

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING
August 20, 2009
9:00 a.m.
1002 North School Street, Building E
Honolulu, Hawaii 96817**

AGENDA

I. CALL TO ORDER / ROLL CALL

II. APPROVAL OF MINUTES

- A. Annual Meeting, July 16, 2009
- B. Regular Meeting, July 16, 2009
- C. Executive Sessions, July 8, 2009
- D. Executive Sessions, July 16, 2009

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. DECISION MAKING

- A. Decision Making: To Reappoint Ms. Ludvina Takahashi and Mr. Gary Mackler to the Kauai Eviction Board, Mr. George DeMello to the Hilo Eviction Board, and Mr. Mark Nishino to the Maui Eviction Board for Two-Year Terms Expiring on August 31, 2011
- B. Decision Making: To Adopt Board Resolution No. 19, Relating to the Statement of Procurement Policy Governing the Federal Capital Fund Stimulus Grant
- C. Decision Making: To Adopt Board Resolution No. 20, Approving the Section 8 Management Assessment Program (SEMAP) Certification of Standard Performer for the Fiscal Year Ending June 30, 2009
- D. Decision Making: To Approve the Hawaii Public Housing Authority's Request to the Governor for a Waiver to Fill Federally Funded Staff Positions
- E. Decision Making: To Adopt the Hawaii Public Housing Authority's Goals and Objectives for Fiscal Year 2009-2010
- F. Decision Making: To Approve the Selection of a Development Partner for Hawaii Public Housing Authority's Mixed Income/Mixed Finance Redevelopment Project at Kuhio Park Terrace and Kuhio Homes

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(8), and 103D-105 to discuss, deliberate or make a decision on information that must be kept confidential and section 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 related to the Redevelopment of Kuhio Park Terrace and Kuhio Homes

- G. Decision Making: To Accept the Audited Financial Statements for Banyan Street Manor, located at 1122 Banyan Street, Honolulu, Hawaii for Fiscal Year 2007 and Fiscal Year 2008.

H. Decision Making: Evaluation of the Executive Director and Possible Personnel Action Related Thereto. Evaluation to Cover Performance to Date.

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(2) to consider employment related matters affecting privacy as they relate to the Executive Director and section 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 related to this agenda item.

I. Discussion and Decision Making: Related to the Decision of the Executive Director to Discontinue Employment of Seven Employees of the Hawaii Public Housing Authority and Whether the Decision Should be Affirmed or Rescinded.

The Board may go into executive session pursuant to sections 92-4 and 92-5(a)(2) to consider employment related matters where consideration of matters affecting privacy are involved and section 92-5(a)(4) to confer with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to these personnel issues.

V. 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, S. Aiona & R. Berthiaume
- Public Housing Operations/Tenant/Tenant Relations – C. Hosino Yoshioka, C. Ignacio, S. Aiona & S. Dodson
- Mixed Income Projects – E. Beaver, R. Berthiaume, K. Park, S. Aiona & S. Dodson
- Goals and Objectives – L. Smith, C. Hosino & R. Berthiaume

B. Report of the Executive Director Program/Project Updates

1. FY 2009 Budget to Actual Comparisons
2. Property Management and Maintenance Services Branch
 - a. Rent Collection
 - b. Island Overview
 - c. AMP Overview
3. Construction Management Services
 - a. Capital Program Obligations
 - b. Elevator Repair Report
 - c. Elevator Modernization Report
 - d. Update on Progress of Energy Performance Contractor, Ameresco
4. Hearings Office Evictions
5. Contracts & Procurement Office Contracts
6. Section 8 Subsidy Programs Report
7. Homeless Programs Report
8. Personnel Report

VI. FOR INFORMATION/FOR DISCUSSION

A. For Information: 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 into 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).

