. An attorney can also review an MOU to make sure it complies with state and federal laws, covers the details that are important, and is clear in terms of enforcement. Every word matters in this kind of contract. To find a list of local legal aid offices, see the **Directory** at the end of this book.
6. Once the committee has drafted an MOU, meet again with the larger tenant group to review the proposed document. While it is time-consuming to keep people in the loop, it is worth it. Being inclusive keeps everyone more informed and involved, and establishes a good foundation for a strong tenant group.
7. Before you submit your draft to the housing authority, you may want to invite all tenants represented by the tenant organization to a meeting and go over the basic outline of the MOU. Be sure to allow time for questions and feedback.

Send your MOU to the housing authority

1. Hand deliver or mail your draft of the MOU to the Executive Director of your housing authority. Include a short cover letter requesting a meeting to discuss it. See the sample letter in this booklet. Always remember to keep copies of everything you submit.
2. Be patient. Housing authorities rarely move quickly on MOUs.
3. If the Director does not respond within a reasonable time, call and ask to set up a meeting. Be polite, but persistent. Convey your determination to have a meeting. Most directors should be responsive.

Prepare to meet with the housing authority

1. Before you meet with the housing authority, make sure your group is prepared.
2. Decide who will go to the meeting and who will lead your negotiating team. Usually only one or two people act as speakers. Try to have a lawyer or other representative

or advocate on your negotiating team. Having an outside person as part of the negotiation process can make a housing authority more accountable.

3. When or after you set up a time to meet with the housing authority, call to go over certain details that will help you be more prepared. For example, ask them who will be coming to the negotiating meeting so you can be prepared. Your housing authority may have whoever they want on their negotiating team. Ask them whether they can record the meeting so that everyone has a record of what was said. Make sure everyone is clear about the time and place for the meeting.

Begin to negotiate with the housing authority

1. Before you go to the meeting, talk about how you want to approach it. Often groups work through the draft MOU with the housing authority, paragraph by paragraph, exchanging ideas and concerns. This will likely require a series of meetings. That's OK. Remember, this is also about developing a relationship. You might want to start the meeting by talking about your overall goals, or about how state and federal regulations encourage housing authorities to work cooperatively with tenant organizations and how this can make your community better.¹⁰
2. During any meeting with the housing authority, have one or more people take notes. Write down what the housing authority staff say, what you agree about, what you disagree about, and why. These notes will be important as a record of what was said and to help your group think through next steps. You may also share your notes with the housing authority to make sure there is agreement about what was covered.
3. Expect to compromise. Be clear about which items are your main concerns so you don't lose sight of them. If you can, decide ahead of time which items you would be willing to change or give up. Make sure if you agree to a compromise or to work toward a compromise that it is clear who will re-draft the new proposed language. As stated above, it is usually better for you to do the re-drafting than to leave it to the housing authority. This gives you more control over how the compromise is crafted. The housing authority will often agree to this as it is less work for them.
4. During negotiations, don't say "yes" and don't say "no" to any final changes. Tell the housing authority that you will bring their requests for changes back to the tenant group for consideration. This gives your group time to figure out what to do. It shows the housing authority that there are more people involved than those in the room. And it prevents a small group of tenants from making decisions without consulting the larger tenant group.
5. At the end of your first meeting, set up your next meeting, and, if you can, a schedule of future meetings to continue to negotiate the MOU. This will keep the process moving and will later save a lot of time just trying to agree on when to meet.
6. For helpful tips on negotiating, see **Questions 5 and 12**.

Agree on the final version

1. As changes are agreed on, offer to make the actual changes on the document. If you have an attorney, ask him or her to make the changes. This will save the housing authority time and will continue to keep tenants in the driver's seat.
2. Make sure the MOU is written in a way that will automatically renew each year unless either party requests new negotiations.¹¹
3. Let the tenant group approve the final MOU. Call a meeting of all tenants and review the changes made. Remember, as well as getting their OK, you are helping all residents know their rights, feel more comfortable participating in housing authority business, and take ownership in the MOU.
4. The final MOU should be signed by the president of the tenant organization, the Executive Director of the housing authority, and any tenant leaders, such as a Vice President, Treasurer, or any Board member, who wish to sign.
5. Celebrate! Have a gathering to announce the new MOU and recognize all those who worked on it. Distribute a flyer to all residents announcing that the tenant group and housing authority have successfully negotiated a Memorandum of Understanding which will enable the resident organization to be more involved in matters that affect the community. Invite all tenants to the gathering and make a copy of the MOU available to all.

Negotiating a Memo of Understanding

5. What is the key to successfully negotiating an MOU?

The key to negotiating an MOU with your housing authority is having a strong tenant group. While many tenants shy away from participating in negotiations with the housing authority because they are afraid to challenge or disagree with them, if you have a group of resident leaders who support one another and the housing authority sees that you are united, **your unity can move mountains.**

In addition to developing a strong tenant group—which takes time and patience—other keys to successfully negotiating an MOU are:

1. Know what key laws and regulations say. They define what your rights are and give you a point of reference for evaluating and measuring proposals.
2. Make a list of which issues are most important to the group. Keep looking at this list. It will keep you focused throughout the negotiation process on what really matters to tenants as a group.
3. Try to have a realistic sense of the amount of work your tenant organization is able to do. Do not spend a lot of time arguing over things you won't be able to follow through on. For instance, before requiring that the tenant organization see every bid for all modernization proposals, think about whether you will have the ability to review the bids in a meaningful way. Find out how many bids the housing authority receives for what types of projects. Maybe your tenant organization will want to review some types of bids and not others.
4. Explore the concerns and interests of your housing authority. This will give you a better sense of how an agreement might be reached.
5. Keep asking questions. By asking questions, you will learn more about what the housing authority's concerns are.
6. Figure out what resources your tenant organization needs to become more effective and ask for those resources. If you don't ask, you don't receive.
7. When negotiations get difficult, be positive. Set a tone that projects your feelings that an agreement is possible or give concrete examples of why a provision is important.

Try to get the tenant team and the housing authority to look for a place where parties can agree.¹²

8. Be open-minded. Explore alternatives. Try to imagine what the housing authority's viewpoint is.
9. Stay cool and don't personalize. Don't personally attack the housing authority staff. Keep focused on the issues and why you see them differently.

6. What makes for a good negotiating team?

You can have as many people on the negotiating team as you want. Generally, at each session one or two people are the spokespeople, someone takes notes, and others give moral support and help the speaker by passing along written suggestions. You can also have other tenants observe negotiating sessions as a way to train them.

Good negotiating teams have people who are:

- Prepared
- Flexible
- Good listeners
- Respectful of others
- Patient
- Persistent
- Effective communicators
- Trustworthy
- Positive
- Cool
- Even-keeled
- In control of emotions

Spokespeople should be people who can express the ideas of the tenant group—not just their own ideas. Spokespeople should be people who can keep their cool if a member of the housing authority's negotiating team says something negative or insulting.

If you can, have a lawyer or someone from the Massachusetts Union of Public Housing Tenants or another advocate be on your negotiating team. You might want to invite a local person or leader who cares about your community, such as a minister or a member of a church action committee. Their presence may keep the housing authority more open and responsive. If you do have a lawyer or advocate on your team, think through whether you want the lawyer to present the tenant association's positions, or whether you want the tenants to be the lead negotiators with the lawyers there for technical support. You may

decide you want to have tenants present some issues and your lawyer or advocate present others.

To prepare, it is helpful to role-play a negotiating session before meeting with the housing authority. Have several people act as the housing authority negotiators and several others be negotiators for the tenants. Pick out an important part of the MOU. Have the housing authority actors argue against the provision and have the tenant negotiators argue why that provision should be kept as written. Practice staying cool, even if the discussion gets hot.

7. How long does it take to negotiate an MOU?

How long it takes to negotiate an MOU depends entirely on your local situation, the strength of your group, and the willingness of your housing authority to work collaboratively. Once a process gets going, some tenant groups have met with a housing authority every other week to work through the document. Some meet once a month. Expect to have a series of meetings. Some tenant groups have negotiated an MOU in only two sessions; others have taken a year or 6 months to reach their final agreement.

Be prepared to be flexible and persistent.

8. Is the housing authority required to negotiate an MOU?

Your housing authority must negotiate an MOU if your tenant organization represents either state public housing tenants or federal public housing tenants where the housing authority has 250 units or more of federal public housing.¹³ Your tenant organization must be *recognized* by your housing authority as the official local or jurisdiction-wide tenant organization (also called a tenant council) and a housing authority must *recognize* a tenant organization if it was *duly* or democratically elected. To negotiate an MOU, your tenant group does not have to be a non-profit organization.

If the housing authority has fewer than 250 federal public housing units, it is required under regulations to support tenant participation activities.¹⁴ It is not required, however, to negotiate an MOU. But tenants in smaller housing authorities have negotiated MOUs, especially MOUs on a particular issue. Don't let the fact that the law does not require a housing authority to negotiate an MOU stop you from trying to negotiate one.

9. What are housing authorities' common concerns about MOUs?

As you go through your negotiations, it is important to find out what concerns your housing authority has, especially as you find areas of disagreement—which you will. What follows are some common concerns.

Tenants are out to get the housing authority

Reassure the housing authority that you are not “out to get them” or out to “make them look bad,” but that your goal is to protect public housing and the residents. Offer to work with them on issues of joint concern, such as contacting elected officials about the need to adequately fund public housing. For information on national housing issues, go to www.NLIHC.org. For information on state housing issues, go to: www.CHAPA.org.

Tenants want instant change

Reassure the housing authority that the tenant organization understands that change is a process and that it happens over time and not instantly. Set goals with the housing authority and evaluate them periodically to see whether these goals are being met.

Tenants will micromanage and make lots of demands

Reassure the housing authority that tenants are not interested in making demands for the sake of making demands or micromanaging the housing authority. Make it clear that you want to let the housing authority do its job and that your job is to focus on priority concerns.

Working with tenants slows down the process

While working collaboratively always requires extra steps, reassure the housing authority that in the long run it will save time, money, and hassles. There will be fewer arguments with the tenant organization. Tenant input may also prevent housing authorities from making costly mistakes. For example, a tenant group did research and found that a potential contractor had botched jobs in other housing authorities. Their discovery saved the housing authority far more hassle than the “hassle” of involving tenants in modernization decisions.

Tenants are difficult to work with

It is true that some people (both tenants and housing authority staff) are extremely hard to deal with. Since the MOU requires a housing authority to deal with the tenant organization, your authority may fear being stuck trying to make decisions with difficult people. This can be very touchy. What you call “persistent,” someone else may call “unreasonably stubborn.” Reassure the housing authority that the tenant organization wishes to be reasonable and businesslike and will handle personality difficulties within its

own membership. You can also request that the housing authority provide the tenant group with training on organizational issues to help you be more effective.

No need to restate the law and regulations

Some housing authorities may have little patience for long MOUs that appear to restate what laws and regulations say. You may be able to make your MOU shorter by focusing on what needs to be clarified and not restating what is in the regulations. But what is included in an MOU offers tenant groups another and more detailed layer of protection, so restating regulations is also a good thing. It serves to get the housing authority and tenant organization in agreement about what the regulations mean.

10. How does the housing authority benefit from an MOU?

When you negotiate an MOU, it will be up to tenants to talk about how the MOU can benefit a housing authority. Here are some benefits:

Looking good

Negotiating an MOU will make your housing authority look good in the eyes of *HUD* and *DHCD*, the federal and state agencies that oversee public housing in Massachusetts.

Less disagreement

If there is an agreement with a tenant organization about how tenant participation funds are going to be spent, it could avoid long disputes about whether the housing authority is spending tenant participation funds properly.

Simplicity

If there are both state and federally subsidized public housing, an MOU can provide that certain state rules apply to federal tenants and certain federal rules apply to state tenants. This may make it simpler for the housing authority to administer the development.

Better development

Ultimately, an MOU will help create a better development. Since the MOU spells out everyone's roles and expectations, it will help the housing authority and your tenant organization develop a better partnership and a more cooperative relationship. Working together will produce better results. For example, residents may have much better ideas about what safety strategies would work and would not work to make their development more secure.

Provide a process

An MOU can benefit a housing authority by providing a clear process for tenant participation. If the housing authority follows the process and tenants don't participate, the housing authority can't be faulted for not trying.

Makes tenants responsible

An MOU can help housing authorities accomplish their goals by making tenants responsible for assisting the housing authority. For example, when the housing authority is required to get tenant input on modernization, tenants can be responsible for surveying residents.

11. What if your housing authority refuses to negotiate an MOU?

Be calm

Be calm at first. Housing authority directors usually have a lot on their plate. Public housing is not adequately funded, older housing needs constant attention, and housing authorities are scrambling for funds to preserve the housing they have. Express your understanding of the challenges they face, but stay collected and try to move them toward working with you.

Stay focused on your goals

If you are the leader responsible for contacting the housing authority on behalf of the tenant group, be careful not to let your emotions get the better of you and say things that will jeopardize what your group wants. Keep your eyes on the prize.

Request a meeting in writing

If your director refuses to respond to your initial request for a meeting and you have called several times, write a letter requesting a meeting. If you are working with an attorney, ask the attorney to do this. It may be more effective at getting the housing authority's attention and response.

Go to the board

If the housing authority director still refuses to negotiate with the tenant group, send another letter to the director and "cc" it (send a copy) to the chair of the housing authority board. If this doesn't work, then contact the chair of the housing authority board and ask the board to take action. You may also want to *lobby* individual board members and think of ways that they could be influenced. For example, there is usually a labor representative, or a DHCD appointed representative, or a tenant representative on the housing authority board. Each may have a special interest because of the way in which he

or she was appointed. Board members may also be responsive to contact by local politicians.

Go to DHCD or HUD

If the board does not take action, if you live in state public housing, write a letter to the Division of Public Housing, Department of Housing and Community Development (DHCD), at 100 Cambridge St., Suite 300, Boston, MA 02114. If you live in federal public housing, write a letter to [HUD—fill in right place]. Tell DHCD or HUD what has happened and request their help.

12. What are some negotiation tips?

Negotiate with the right staff

- Make sure housing authority staff at the negotiations have the power to negotiate. Or make sure that housing authority negotiators have the ear of the Director.
- When discussing a particular issue, request that staff who have relevant information be present. For instance, if you are discussing what type of equipment will be provided to the tenant association, ask that the person in charge of the equipment be at the meeting.

Have examples

- Bring real-life examples to your negotiating sessions that support your requests.
- Examples will help persuade the housing authority that your concerns are real.
- Survey tenants to get examples that support your position.

Listen and ask questions

- Do not make assumptions about what a person is thinking.
- Ask questions to understand a person's point of view.
- There are no stupid questions.
- If you do not understand something, other people probably don't understand either.
- Try to determine the underlying reason for his or her position.
- Acknowledge the other person's point of view.
- Take notes. This can help you "hear" the other person more accurately.

Don't be intimidated

- As a tenant, you know about the needs of tenants.
- Don't let a housing authority intimidate you by throwing out statistics or legal jargon.
- Don't be intimidated by irrational, angry, or threatening behavior.
- Use your knowledge and experience to challenge the housing authority.

Don't take no for an answer

- Never accept blanket statements, such as “its against the rules” or “there’s no money.”
- Ask to see the regulations in writing. Often people interpret the same rule differently.
- Ask to see the budget. Just because money has been spent a certain way in the past doesn’t mean it must be spent that way in the future.

Take time out

- If emotions get too hot or you don’t know what to do next, ask for a “time out.”
- A time-out is a standard practice in negotiating and is called a *caucus*.
- A *caucus* is when people meet with their own group to privately discuss something.
- Even a five-minute caucus can clear your head and set a better direction.
- Ask for a caucus at any time. You don’t need to be “on the spot.”

Be prepared to give up something

- Don’t give something up unless asked.
- If you give something up, let the other party know this is a compromise.
- Get something in return for compromising.
- Walk away from the table to *caucus*.
- Caucus privately when you come to an impasse and cannot agree on something.

Pick your battles

- Be realistic about what to fight for.
- Stay focused on what’s most important to residents.
- Be sure that the tenant group has the capacity to carry out its end of the bargain.

Sample Memorandum of Understanding

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**Prepared by the Massachusetts Union of Public Housing Tenants
and the Massachusetts Law Reform Institute**

I. PRELIMINARY STATEMENT

1. **Parties**

This agreement is made between _____ Housing Authority (the Authority) and _____ Tenant Organization (the Tenant Organization). This agreement recognizes and implements the Authority's obligation to encourage tenants, through its duly recognized organizations, to participate to the fullest extent possible in the administration of public housing.

2. **Regulations**

This agreement is subject to applicable regulations and guidance from the United States Department of Housing and Urban Development (HUD) and/or the Department of Housing and Community Development (DHCD).

II. RECOGNITION

The Authority recognizes the Tenant Organization as the official representative of the tenants residing in the state- or federally- (*choose one*) funded _____ (*name of development*), with the power to negotiate on all matters that affect residents of those developments.