- B. For Information: Update on Compliance with the Consent Agreement and Final Order with the U.S. Environmental Protection Agency Relating to the Conversion of Large Capacity Cesspools

The Board may go into 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 Compliance with the Consent Agreement and Final Order with the U.S. Environmental Protection Agency Relating to the Conversion of Large Capacity Cesspools.

- C. For Information: Hawaii Public Housing Authority 2009 Annual Compliance Review Report for Performance Based Contract Administration

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 SPECIAL MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BLDG. E
ON WEDNESDAY, JULY 8, 2009,
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority met for their Special Meeting at 1002 N. School Street, on Wednesday, July 8, 2009 at 10:30 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
Director Rene Berthiaume
Director Matilda Yoshioka
Director Linda Smith
Director Sam Aiona
Director Sherrilee Dodson
Designee Henry Oliva
Director Kaulana Park

Chad Taniguchi, Executive Director
Krislen Chun, Deputy Attorney General

EXCUSED: Director Carol Ignacio
Director Eric Beaver

STAFF PRESENT: Barbara Arashiro, Executive Assistant
Shirley Befitel, Personnel Supervisor
Taryn Chikamori, Secretary to the Board

OTHERS: Bob Nakata, Faith Action for Community Equity (FACE)
Faaafe Tuiti, Kuhio Park Terrace Resident
Fetu Kolio, Mayor Wright Homes resident
Jesse Ponce de Leon, Kalakaua Homes resident
Jun Yang, Faith Action for Community Equity (FACE)
June Talia, Kuhio Park Terrace resident
Leva Alualu, Kuhio Homes resident
Nancy Young, Faith Action for Community Equity (FACE)
Tricille Otineru, Kuhio Park Terrace Resident

Chairperson Thompson declared a quorum present.

QUORUM

Chairperson Thompson stated the approval of the June 18, 2009 minutes will be deferred to the Regular Board of Directors' meeting on July 16, 2009.

APPROVAL
OF MINUTES
REGULAR
MEETING
06/18/09

Jesse Ponce De Leon, Kalakaua Homes resident, stated he does not believe that Chad Taniguchi, Executive Director, is doing his job. He stated that if Mr. Taniguchi was doing his job then the management at Kalakaua Homes would be doing their jobs. Mr. Ponce De Leon stated there have been little results in resolving issues and the issues that have been resolved took to long.

PUBLIC
TESTIMONY

HAWAII PUBLIC HOUSING AUTHORITY

Leva Alualu, Kuhio Homes resident, stated there has been progress made under the management of Mr. Taniguchi. Kuhio Homes has never had resident community meetings under any other management. Mr. Taniguchi listened to the residents concerns and followed up on them. Mr. Taniguchi has a good heart and wants to help the residents.

Director Park and Director Aiona arrived at 10:38 a.m.

June Talia, Kuhio Park Terrace resident (KPT), stated Mr. Taniguchi has done a lot for Kuhio Park Terrace in a short period of time. She asked that the Board of Directors give Mr. Taniguchi more time to prove himself.

Tricille Otineru, Kuhio Park Terrace Resident, stated she wants to support Mr. Taniguchi. Mr. Taniguchi held resident community meetings. KPT did not have hot water for a very long time, but when the residents reported the issue to Mr. Taniguchi the problem was fixed right away.

Faaafe Tuiti, Kuhio Park Terrace Resident, stated she wants to support Mr. Taniguchi. Ms. Tuiti stated that she has never seen an Executive Director hold a resident meeting to listen to the resident concerns. She feels that she was able to voice her concerns and the issues are being addressed.

Bob Nakata, Faith Action for Community Equity (FACE), stated he supports Mr. Taniguchi. Mr. Nakata stated Mr. Taniguchi has been to most of the projects and listened to the residents' concerns. If Mr. Taniguchi is not retained then Mr. Taniguchi's initiative will also not be retained. He asked the Board and Mr. Taniguchi to work together to successfully complete the KPT mixed income redevelopment.

Jun Yang, Faith Action for Community Equity (FACE), stated he has personally worked with Mr. Taniguchi. Mr. Taniguchi has passion for the residents and his leadership has brought good changes.

Fetu Kolio, Mayor Wright Homes (MWH) resident, stated Mr. Taniguchi has held resident community meetings and listened to the concerns of the residents. Mr. Taniguchi also took the time to have a follow-up meeting which is important.

Nancy Young, Faith Action for Community Equity (FACE), stated she supports Mr. Taniguchi and has seen improvements in public housing.

Director Sherri moved, Director Hosino seconded,

To go into executive session at 11:00 a.m. pursuant to sections 92-4, 92-5(a)(2), and 92-5(a)(4), the Board of Directors may convene in executive session to evaluate the performance of the Executive Director and possible personnel actions related thereto.

The motion was unanimously carried.

The Board reconvened from Executive Session at 12:55 p.m.

Chairperson Thompson stated Executive Director's probation will be extended for two months.

Director Park moved, Director Berthiaume seconded,

To go into executive session at 12:56 p.m. pursuant to sections 92-4 and 92-5(a)(2) to consider employment related matters where consideration of matters affecting privacy are involved and section 92-5(a)(4) to confer

EXECUTIVE
SESSION

RECONVENED

EXECUTIVE
SESSION

HAWAII PUBLIC HOUSING AUTHORITY

with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to the decision of the Executive Director to discontinue employment of seven employees of the Hawaii Public Housing Authority and whether the decision should be affirmed or rescinded.

The motion was unanimously carried.

The Board reconvened from Executive Session at 1:28 p.m.

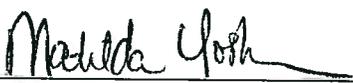
RECONVENED

Chairperson Thompson stated no action was taken on the discussion and decision making related to the decision of the Executive Director to discontinue employment of seven employees of the Hawaii Public Housing Authority.

Director Berthiaume moved, Director Hosino seconded,

ADJOURNMENT

That the meeting be adjourned at 1:29 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, BUILDING E,
ON THURSDAY, JULY 16, 2009,
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, July 16, 2009 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
Director Rene Berthiaume
Director Linda Smith
Director Sam Aiona
Director Sherrilee Dodson
Designee Henry Oliva

Chad Taniguchi, Executive Director
Krislen Chun, Deputy Attorney General
John Cregor, Deputy Attorney General

EXCUSED: Director Kaulana Park
Director Eric Beaver
Director Matilda Yoshioka

STAFF PRESENT: Barbara Arashiro, Executive Assistant
Michael Hee, Private Management Contracts Section Chief
Sandra Miyoshi, Homeless Programs Administrator
Shirley Befitel, Personnel Supervisor
Stephanie Fo, Property Management and Maintenance
Services Branch Chief
Rick Sogawa, Acting Contracts and Procurement Officer
Vanessa Lau, Acting Chief Financial Management Advisor
Alan Sarhan, Planner
Taryn Chikamori, Secretary to the Board

OTHERS: Alan Mark, Faith Action for Community Equity (FACE)
Dirk Aulabayl, Alvarez & Marsal
Elwin Spray, Representative Karen Awana's office
Fetu Kolio, Mayor Wright Homes resident
Jesse Ponce De Leon, Kalakaua Homes resident
June Talia, Kuhio Park Terrace resident
Laren Endo, private resident
Nancy Young, Faith Action for Community Equity (FACE)
Roy Nakamura, Kalakaua Homes resident
Tim Garry, private resident
Tricia Oftana, Office of the Auditor

Chairperson Thompson declared a quorum present.

QUORUM

Director Dodson moved, Director Hosino seconded,

That the minutes of the Regular Meeting held on

APPROVAL
OF MINUTES
REGULAR

HAWAII PUBLIC HOUSING AUTHORITY

June 18, 2009 be approved as circulated.

MEETING
06/18/09

Director Berthiaume stated he did not arrive at 9:50 a.m. and would like it removed from the minutes.