III. TENANT ORGANIZATION ACTIVITIES

1. **Right to Participate in Tenant Organization**. The Authority recognizes the right of all tenants to organize and to join tenant organizations. The Authority shall not in any way interfere with or discourage any lawful tenant organizing activities. It shall not seek to evict tenants or take reprisals of any kind against any tenant for organizing, joining, or participating in the activities of a tenants organization. On the contrary, the Authority shall encourage and assist tenants in their lawful tenant organizing activities.

2. **Written Information to Tenants**. The Authority shall give each existing tenant and new tenant as they move in written information about the Tenant Organization. This will include the names and addresses of the officers of the Tenant Organization and an explanation of the role of the Tenant Organization. It will also include reassurances that, while the Tenant Organization is an independent organization not affiliated with the Authority, the Authority does support tenant participation in the Tenant Organization.

3. **Meetings**. Representatives of the Authority shall not attend any meeting of the Tenant Organization or any tenants' meeting except upon invitation of the Tenant Organization.

4. **Distribution of Literature.** The Authority recognizes the right of all tenants to distribute literature and information to other tenants upon housing authority property. The Authority will permit representatives of the Tenant Organization access to all Authority buildings for the purpose of distributing or posting literature, flyers, or other communications and for the purpose of making in-person contact with other tenants.

IV. MEETINGS

1. **Periodic Meetings.** The Executive Director of the Authority or his/her designee shall meet at least once a month with representative(s) from the Tenant Organization. The purpose of these meetings is to discuss issues of concern to the parties and to carry out the requirements of this Agreement and applicable regulations. The Authority representative at these meetings shall have the power to enter into agreements on behalf of the Authority.

2. **Meeting Schedule.** The date for the first meeting will be set at the signing of this document. The meetings will be held on the last Friday (or another day) of the month at ___ p.m. At each meeting, the date will be set for the next meeting. When the need arises, additional meetings may be held with the consent of both parties, or may be called by either party upon 48-hour written notice to the other party. Any scheduled meeting may be cancelled only with the consent of both parties or for emergency reasons.

V. INFORMATION

1. **Information to be Provided.** The Authority shall, upon request, provide the Tenant Organization with a copy of public records and documents that relate to the administration of the public housing programs and other related programs operated by the Authority. This includes, but is not limited to, periodic reports such as the Authority's Annual Report and leasing and vacancy reports; contracts for financial assistance; financial statements and summary sheets of operating budgets; non-confidential correspondence between the Authority, regulatory agencies, and other agencies; specifications for bids; schedules for community activities; and any reports and studies regarding management policies.

2. **Method of Providing Information.** Copies of all such documents shall be provided by the Authority free of charge to the Chair or Vice-Chair of the Tenant Organization. If the records are voluminous, the Tenant Organization shall be allowed access to the documents in the Authority office during normal business hours, and may copy portions free of charge.

VI. FACILITIES FOR THE TENANT ORGANIZATION

1. **Office Space.** The Authority shall lease at no charge to the Tenant Organization an office on Authority property. This is currently located at: _____.
The office shall be accessible, private, secure, large enough to meet the reasonable needs of the Tenant Organization, freely accessible to tenants at all times, and in a location

convenient to the maximum number of tenants. Other groups may share the office only with written permission of the Tenant Organization. The key for the office shall be kept by the Tenant Organization; Authority members, agents or employees may enter only with the permission of the Tenant Organization except in cases of emergency.

2. **Furniture, Internet, Equipment, Supplies and Telephone.** The Authority shall provide for the Tenant Organization office a reasonable supply of office furniture and equipment. This includes, but is not limited to, desks, chairs, a computer (with Internet access), fax, filing cabinets, lamps, and bookshelves. The Authority shall provide consumable office supplies, including all items customarily used in the operation of a business office, and shall replenish them as reasonably necessary.

When the Tenant Organization has its own copy machine, the Authority shall supply consumables (paper, ink, etc.) and repair as necessary. When the Tenant Organization has its own computer, the Authority shall provide it with computer support and repair as necessary. When the Tenant Organization has no copy machine, it shall have reasonable access to the Authority copy machine, free of charge. The Authority shall provide for the installation of a telephone and shall pay the basic service cost; the Tenant Organization shall pay for long-distance calls.

3. **Meeting Space.** The Tenant Organization shall have free access to and control of a meeting room and kitchen. This is currently located at: _____.
The Authority will maintain these rooms in the same condition as their business offices. The Authority will supply the Tenant Organization with cleaning supplies and equipment so tenants may do additional cleaning as desired. The kitchen will be equipped with a stove, refrigerator and sink, which the Authority will keep in working condition. When Authority employees use this kitchen, the Authority is responsible for the clean-up.

VII. FUNDS FOR THE TENANT ORGANIZATION

1. **Funds for the Tenant Organization.** The Authority shall make available to the Tenant Organization funds at the rate stated in current state regulations for tenant participation (*currently found at 760 C.M.R. 6.09*) and at the rate provided in the federal public housing regulations and notices (*currently found in 24 C.F.R. 964 and Notice 2001-3*). These funds will be used for general items of expense in the conduct of the business and activities of the Tenant Organization. This includes additional office equipment, special stationery, telephone costs beyond the basic service costs, travel for Tenant Organization business, postage, dues to statewide and national tenant organizations, attendance at relevant conferences (including hotel costs, if necessary), light refreshments related to tenant participation events, publications and training related to tenants' rights and education, and services to tenants. Funds may not be used for social or recreational purposes such as parties, outings, recreational equipment, and charitable or religious donations.

2. **Method of Providing Funds, Budget, and Report of Expenditures.** At the beginning of the budget year, which starts on _____, the Tenant

Organization shall submit to the Authority a budget describing its proposed expenditures for the upcoming year. This budget when agreed upon will be authorized at the following Authority Board meeting, and the Tenant Organization will be eligible to receive funds within five (5) working days of authorization. At the end of the budget year, the Tenant Organization shall submit to the Authority an annual report of the actual tenant participation funds spent.

3. **Authority Objections to Budget.** If the Authority believes that any item contained in the Tenant Organization budget falls outside the scope of the legitimate business and activities of the Tenant Organization, it may object to it in writing, stating the reasons for its objection. Such objection shall not affect the Authority's obligation to pay to the Tenant Organization an amount equal to the budget total minus the disputed item(s). The Authority and the Tenant Organization shall meet promptly to seek to resolve the dispute. If no agreement is reached, the budget as submitted by the Tenant Organization and the Authority's written objections should be forwarded to the appropriate regulatory agency for the resolution of the dispute.

4. **Supplemental Requests for Funds.** If the initial budget of the Tenant Organization is less than the funds available to it for that year, the Tenant Organization may make supplemental requests for the remaining funds at any time during the budget year. The amount of funds requested and the purpose shall be stated in writing. The Authority shall pay the Tenant Organization the amount requested within five (5) working days of its authorization. If the Authority believes that the request is not for a legitimate Tenant Organization purpose or activity, it shall object as provided in this section.

5. **Other Funds.** The Tenant Organization may raise its own funds and spend those funds as it considers appropriate. Other fundraising shall not affect the right of the Tenant Organization to claim the funds described above.

6. **Technical Assistance.** Upon request, the Authority shall make its accountant or financial officer reasonably available to the Tenant Organization to provide technical assistance on bookkeeping and accounting matters.

VIII. AUTHORITY POLICIES AND PRACTICES

1. **Posting.** The Authority shall provide the Tenant Organization with a notebook that includes all policies, practices, and regulations of the Authority, DHCD and/or HUD that relate to tenants of the _____ (*local development*). In addition, these shall be on file in the Authority office at _____ (*local development*). A conspicuous notice shall be posted in the office stating that any tenant may read the documents in these files during normal business hours.

2. **Proposed Changes.** When the Authority proposes any change in policies or practices that may affect tenants at _____ (*local development*), the Authority shall submit these proposed changes in writing to the officers of the Tenant Organization. The Authority must give the Tenant Organization and all affected residents

written notice of the proposed changes and thirty (30) days to review and comment in writing on the proposed changes. If the Tenant Organization submits written objections or suggestions, the Authority has ten (10) working days to respond in writing, with specific legal and factual reasons supporting the proposed change. The Authority shall promptly meet with the Tenant Organization to seek to reach agreement. If differences about the changes remain between the Tenant Organization and the Authority after the meeting, the Authority's proposal and written tenant objections shall be forwarded to the regulatory agency. Both parties will request that the appropriate regulatory agency review the positions of the parties, determine which tenant recommendations should be incorporated, and notify both the Authority and the Tenant Organization of their decision. The new policy will be implemented either when both parties agree or when this decision is received from the regulatory agency.

3. **Limitations.** Any proposal for a change in policy which would have the effect of shifting responsibility for costs to tenants, imposing any additional charges on tenants, or shifting responsibility for payment for services to tenants shall not be made unless the Authority demonstrates that no less burdensome means of achieving its goals are available or that this is required by law.

4. **Conduct of Authority Employees.** The conduct of Authority employees toward tenants shall be courteous, civil and respectful. The Authority will instruct its employees to this effect. At the beginning of each calendar year the Director will send a letter to all employees suggesting appropriate ways to deal with the frustrations of their jobs and emphasizing the necessity of respectful communication with tenants. When a complaint is made by a tenant regarding an employee, the Authority will: a) ask the tenant to put it in writing, b) promptly investigate the complaint, c) report its finding in writing to the tenant, and d) keep a copy of the complaint and finding (with the tenant's name removed) in the employee's file, to be part of the standard review process. The report to the tenant will include a statement that if the tenant is not satisfied with the action taken by the Authority, the tenant may contact the Tenant Organization for assistance in taking the complaint through the grievance procedure.

IX. HIRING

1. **Job Description.** Descriptions for every job at the Authority shall be kept on file and be available to the Tenant Organization for inspection and comment. Before any vacancy is filled, the job description shall be reviewed, updated, and approved by the Hiring Committee described below, subject to job requirements of the regulatory agency. Each job description shall contain:

- (a) A summary of the duties to be performed and the background qualifications required. This summary shall appear in the newspaper advertisement used to fill vacancies in the job classification.

- (b) A detailed checklist of duties likely to be performed by a person within the job classification. The list shall be arranged in the order of the relative importance of duties within the job, with the most important first.
- (c) A complete list of past experience, training or education which is absolutely prerequisite to being considered for the job.
- (d) A list of past experience, training or education which would be desirable for the job.
- (e) The relation of the job to others within career ladders, a description of promotion and transfer rights, and a statement that training will be available where needed in conjunction with promotions.

An explanation of the probationary period, the review process at the end of it, and the standards used to determine whether the employee will receive permanent status in that position.

2. **Advertisement for Positions.** All positions to be filled shall be posted and advertised in conformity with the DHCD Regulations for Affirmative Action Governing Local Housing Authorities, and/or HUD's Section 3 requirements (if *federal*), and DHCD Regulations for Tenant Participation (if *state*). The job description shall be included in all postings and advertisements. A copy of any job postings will be sent directly to the Tenant Organization on the same day it becomes public.

3. **Hiring Committee.** The Authority recognizes the importance of resident participation in hiring. The Tenant Organization shall have at least two seats on all Authority hiring panels. The purpose of the Hiring Committee is to review applications, conduct interviews with candidates, advise and make recommendations to the Executive Director and on all potential hires for positions which have an effect on residents' lives.

4. **Employment Priorities.** The Hiring Committee and the Authority shall give priority, consistent with equal opportunity practices, to a qualified tenant who has applied for the available position. The tenant does not need to be more qualified than other applicants— simply qualified. This policy and practice shall include, but not be limited to, the employment of administrative, managerial, and clerical personnel, security guards, maintenance personnel, and resident and housekeeping aides.

5. **Training and Employment Opportunities.** The Authority shall, as a condition of bids on all new construction and modernization work, require that all general contractors and subcontractors seek to employ and train project residents, to the greatest extent feasible, consistent with applicable laws and requirements. The Tenant Organization will be sent a copy of the request for a waiver at the same time as the request is sent to the Authority and/or all available funds and assistance from local and federal programs that provide job training, scholarships, etc., in order to train existing or newly hired tenant employees.

6. **Sub-contracted Labor.** The Authority will notify the Tenant Organization of its intent to sub-contract for certain labor or to hire consultants, and shall solicit the Tenant Organization's recommendations and feedback. Should they disagree strongly on the selection of sub-contracted labor, the Authority and the Tenant Organization shall meet promptly to seek to resolve differences.

X. BUDGET OF THE AUTHORITY

1. **Tenant Recommendations for Budget.** Prior to the preparation of its annual operating budget, the Authority shall meet with the Tenant Organization to solicit tenant recommendations and proposals regarding the budget. The Authority shall then draft a proposed operating budget and shall submit it to the Tenant Organization. The Authority shall make available to the Tenant Organization qualified personnel to explain and clarify the proposed budget.

2. **Resolution of Disputes Concerning Budget.** If the tentative annual budget does not include all of the recommendations and proposals of the Tenant Organization, the Authority shall explain in writing its reasons for rejecting each recommendation and proposal which has not been included. The Authority and the Tenant Organization shall meet to attempt to resolve their differences. If no agreement is reached, the Authority shall request that the funding agency(s) review the positions of the parties, make a determination as to which tenant recommendations and proposals should be incorporated into the budget, and send notice of its findings to both the Authority and the Tenant Organization.

3. **Special Budgets.** The Authority will follow a similar procedure in the preparation of any special or revised Authority budget.

XI. AUTHORITY BOARD MEETINGS

1. **Notification.** In order that the Tenant Organization may be fully informed and that discussions between the parties may be based on a common understanding of facts and problems, the Authority shall provide the Tenant Organization with a copy of the packet supplied to Authority Board members (*or governing body—for example, in Boston, the Executive Committee*) prior to their meetings. This shall include all non-confidential official communications between members of the Authority's Board of Commissioners and Authority officials and employees, including the agenda for any upcoming meeting, draft minutes of any previous meetings, and copies of any material to be considered by the Board. The Tenant Organization shall receive this packet at least five working days prior to Board meetings.

2. **Place on Agenda.** The Authority shall include on the agenda of each meeting of the Board time for discussion with the Tenant Organization and time for residents to speak on issues of resident concern.

XII. PRIVACY AND CONFIDENTIALITY

1. **Collection of Information.** The Authority shall collect the minimum information concerning tenants that is necessary for the performance of its lawful functions. All releases that tenants are required to sign shall be drawn as narrowly as possible. The Tenant Organization recognizes that the Authority has a lawful obligation to verify the information it is required to obtain. Verification shall be made in the least intrusive manner consistent with the legitimate needs of the Authority.
2. **Confidentiality.** Information concerning tenants held by the Authority shall be kept strictly confidential and shall not be released to any entity or individual except by written authorization of the tenant or where the Authority is required by law to release the information.

XIII. MAINTENANCE AND REPAIRS

1. **Maintenance Obligations.** The Authority shall at all times maintain all dwelling units and common areas in decent, safe, and sanitary condition consistent with the requirements of Article II of the State Sanitary Code and other applicable codes, standards, and regulations.
2. **Repair Requests.** The Authority shall maintain written records of all tenant complaints concerning, and requests for, maintenance and repairs. At the regular meetings scheduled with the Tenant Organization and the Authority, on the agenda will be a discussion about maintenance and repairs, including whether repair requests or work orders are being processed in a timely manner, what complaints or reports have come in from the Board of Health (or other local code enforcement agency), and whether there are needs that should be incorporated into a capital plan or budget.
3. **Repairs.** When a tenant calls in a request, the complaint will be heard respectfully and recorded. The Authority is responsible for the service contracted to take the calls. The Authority shall automatically provide (without the tenant's needing to ask) the work order number. They will instruct the tenant to write the work order number down and to call back if the repair is not made promptly.

The Authority shall make all non-emergency repairs requested by tenants within two (2) weeks after receipt of the tenant's request, or provide tenant with a written reasonable explanation for the delay. All emergency repairs will be made within twenty-four (24) hours of request. Emergency repairs include those relating to essential services, such as heat, hot water, water, sewage backups, and other conditions threatening health or safety, such as broken windows in winter, broken door locks, and broken doors. Each tenant shall receive a copy of the Authority's Emergency Procedures.

4. **Periodic Maintenance.** Every two months, Authority personnel will tour the outside of the development, noting maintenance needs. This tour shall include: the Director of Maintenance, a maintenance worker for the development, and a representative from the

Tenant Organization. The Executive Director will be included at least every four (4) months.

The Authority shall formulate written plans for the periodic maintenance of buildings, systems and equipment, and appliances. At least yearly, the Authority shall furnish the plans to the Tenant Organization, which may make comments and suggestions. The Authority shall incorporate into its maintenance plans the reasonable needs, requirements, and suggestions of the Tenant Organization.

XIV. SECURITY

1. **Application for Funding.** The Authority will discuss with the Tenant Organization various options for improving the security of public housing tenants. Together they will design a strategy to actively and ongoingly seek funding for such projects through city, state, federal or private means. If Authority chooses not to apply for such money as becomes available, they will inform the Tenant Organization in writing of their reasons to not apply, and agree to discuss it on request. The Tenant Organization agrees to assist in applying for security funding in any way possible.