The motion was unanimously approved as amended.

Director Dodson moved, Director Hosino seconded,

APPROVAL
OF MINUTES
SPECIAL
MEETING
07/08/09

That the minutes of the Special Meeting held on July 8, 2009 be approved as circulated.

The motion was unanimously approved.

Fetu Kolio, Mayor Wright Homes (MWH) resident, stated on July 4, 2009 that some tenant association Board members were playing fireworks on the Hawaii Public Housing Authority (HPHA) property. Mr. Kolio asked whether the manager can approve firework usage on HPHA property.

PUBLIC
TESTIMONY

Jesse Ponce De Leon, Kalakaua Homes resident, stated that Chad Taniguchi, Executive Director, recruited support for his reappointment. Kalakaua Homes residents were not asked to support Mr. Taniguchi. Mr. Ponce De Leon stated he was threatened by another testifier at the last meeting and the Board did not do anything to stop this violence.

Roy Nakamura, Kalakaua Homes resident, stated there has been nothing but violence at Kalakaua Homes. He stated there is a Korean Asian battle and someone got hit on the head with a golf club. Mr. Taniguchi does not do anything for Kalakaua Homes. Mr. Nakamura wants Kalakaua Homes residents polled to see how many residents are afraid to live in their homes.

Nancy Young, Faith Action for Community Equity (FACE), stated she supports Mr. Taniguchi. Mr. Taniguchi has held resident community meetings to listen to residents' concerns.

June Talia, Kuhio Park Terrace (KPT) resident, stated she supports Mr. Taniguchi. She wants to restate that the KPT residents want the units to be redeveloped on a one for one basis. She also apologized for offending anyone at the last meeting.

Alan Mark, FACE, stated he supports Mr. Taniguchi. He stated FACE has worked with many Executive Directors, and not one Director has ever held resident community meetings. Mr. Mark stated that Mr. Taniguchi has had remarkable success, boosted staff morale, and has gained the confidence of the residents of public housing.

Tim Garry, private resident, stated he believes Mr. Taniguchi is doing a good job. Mr. Garry stated he would like to see more privatization. He feels some Board members are not committed to this Board.

Director Aiona moved, Director Dodson seconded,

To Approve the Hawaii Public Housing Authority's Goals and Objectives for FY 2009-2010.

TO APPROVE
THE HAWAII
PUBLIC HOUS-
ING AUTHO-
RITY'S GOALS
AND OBJEC-
TIVES FOR FY
2009-2010

Chad Taniguchi, Executive Director, stated there are six main goals: 1) Public Housing; 2) Section 8 Housing Choice Voucher Program; 3) Homeless Services; 4) Housing Modernization and Development; 5) Fiscal Management; and 6) Administrative and Operational Effectiveness. He stated the goals and objectives were taken from the budget and the Public Housing Authority (PHA) Plan. Director Smith stated she is uncomfortable making a decision on something that was

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just handed out. She also stated Hawaii Housing Finance and Development Corporation (HHFDC) holds a strategic planning meeting with the Board, key staff, facilitator, and people from the community which includes specific measures for one year, three years, and five years.

Chairperson Thompson created a Goals and Objective task force which included Director Berthiaume, Director Hosino, and Director Smith.

The motion was deferred until the August 20, 2009 Board meeting.

Chairperson Thompson called a recess at 9:42 a.m. and reconvened at 9:50 a.m.

RECESS/
RECONVENED

Director Hosino moved, Director Dodson seconded,

To Approve the Reappointment of Ms. Radiant Chase to the Oahu Eviction Board; Mr. James DeMello and Ms. Eleanor Garcia to the Hilo Eviction Board; and Mr. Ross Oue to the Kona Eviction Board for a Two-Year Term Expiring on July 31, 2011.