2. **Improving Communication.** Authority agrees to develop a specific, measurable plan to improve the cooperation and communication between the Tenant Organization, the Authority and the Police. This plan will be developed within three (3) months of the signing of this agreement, and will be reviewed every six (6) months.

XV. MODERNIZATION

[Note: What follows are sample provisions based on state and federal regulations. In some ways, the sample provisions are similar because the regulations are similar; in some ways, they are different because the regulations are different. If your tenant organizations represent both state and federal public housing tenants, you can try to bring together the best of both. There are also different regulations for housing authorities with less than 250 federal public housing units and with more than 250 federal public housing units.]

For state public housing

1. **Pre-Application.** The Authority shall notify the Tenant Organization as funding rounds are announced or whenever it plans to seek modernization funds to meet central safety or energy needs. The Tenant Organization shall be involved in determining the priorities of work items for the application. For this purpose, the Authority shall schedule a meeting with the Tenant Organization at a time and place when the maximum number of tenants should be able to attend. The Authority shall post in a conspicuous place in the central office and in each development notice of the scheduled meeting that indicates the date, time, and purpose of the meeting.

2. **Clarification of Modernization Process.** When such meetings are held, if no Tenant Organization exists, a temporary chairperson shall be elected by the tenants present to preside over this and any other meeting until a duly recognized Tenant Organization shall have been formed. The tenants shall have the right to invite technical and other experts to the meeting. The Authority shall explain the modernization program and procedures, and shall answer questions presented by the tenants relating to the modernization process. For this purpose, the Authority's modernization director or other individual responsible for the modernization proposal shall be present at the meeting. At or subsequent to the meeting, the tenants may inform the Authority orally or in writing of their comments on, and suggestions for the modernization proposal. Tenants' expressed needs and priorities shall be given proper weight consistent with sound management.

3. **Proposal Input.** The Authority shall prepare a draft application outlining modernization needs. It shall provide a copy of the draft to the submission of the application to the DHCD (the Department). The Tenant Organization chairperson shall sign the application unless the Tenant Organization and Authority disagree on priorities, inclusion of work items, thoroughness, documentation, accuracy, or clarity of the application. Should this occur, representative(s) from the modernization committee of the Tenant Organization will work cooperatively with the Authority to make the application mutually acceptable. If some differences remain by one (1) week before application submission, these shall be noted in a letter from the Tenant Organization and attached to the application.

4. **Modernization Needs.** The Tenant Organization shall inform the Authority in writing of any critical health, safety or energy work items that need to be addressed, whether or not a formal funding round has been announced.

5. **Communications.** The Authority shall post notices regarding modernization in a conspicuous place in the main office and in each development. It shall also forward to the Department all written comments submitted directly by tenants pertaining to the modernization program. The Department shall provide to the Authority copies of all comments submitted directly to the Department by tenants.

6. **Allocation of Funds.** If awarded funding, the Authority shall execute a contract with the Department. The Tenant Organization's chairperson shall also sign the contract as an indication of approval. If the chairperson is not willing to indicate approval, then a letter outlining the reasons for refusal to sign should be attached to the contract when conveyed to the Department for signature.

7. **Selection of Consultants.** The Authority and the Tenant Organization shall interview finalists (for architects and engineers) in accordance with Mass. General Laws Chapter 7. The Tenant Organization's chairperson shall indicate approval by signing the consultant's contract.

8. **Bidding Document Preparation.** The Authority shall familiarize the tenants with the proposed improvements. The consultant and the Authority shall solicit, review, and

incorporate, insofar as possible, comments from the tenants on the proposed modernization improvements. If the Tenant Organization does not agree with items or approaches regarding the proposed improvements, a letter stating the reasons for disagreement shall be forwarded to the Authority and attached to the plans and specifications when submitted to the Department for review.

9. **Construction Contract Review and Awards.** The Authority shall inform the Tenant Organization of their intention to award the construction contract to the lowest responsible bidder. If the Tenant Organization requests, the Tenant Organization will have one week to state in writing any evidence they have that this party should not be awarded the contract. Should this occur, the Authority shall refute or agree with this evidence in writing, and meet with the Tenant Organization to either discuss differences or to select the next lowest bidder. The same process then holds for the new proposal, until a construction contract is awarded. The Authority shall inform the Tenant Organization of the proposed construction schedule and shall make all documents relating to the modernization development available in the Authority's office for inspection.

10. **Construction.** The Authority and a representative of the modernization committee of the Tenant Organization shall be represented at all pre-construction conferences. In certain jobs, as designated by the Department, the services of a tenant coordinator or tenant coordinators may be appropriate.

11. **Tenant Coordinator(s).** The tenant coordinator (s), shall be selected by the Authority on the basis of applications reviewed, approved and prioritized by the Tenant Organization. If the Authority disagrees with any of the Tenant Organization's selections, the Authority shall inform the Tenant Organization of the reasons for disagreement. The Department will mediate any further dispute.

The tenant coordinator(s) shall assist the Authority and the general contractor to efficiently complete the construction program and represent the interest of tenants and the Authority in the construction work. The tenant coordinator(s) shall work no less than twenty (20), but no more than one and a half (1½) times the current minimum wage. The Chairperson of the Tenant Organization shall be ineligible to receive compensation as a tenant coordinator.

The tenants, either by a tenant coordinator or the Tenant Organization's chairperson, shall be allowed to have no more than two (2) observers at any regularly scheduled job meeting.

**For federal public housing tenants in small housing authorities
(less than 250 units of federal public housing)**

1. **General.** The Authority recognizes that the Tenant Organization has an essential role in the planning and implementation of all programs aimed at upgrading, rehabilitating or modernizing the development. Although the structure of programs funding such

modernization may change from time to time, the Authority agrees to include the Tenant Organization at all major decision points. The Tenant Organization and the Authority shall work in a cooperative and collaborative manner to develop, implement and monitor the modernization program. The Authority shall promptly notify the Tenant Organization of any significant event relating to modernization, such as a HUD decision to withhold funds.

2. Pre-Application. The Authority shall notify the Tenant Organization as funding rounds are announced or whenever it plans to seek modernization funds to meet central safety or energy needs. The Tenant Organization shall have an opportunity to present its views on the proposed modernization and alternatives to it. For this purpose, the Authority shall schedule a meeting with the Tenant Organization at a time and place when the maximum number of tenants should be able to attend. The Authority shall post in a conspicuous place in the central office and in each development a notice of the scheduled meeting that indicates the date, time, and purpose of the meeting.

3. Pre-Application Meeting. The tenants shall have the right to invite technical and other experts to the meeting. The Authority shall explain the modernization program and procedures, and shall answer questions presented by the tenants relating to the modernization process. For this purpose, the Authority's modernization director or other individual responsible for the modernization proposal shall be present at the meeting. At or subsequent to the meeting, the tenants may inform the Authority orally or in writing of their comments on, and suggestions for the modernization proposal. Tenants' expressed needs and priorities shall be given full and serious consideration consistent with sound management. Within two (2) weeks of the meeting, the Authority shall respond in writing to the residents, indicating its acceptance or rejection of resident recommendations.

4. Proposal Input. The Authority shall prepare a draft application outlining modernization needs. The Tenant Organization shall be involved in determining the priorities of work items for the application. The Authority shall provide a copy of the draft to Tenant Organization at least forty-five days prior to the submission of the application to HUD. The Tenant Organization chairperson shall sign the application unless the Tenant Organization and Authority disagree on priorities, inclusion of work items, thoroughness, documentation, accuracy, or clarity of the application. Should this occur, representative(s) from the modernization committee of the Tenant Organization will work cooperatively with the Authority to make the application mutually acceptable. If some differences remain by one (1) week before application submission, these shall be noted in a letter from the Tenant Organization and attached to the application.

5. Modernization Needs. The Tenant Organization shall inform the Authority in writing of any critical health, safety or energy work items that need to be addressed, whether or not a formal funding round has been announced.

6. Resident Input During Modernization. Once funding is allocated for a specific project, the Tenant Organization will work closely with the Authority to implement the

improvements. The Tenant Organization shall be involved at every step of the process, including but not limited to the following: [not in state]

(a) Selection of Consultants. The Authority and the Tenant Organization shall jointly interview finalists for architectural and engineering contracts, as well as finalists for employment as clerk of the works for all major projects that are designated for the development. For projects that involve multiple developments, an authority-wide Tenant Organization will be consulted.

(b) Planning Process. Copies of the architect or engineer's schematic submission, design development submission (if applicable) and construction document submission shall be forwarded to the Tenant Organization for review. If requested, Authority staff will schedule modernization meetings to review these submissions and to solicit necessary input from residents. If requested, the Authority will notify all residents of the affected development about modernization meetings in the languages appropriate for the development.

(c) Bidding. The Authority will notify the Tenant Organization of the date and time for the general bid opening for all construction contracts affecting the development. Tenant Organization representatives are encouraged to attend and to assist the Authority's staff with reference checks on the low bidder.

(d) Construction. The Tenant Organization shall designate a representative to participate in the construction process. This individual will function as an observer for the Tenant Organization and be invited to attend the pre-construction meeting with the architect/engineer and the contractor as well as weekly job meetings. Prior to the closeout of a construction contract, the Tenant Organization will be notified to determine if there are any unresolved issues of problems with the construction.

For federal public housing tenants in large housing authorities
(over 250 units of federal public housing)

1. (Same as **General** in previous section.)

2. The Comprehensive Plan. Residents shall be fully informed and involved in developing the content of, and monitoring the implementation of, the comprehensive plan including the physical and management needs assessments, viability analysis, five-year action plan, and annual statement. The Authority shall prepare a draft plan outlining modernization needs. The Tenant Organization shall be involved in determining the priorities of work items for the plan. The Authority shall provide the Tenant Organization with copies of the proposed plan or submission, including all relevant documents, at least seven days prior to any informational meeting required by paragraph 3. Also, the Authority agrees to promptly inform the Tenant Organization of any significant changes to the comprehensive plan, including changes in the scope of work or the order of items within the approved five-year action plan.

3. Informational Meeting. At least seven (7) days before the public hearing mentioned in paragraph 4, the Authority shall schedule a meeting open to all residents and duly elected Tenant Organizations affected by the plan. The meeting shall be held at a time and place when the maximum number of tenants should be able to attend. The Authority shall post in a conspicuous place in the central office and in each development a notice of the scheduled meeting that indicates the date, time, and purpose of the meeting. At the meeting, the Authority shall explain the modernization program, procedures, and components of the comprehensive plan, and shall answer questions presented by the tenants. For this purpose, the Authority's modernization director or other individual responsible for the comprehensive plan shall be present at the meeting. At or subsequent to the meeting, the tenants may inform the Authority orally or in writing of their comments on, and suggestions for, the modernization plan.

4. Public Hearing. At least once annually, the Authority shall hold a public hearing to present information on the comprehensive plan, the annual submission, and the status of prior approval programs. The hearing shall take place at least thirty (30) days before the plan or submission is scheduled to be sent to HUD. The Authority shall post in a conspicuous place in the central office and in each development a notice of the scheduled hearing that indicates the date, time, and purpose of the public hearing. At the hearing, all interested parties shall have an opportunity to express their concerns, priorities, and suggestions. The tenants shall have the right to invite technical and other experts to the meeting.

5. Response to Public Comments. The Authority shall give full and serious consideration to the comments of residents. Within fourteen (14) days of any public hearing required by paragraph 4, the Authority shall respond in writing to the residents, indicating its acceptance or rejection of resident recommendations. Comments will be forwarded to the Authority Board of Commissioners for further consideration. Comments, both positive and negative, will also be reported to HUD with the Plan or annual submission.

6. Modernization Needs. The Tenant Organization shall inform the Authority in writing of any critical health, safety or energy work items that need to be addressed, whether or not a formal funding round has been announced.

7. Resident Input During Modernization. Once funding is allocated for a specific project, the following process will be employed to implement the improvements:

(a) **Selection of Consultants.** (Same as **Selection of Consultants** in previous section.)

(b) **Planning Process.** (Same as **Planning Process** in previous section.)

(c) **Bidding Document Preparation.** The Authority shall familiarize the tenants with the proposed improvements. The consultant and the Authority shall solicit, review, and incorporate, insofar as possible, comments from the tenants on the proposed

modernization improvements. If the Tenant Organization does not agree with items or approaches regarding the proposed improvements, a letter stating the reasons for disagreement shall be forwarded to the Authority and attached to the plans and specifications when submitted to HUD for review.

(d) **Bidding.** (Same as **Bidding** in previous section.)

(e) **Construction.** (Same as **Construction** in previous section.)

8. Performance and Evaluation Report. For any year in which the Authority is required to submit a Performance and Evaluation Report to HUD, the Authority shall promptly notify the Tenant Organization of the availability of the proposed report, make copies available to residents in the development office, and provide residents with at least thirty (30) days in which to comment on the report.

XVI. TENANT GRIEVANCES

1. **Right to a Hearing.** Any tenant with a complaint about the Housing Authority shall be entitled to a grievance hearing before the Hearing Panel as described in this section. The complaint may be about any Authority action or failure to act in accordance with this agreement, the lease, or any statute, regulation, policy or procedure. The complaint may also regard the behavior of any Authority employee, agent, or independent contractor.

Once a grievance has been filed, the Authority shall take no administrative or court action regarding the subject of the grievance until a final decision has been reached on the matter.

If the grievance is regarding the tenant's rent (disputing either the amount of rent charged or the amount of back rent money owed), the tenant shall pay to the Authority all undisputed amounts of rent due before the request for hearing is accepted. If the tenant's grievance does not relate to rent, then any rent money owed will not delay or affect the grievance process.

2. **The Hearing Panel.** The Hearing Panel shall have five members. Two representatives and two alternates shall be chosen by the Tenant Organization. Two members and two alternates shall be chosen by the Authority.
(Note: The Mass. Union of Public Housing Tenants urges tenant organizations to have no less than a 3-person/tenant panel.)

One disinterested member and one disinterested alternate shall be chosen jointly by the Tenant Organization and the Authority, by the following process: each party shall submit to the other a list of five (5) names. (The disinterested member and alternate may not be employees, tenants, officers or agents of the Authority.) The parties shall meet to choose a mutually acceptable disinterested member and alternate from among the names on the list. If a disinterested member and alternate cannot mutually be agreed upon, each party shall submit to the other a list of five (5) additional names. The parties shall again meet to

attempt to choose a mutually acceptable disinterested member and alternate. This process shall be repeated until a mutually acceptable disinterested member and alternate are chosen.

All members of the Hearing Panel shall serve for one year. New members shall be chosen each year by the above process, although the same people may be selected year after year. If a vacancy occurs in the middle of a member's term, the new member shall be selected by the same process, and shall serve for the remainder of the unexpired term.

3. Disqualification. Any person who is related to the tenant or who was involved in the complaint shall be disqualified from sitting on the Hearing Panel. They may be disqualified upon challenge by the tenant, by the Authority or by the Hearing Panel's own motion. If a member is disqualified, the appropriate alternate representative shall serve.

4. Hearing Panel Organization and Meetings. The members of the Hearing Panel shall choose from among themselves a Presiding Officer. The Presiding Officer shall receive the complaint forms, schedule the hearings, chair meetings of the Panel, make sure both the tenant and the Authority have a full opportunity to present all facts relevant to the complaint, and make sure these procedures are followed in the handling of all complaints.

The Hearing Panel shall meet as often as necessary to insure that all complaints are heard within twenty (20) working days from the time the tenant files a request for a hearing. Meetings shall be at a time and place convenient to the tenant, the Authority, and members of the Hearing Panel. This may include evenings and weekends as needed.

The Authority shall provide and pay for all space, supplies, and clerical staff required by the Hearing Panel. The Authority shall also compensate all members of the Hearing Panel for any out-of-pocket expenses they incur while carrying out their function as Hearing Panel members.

5. Tenant's Complaint and Request for Hearing. A tenant may file a request for a hearing at any time. All complaints must be in writing, must specify the particular facts of the complaint, and must specify the action the tenant wants the Authority to take or to refrain from taking. The tenant may use a grievance form, which shall be available at the Authority's main office, at all local development offices, and from the local Tenant Organization. The form is not necessary, however.

In cases involving a proposed Authority action where a delay would work against the Authority, the tenant must file his or her complaint within ten (10) working days of receiving a written notice of the proposed Authority action. The written notice will include an obvious warning of this time limit, including a number to call with questions about the grievance procedure.

A tenant's complaint and request for a hearing must be presented personally or forwarded

by registered mail. It must go to the Authority's main office or to the manager of the development where the tenant lives. The Authority shall date, stamp and file the tenant's complaint on the day it is received, and send or give the tenant a dated receipt. The Authority shall forward the complaint to the Presiding Officer of the Hearing Panel within two (2) working days of receipt.

6. Authority's Answer to Tenant's Complaint. Within ten (10) working days after receipt of tenant's complaint and request for a hearing, the Authority shall forward to the tenant a written, dated, signed answer to the complaint. The answer must state what the Authority proposes to do about the tenant's complaint, and must include the full and specific reasons for the proposed action. The answer will also include the name of the Presiding Officer of the Hearing Panel and how he or she may be reached. This response to the complaint will also be sent to the Presiding Officer of the Hearing Panel. If the tenant is satisfied with the Authority's answer, the tenant shall notify the Presiding Officer of the Hearing Panel and withdraw the complaint and request for a hearing.