TO APPROVE THE RE APPOINTMENT OF MS. RADIANT CHASE TO THE OAHU EVICTION BOARD; MR. JAMES DEMELLO AND MS. ELEANOR GARCIA TO THE HILO EVICTION BOARD; AND MR. ROSS OUE TO THE KONA EVICTION BOARD FOR A TWO-YEAR TERM EXPIRING ON JULY 31, 2011

Director Aiona stated he does not know who these people are and feels they make serious decisions. He wants to be assured that these people are qualified and dedicated to make these decisions.

Designee Oliva stated there needs to be a mechanism to evaluate the Eviction Board members.

The motion was unanimously carried.

Director Dodson moved, Designee Oliva seconded,

To Approve the Selection of Makua Alii and Paoakalani Federal Elderly Housing Project(s) for Elderly Only Designation, Subject to the Approval of the U.S. Department of Housing and Urban Development.

TO APPROVE THE SELECTION OF MAKUA ALII AND PAOKALANI FEDERAL ELDERLY HOUSING PROJECT(S) FOR ELDERLY ONLY DESIGNATION, SUBJECT TO THE APPROVAL OF THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Alan Sarhan, Planner, stated the HPHA had students from the University of Hawaii's (UH) Urban Planning class collect data on its elderly projects. The students were tasked with collecting data from residents and were instructed to review four projects: Makua Alii, Kalanihuia, Paoakalani, and Makamae and narrow it down to two.

Mr. Sarhan stated the students recommended Makua Alii and Paoakalani because these projects: 1) have options for the non-elderly to move without changing neighborhoods; 2) have call buttons in the bathrooms; 3) security systems; and 4) almost all units are studios or one-bedroom units. The non-elderly will not be forced to move, it will be done through attrition and voluntarily with incentives.

Director Berthiaume asked if the students received any feedback if the non-elderly would want to move. Stephanie Fo, Property Management and Maintenance Services Branch Chief, stated the students mainly interviewed the elderly tenants.

Chairperson Thompson asked if a plan has been developed. Mr. Sarhan responded

HAWAII PUBLIC HOUSING AUTHORITY

that the first step is to choose the projects.

Director Hosino stated the problem with these two projects is that they are on the same property. It will be hard to compare the data at the end of the pilot program.

Mr. Sarhan stated the HPHA can add more projects, but cautions if the HPHA designates too many projects, the waiting list for the non-elderly will become longer.

Director Berthiaume questioned whether it was realistic to try to achieve an elderly only project through attrition? Mr. Sarhan stated it will take some time, but the HPHA can develop procedures.

Director Ignacio arrived at 10:15 a.m.

Director Smith moved, Director Aiona seconded,

To Amend the Motion to add Kalanihuia as an Additional Building to the Elderly Only Designation.

The amendment was unanimously carried.

The amended motion was unanimously carried.

Chairperson Thompson called a recess at 10:15 a.m. and reconvened at 10:47 a.m.

RECESS/
RECONVENED

Director Smith left at 10:47 a.m.

Director Aiona moved, Director Ignacio seconded,

EXECUTIVE
SESSION

To go into executive session at 10:47 a.m. pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(8), and 103D-105 to discuss, deliberate or make a decision on information that must be kept confidential and section 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 related to the sale of Banyan Street Manor.

The motion was unanimously carried.

The Board reconvened from Executive Session at 11:04 a.m.

RECONVENED

Chairperson Thompson stated the HPHA may proceed with negotiations with one of the proposal that was recommended by Alvarez & Marshal.

Chairperson Thompson reported that the Finance/Audit task force has no report.

TASK FORCE
REPORTS/
FINANCE/
AUDIT

Designee Oliva reported that the Human Resources task force has no report.

HUMAN
RESOURCES

Director Ignacio reported that the Homelessness task force has no report.

HOMELESS

Director Ignacio stated she would like to suggest that rather than having tenant

TENANT/

HAWAII PUBLIC HOUSING AUTHORITY

association trainings at every project, the HPHA should have one statewide training.