If the Authority fails to provide a statement of reasons within ten (10) working days, the complaint shall be decided in the tenant's favor and the Hearing Panel shall schedule a hearing for the purpose of awarding the tenant appropriate relief.

In addition to answering the complaint in writing, the Authority may request a meeting with the tenant to discuss the complaint. The Authority and the tenant are encouraged to resolve the matter of the complaint speedily and without a hearing. All informal resolutions must be in writing, and must be signed by the tenant and the Authority. A copy of the informal resolution shall be forwarded to the Presiding Officer of the Hearing Panel. Without this written resolution, the complaint will be considered unresolved and a hearing will be schedule.

7. Access to Evidence. The tenant and/or the tenant's authorized representative shall have adequate opportunity, before and during the hearing, to examine and make one copy of each document, and record the regulation of the Authority that may be relevant to the complaint.

8. Right to Counsel. The tenant and the Authority shall have the right to be represented by a lawyer or any other person of their choosing. The tenant has the right to be accompanied by a maximum of three persons of their choosing at all stages of the complaint and hearing process.

9. Time for Hearing. A hearing date shall be set within ten (10) working days of the Authority's answer to the tenant's complaint. If the Authority has not answered the complaint, the hearing date shall be within twenty (20) days of the tenant's request for a hearing.

The Presiding Officer shall give the tenant or his authorized representative at least five (5) working days' advance written notice of the hearing date. Hearings may be postponed at the request of either the Authority or the tenant. This must be for good cause such as

illness or other unavoidable absence of a party or witness, or by agreement between the Authority and the tenant.

If the tenant does not request rescheduling and does not appear at the hearing, the Panel may postpone the hearing for five (5) working days, or reschedule the hearing, or determine that the tenant has waived the right to a hearing. Such a determination shall not under any circumstances mean that the tenant has given up the right to any other option (such as court) for resolving the conflict.

10. Conduct of Hearing. At the hearing, the tenant must set forth the basis for the complaint. The burden is then on the Authority to justify the action or inaction proposed in its answer to the tenant's complaint. No evidence may be used against a tenant or in any way affect the decision of the Panel unless the evidence has been introduced at the time of the hearing. The tenant or the tenant's authorized representative shall have full opportunity to present the case, to question any testimony or evidence through cross-examination, and to confront any witness.

Written evidence which would be admitted into a court proceeding may be used against the tenant or Authority. However, if the Authority or tenant refuses to let the other party examine the documents prior to the hearing, those documents may not be used against the tenant or the Authority.

The hearing may be public, at the tenant's request. If the tenant does not request a public hearing, then the hearing will be assumed to be private. In private hearings, the only persons allowed shall be the tenant, a maximum of three persons of the tenant's choosing, the Authority and its representative(s), witnesses as necessary, and the members of the Hearing Panel.

11. The Decision of the Hearing Panel. A majority vote shall be necessary for any decision by the Panel. The decision must be based solely and exclusively upon the evidence presented at the hearing and upon applicable laws and regulations. All decisions must be in writing, must be dated, and must state the findings of fact and the specific reasons for the results. A copy of the Hearing Panel's written decision shall be forwarded to the Authority and to the tenant.

Copies of all written decisions, with all names and identifying references deleted, shall be maintained on file by the Hearing Panel and shall be available to the public.

A record of all hearings shall be kept by the Authority. A hearing shall be tape-recorded, and the tape shall be kept by the Authority in a confidential manner. Only the Authority, the Grievance Hearing Panel, and the tenant or the tenant's authorized representative(s) are allowed access to these written and tape-recorded records.

12. Appeals from the Decision of the Hearing Panel.

If the decision of the Hearing Panel is in favor of the tenant:

a) The Authority shall promptly take all actions necessary to carry out such decision or refrain from any action prohibited by such decision. If the chairperson of the Authority Board determines that all or any part of the decision is arbitrary, or goes beyond the authority of the Hearing Panel, or has violated state law or regulations, he or she may appeal the decision to the Housing Authority Board.

b) To do this, the chairperson of the Authority Board must notify the tenant, within ten (10) working days from the date of the Authority's receipt of the decision, that the Authority Board will review the decision. The Authority Board must review the decision no later than its next regular meeting. The Board may reverse all or any part of the decision of the Hearing Panel. They may also change the amount of money damages the Panel said the Authority owes the tenant.

c) These changes may be done only if the Board finds that the Hearing Panel acted arbitrarily, or went beyond its authority, or has violated applicable laws or regulations.

d) The Authority may appeal only to the Board if they responded in writing to the tenant's initial complaint within ten (10) working days, as described in section 6 above.

If the decision of the Hearing Panel is in favor of the Authority:

a) The tenant shall act according to the decision of the Hearing Panel, unless the tenant promptly notifies the Authority requesting review by the Authority Board. The tenant must do this within ten (10) working days of receiving the decision.

b) The Board must hear the tenant's appeal no later than its next regular meeting. The meeting will be open to the tenant and the tenant's representative(s), and shall be tape-recorded. The Authority Board may reverse or change the decision of the Hearing Panel as requested by the tenant, or may allow the decision of the Hearing Panel to stay as it is.

c) Within five (5) working days of the Board meeting at which the appeal was heard, the Authority shall notify the tenant in writing of its decision. This shall include the specific reasons for its decision. The Board shall file a copy of the notice with the Presiding Officer of the Hearing Panel.

d) If the tenant lives in state public housing, the tenant may appeal to DHCD within fourteen (14) working days from the tenant's receipt of the Authority Board's decision. The tenant's appeal must be in writing and must state the reasons why the decision of the Authority Board should be set aside. The tenant should provide a copy of the appeal to the Authority at the same time.

13. Appeals to the Courts.

No matter what decisions have been made in this grievance process, the tenant and the Authority always have the right to bring the issue to court. The court shall hear the case fresh from the start, as if previous hearing decisions have not been made. In such court

proceedings, the Authority shall be limited to the grounds relied upon in its proposed action on the tenant's complaint.

If the Authority wishes to introduce new evidence or rely on new grounds in any court proceedings, the tenant must be notified. If the tenant requests, a new grievance hearing may be held, on the basis of the new evidence or grounds.

The tenant's failure to pursue all or any part of the hearing process outlined above shall not mean the tenant has given up the right to court or any other remedy available to the tenant.

XVII. SEPARABILITY

Each Clause of This Memorandum of Understanding Stands on Its Own. In the event that any clause shall be determined to be in violation of any law, only the clause shall be considered of no force and effect. This will not impair the validity and enforceability of any other clause, sentence, or paragraph in which the offending language may appear.

XVIII. TERM AND RENEWAL

1. **Term and Renewal.** This Agreement shall be effective for an initial period of three (3) years from the date of signing. It shall be automatically renewed for successive three (3)-year terms, unless either party notifies the other in writing not less than sixty (60) days before the expiration of any term that it wishes to renegotiate the Agreement.
2. **Notice Requirements.** A notice regarding renegotiation shall specify which section(s) of the Agreement the party sending the notice wishes to renegotiate and will include that party's proposal(s) for replacement section(s). All sections not so specified for renegotiation shall automatically renew as if notice had not been given.
3. **Re-negotiation.** The parties shall make every reasonable effort, before the expiration of the term, to renegotiate mutually acceptable replacement sections. In the event that the parties are unable to reach agreement, the dispute shall be referred to HUD or DHCD for resolution.

Signatures

President of the Tenant Organization

Executive Director of the Housing Authority

Chairperson of the Housing Authority Board Date

Enforcing a Memo of Understanding

13. What if a housing authority does not follow an MOU?

An MOU gives you a powerful legal tool to protect tenants' rights. It is a legal contract which can be enforced in court.¹⁵ But it is powerful only if you use it. And just because a housing authority signed an MOU does not mean that they will follow it.

If a housing authority does not follow a provision in your MOU, write the housing authority a letter reminding them about the specific agreement in the MOU. Always put this in writing so that you will have a paper trail of your efforts to communicate with the housing authority and enforce the MOU.

If regulations are involved, include the specific legal citation of the regulation or a copy of the regulation itself with the key words highlighted. You will always be on stronger ground if you include regulations.

If you are working with an attorney, you may want to ask the attorney to write this letter and help you communicate with the housing authority. You can also let the Massachusetts Union of Public Housing Tenants know about any violations, and they can help you strategize about what to do.

If, after receiving your letter, the housing authority still refuses to follow the MOU, contact DHCD (if you live in state public housing) or HUD (if you live in federal public housing) and ask to speak to someone assigned to your housing authority. That person may be able to help work out a solution.