TENANT
RELATIONS

Director Hosino stated she attended a meeting at Mayor Wright Homes last night and she heard a complaint that has not been addressed for six months. Director Dodson asked that Mr. Taniguchi have a response to this matter by the next task force meeting.

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

MIXED INCOME
PROJECTS

Chairperson Thompson stated Director Aiona should be added to the Mixed Income, Homelessness, and the Tenant Relations task forces.

Chairperson Thompson questioned why Kekaha Ha'aeo has a budget to actual percentage of 42%. Ms. Fo stated she will need to check and believes the numbers are not correct and the figures in the report are transposed. Ms. Fo stated the project was under Management, Inc. and Kelfred Chang monitored the contract.

EXECUTIVE
DIRECTOR'S
REPORT/FY
BUDGET TO
ACTUAL
COMPARISONS

Director Ignacio requested a reasonable plan to bring the 42% up to 100%.

Chairperson Thompson also requested a plan regarding Maui.

Chairperson Thompson requested the fix and fill trend.

PROPERTY
MANAGEMENT

Chairperson Thompson asked if the HPHA needs authorization from the Legislature to sell the Hana land. Mr. Taniguchi stated he will verify if the land is affected. Chairperson Thompson stated if the land is affected, then the listing will need to be modified to say sale is contingent by approval of the State Legislature.

Mr. Taniguchi stated Kone Inc. will install the two elevators at KPT by April 2010. Chairperson Thompson requested a schedule of the elevator construction.

ELEVATOR
MODERNIZA-
TION

Mr. Taniguchi stated that the Section 8 Branch, self certified as a high performer. Chairperson Thompson asked that Mr. Taniguchi report back to the Board when the certification has been approved by HUD. Barbara Arashiro, Executive Assistant, stated the HPHA will have a resolution for the Board to adopt at the August 20th Board meeting.

SECTION 8

Director Berthiaume stated that HUD has approved the 35 new Veterans Affairs Supportive Housing (VASH) vouchers, which now gives the HPHA a total of 105 vouchers.

Director Hosino asked what the difference is between eviction with conditions and a 10-day cure. Ms. Fo stated an eviction with conditions is like being on probation. With a 10-day cure, the tenant has 10 days to fix the problem or they will be evicted.

HEARINGS

Director Ignacio asked why there are 193 singles on the waitlist, if the shelter is a family shelter. Mr. Taniguchi responded it meant individuals or people, and the revision would be made in future reports for clarity.

HOMELESS
PROGRAMS

Director Dodson moved, Director Hosino seconded,

EXECUTIVE
SESSION

To go into executive session at 12:04 p.m. pursuant
to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4)

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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 motion was unanimously carried.

The Board reconvened from Executive Session at 1:03 p.m.

Chairperson Thompson stated the Board will be discussing the report on request from Oceanic Time Warner Cable and the proposed termination of cable services due to security concerns.

Ms. Fo stated the HPHA is meeting with Oceanic Time Warner Cable to discuss and resolve issues.

Chairperson Thompson questioned whether there have been conversations with the residents. Ms. Fo stated management will hold a meeting with the residents and distributed flyers translated into various languages.

Chairperson Thompson stated the Board will be discussing the update on transition to state management at Asset Management Project (AMP) 38 (Kauai) and recent monitoring findings by the U.S. Department of Housing and Urban Development (HUD).

Chairperson Thompson stated Management, Inc. has written complaint letters to the Inspector General. The Inspector General is investigating the complaints.

Mr. Taniguchi stated HUD has been on site prior to the conversion to state management and has seen the problems.

Chairperson Thompson stated the Board will be discussing the update on the Office of the Legislative Auditor's Financial and Management Audit of the HPHA's maintenance contracts, and Management of AMP 30 (Aiea) and AMP 44 (Waianae).

Mr. Sarhan stated there are two Concurrent Resolutions, one from the Senate and one from the House. The HPHA has received a request regarding what documents the auditor needs.