Finally, if the housing authority still refuses to follow the MOU, you can file a complaint in court seeking to enforce the agreement. While this is a last resort and one that you may not want to take on without legal assistance, tenants have gone to court and won.¹⁶

Glossary

Bidders: Companies that apply to work for the housing authority on a project. Companies apply for a job by submitting a bid, so they are called bidders.

Caucus: When each side of a negotiation team meets privately with its own members to discuss its position. Often occurs during a time-out in a negotiation.

DHCD: Massachusetts Department of Housing and Community Development.

Duly: Legally, following the rules.

Duly Elected: A duly elected tenant organization is one that has been democratically elected by residents according to minimum standards in HUD's rules (24 C.F.R. 964) or DHCD's rules (760 C.M.R. 6.09).

HUD: U.S. Department of Housing and Urban Development.

Law: All legal rules enforceable in court, including *statutes*, *regulations*, and case law (interpretations of statutes and regulations made by courts).

Lobby: Try to influence a decision maker.

Memorandum of Understanding: A written agreement between different parties.

Modernization: A program where HUD provides federal money to local housing authorities for physical or management improvements to public housing.

Recognize: To officially acknowledge an organization's existence. For example, the housing authority must recognize a duly elected tenant organization.

Regulations: Legal rules published by state and federal agencies (such as DHCD or HUD) to carry out their programs, outline their responsibilities, and set out the rights of any beneficiaries under their programs.

Request for proposals: The document a housing authority sends out asking businesses and organizations to apply to work on a project or to supply a service.

Section 3: A federal program that requires housing authorities to create job training opportunities and jobs "to the greatest extent feasible" for public housing residents and low-income people.

Statute: An act of the legislature requiring or prohibiting something.

Endnotes

- ¹ See *Fall River Housing Joint Tenants Council, Inc. v. Fall River Housing Authority, et al.*, 15 Mass. App. Ct. 992, 448 N.E. 2d 70 (1983). The court found that an MOU between the tenant council and the housing authority was written in a way that made it an enforceable agreement or contract.
- ² **Federal:** 24 C.F.R. 964. **State:** 760 C.M.R. 6.09.
- ³ 24 C.F.R. 964.18(a)(8). This applied to housing authorities with 250 units or more of federally funded public housing.
- ⁴ 24 C.F.R. 964.18(a)(8). This applied to housing authorities with 250 units or more of federally funded public housing.
- ⁵ To see Boston Housing Authority's local tenant organization tenant participation policy, go to: www.bostonhousing.org/pdfs/CSD2003LTOParticipation.pdf.
- ⁶ It is important for a tenant group to set up a good accounting procedure because HUD regulations require tenant associations to account for the use of housing authority funds and allow the housing authority to inspect and audit the tenant association's financial records. 24 C.F.R. 964.150(b)(3).
- ⁷ Currently, the state provides \$3 per unit (occupied or available for occupancy by tenants represented by the tenant council) per year or a total of \$250, whichever is more, for residents' participation. The housing authority may, however, agree to up to \$6 per unit if the tenant organization convinces the housing authority of a need for additional funds. See 760 C.M.R. 6.09(3)(c).

Under federal regulations, a housing authority is required to request \$25 per occupied unit per year for tenant participation when it submits its operating budget request to HUD. 24 C.F.R. 990.108(e). The amount that a housing authority must request can be found in Part D, lines 12 and 13 of HUD Form 52723, "Calculation of Operating Subsidy" form, which is the form the housing authority uses to request its operating subsidy. If the total amount of operating subsidy that a housing authority requests is reduced because of insufficient funds from Congress, the tenant participation funds are pro-rated and reduced proportionately. A housing authority must use funding allocated for tenant participation for tenant participation. It is also required to negotiate an MOU with the tenant organization about how tenant participation funds are to be used. For more about how these funds can be used, see HUD's Notice 2001-3. For more information about tenant participation, see information produced by the National Housing Law Project in its Questions and Answers on Public Housing Resident Participation Fund, available at www.NHLP.org.

Note: Federal rules also provide that a housing authority may use its Capital Grant Program money to fund "capital expenditures to facilitate programs to improve the empowerment and economic self-sufficiency of public housing residents and to **improve resident participation.**" (Emphasis added.)

24 C.F.R. 905.10(k)(1)(viii). Housing authorities may also use money from the Capital Grant Program for "reasonable costs necessary to assist residents to participate in a meaningful way in the planning, implementation, and monitoring process" in preparing the Comprehensive Plan, 5-Year Action Plan, and Annual Submission. 24 C.F.R. 968.112(a)(1)(iv).

- ⁸ **Federal:** 24 C.F.R. 964.135 (for housing authorities with fewer than 250 federal units). 24 C.F.R. 968.315, 320, 330, and 335 (for housing authorities with more than 250 federal units). Resident council members should be fully involved in all management operations, including modernization. See also 24

C.F.R. 964. **State:** 760 C.M.R. 11.10. A tenant organization must be given the opportunity to give input on a housing authority's application for modernization funds and bidding documents.

- ⁹ 760 C.M.R. 6.09 and 24 C.F.R. 964.18.
- ¹⁰ **Federal:** 24 C.F.R. 964.11. **State:** 760 C.M.R. 6.09(1).
- ¹¹ **Federal:** 24 C.F.R. 964.18(a)(10) says that MOUs must be reviewed every 3 years. **State:** 760 C.M.R. 6.09(3) says that MOUs must be reviewed every 7 years.
- ¹² For more about negotiating, see *Getting to Yes*, by Roger Fisher et al., Penguin Books, New York (2nd edition 1991). See pages 97-106 for how to negotiate with someone more powerful than yourself.
- ¹³ Under state law, 760 C.M.R. 6.09(3) states that "[t]he LHA and each LTO shall negotiate an agreement regarding resident participation." Under federal law, 24 C.F.R. 964(a)(10), (18), housing authorities with 250 units or more "shall put in writing in the form of a Memorandum of Understanding the elements of their partnership agreement...."
- ¹⁴ 24 C.F.R. 964.18(b)(2)(i).
- ¹⁵ See *Fall River Housing Joint Tenants Council, Inc. v. Fall River Housing Authority, et al.*, 15 Mass. App. Ct. 992, 448 N.E. 2d 70 (1983). The Mass. Appeals Court found that a memorandum agreement between the tenant council and the housing authority was written in a way that made it an enforceable agreement or contract.
- ¹⁶ See *Fall River Housing Joint Tenants Council, Inc. v. Fall River Housing Authority, et al.*, 15 Mass. App. Ct. 992, 448 N.E. 2d 70 (1983).

14. Sample Letter to Housing Authority

This is a sample letter you can use to request a meeting with your housing authority.

Your name
Your group's name

Date

Executive Director's Name
Your Housing Authority
Address

Dear Director:

My name is _____, and I am the _____ [*state your title and if you have no title, say you're a member*] of the _____ [*name of your tenant organization*]. As the duly elected tenant organization of _____ [*name of your development*], _____ [*name of your tenant organization*] exists to protect public housing and to serve the tenant community. Our goal is to work with tenants and _____ [*name of your housing authority*] on issues of mutual concern.

Over the past several weeks, we have been working to draft a Memorandum of Understanding (MOU) between our association and _____ [*name of your housing authority*]. We believe that working with you to create an MOU will help us develop a partnership that will ultimately create a better development.

We would appreciate the opportunity to meet with you and your staff to discuss the draft Memorandum. I can be reached at the above address, or at (999)-999-9999.

I look forward to discussing our mutual goals.

Sincerely,

Your Name (signed)

Your Name (typed or printed)

Title and Name of Group

15. Sample Memorandum of Understanding

The following document is an example of an MOU between a tenant organization and a housing authority. It was developed over the years by the Massachusetts Union of Public Housing Tenants, with the assistance of Massachusetts Law Reform Institute and other legal services attorneys. Tenant groups and housing authorities can use this as a starting place to develop agreements and then negotiate more specifics based on local needs and resources.

This sample agreement has helped tenant organizations and housing authorities come to common understanding about how regulations will be implemented in their particular location. It captures key policies that residents should be involved in and it provides a vehicle for tenants to talk through all of these policies.

Please remember that this document is just an example. While it is based on Massachusetts regulations for tenant participation, the specific details it spells out are not regulations and are not binding in any community until an actual MOU has been negotiated and signed. Also, not all of these provisions work everywhere. You need to tailor this sample to your local needs.

If you have questions or want assistance or would like an electronic copy of the sample document e-mailed to you, contact the Massachusetts Union of Public Housing Tenants at 617-825-9750. Mass Union encourages all communities to negotiate Memos of Understanding.