Director Aiona asked if the HPHA has an idea what the focus of the audit will be. Mr. Sarhan stated the focus seems to be on management contracts and unanswered complaints.

Designee Oliva suggested the HPHA provide an overview of HPHA to the auditor.

Mr. Taniguchi stated the HPHA has requested that the Auditor stay away from KPT because of the lawsuit. Krislen Chun, Deputy Attorney General, requested that the Attorney General's office will need to approve all items regarding KPT before releasing the information to the Auditor.

RECONVENED

REPORT ON
REQUEST FROM
OCEANIC TIME
WARNER
CABLE AND
THE PROPOSED
TERMINATION
OF CABLE SER-
VICES DUE TO
SECURITY
CONCERNS

UPDATE ON
TRANSITION
TO STATE
MANAGEMENT
AT ASSET
MANAGEMENT
PROJECT 38
(KAUAI) AND
RECENT MONI-
TORING FIND-
INGS BY THE
U.S. DEPART-
MENT OF
HOUSING AND
URBAN
DEVELOPMENT

UPDATE ON
THE OFFICE OF
THE LEGISLA-
TIVE AUDIT-
OR'S FINAN-
CIAL AND
MANAGEMENT
AUDIT OF THE
HPHA'S MAIN-
TENANCE
CONTRACTS,
AND MANAGE-
MENT OF
ASSET
MANAGEMENT
PROJECT 30
(AIEA) AND
ASSET MAN-
AGEMENT
PROJECT 44

HAWAII PUBLIC HOUSING AUTHORITY

(WAIANAE)

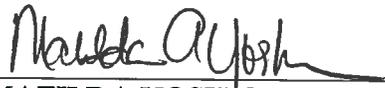
ADJOURNMENT

There being no further items to be discussed,

Designee Oliva moved, Director Aiona seconded,

That the meeting be adjourned at 1:30 p.m.

The motion was unanimously carried.



MATILDA YOSHOKA
Secretary

Approved

FOR ACTION

SUBJECT: To Reappoint Ms. Ludvina Takahashi and Mr. Gary Mackler to the Kauai Eviction Board, Mr. George DeMello to the Hilo Eviction Board, and Mr. Mark Nishino to the Maui Eviction Board for Two-Year Terms Expiring on August 31, 2011. Subject to the Condition That the Board Members Expresses Their Willingness to Continue to Serve on the Eviction Board

I. FACTS

- A. The Kauai, Hilo and Maui Eviction Boards are composed of members of the community and are responsible for affording public housing tenants a full and fair hearing during lease termination proceedings.
- B. Pursuant to Hawaii Revised Statutes (HRS) 356D, the Authority is authorized to appoint an eviction board in each county to hear cases referred for eviction. In accordance with HRS 356D, the Eviction Board shall consist of not fewer than three members, one of which shall be a resident of public housing.
- C. Having more than the minimum amount of members appointed to the Kauai, Hilo and Maui Eviction Boards will allow the Hearings Office to process the requests for hearings in an efficient and timely manner, and avoid cancellation of hearings for lack of quorum.
- D. Ms. Ludvina Takahashi is a resident of Kekaha, Kauai. She is the Executive Director for the Kauai County Agency on Elderly Affairs. Ms. Takahashi has extensive experience and knowledge with the issues facing the elderly population and would be a valuable asset to this board. Ms. Takahashi has expressed a willingness to serve as a member of the Kauai Eviction Board for an additional two-year term.
- E. Mr. Gary Mackler is a resident of Kauai. He is presently employed at the Kauai County Housing Agency as the Development Coordinator. Mr. Mackler's experience with housing issues would be an asset to this board. Mr. Mackler has expressed a willingness to serve as a member of the Kauai Eviction Board for an additional two-year term.
- F. Mr. George DeMello is a resident of Hilo, Hawaii. He is employed as a concierge at Sig Zane Designs assisting customers with apparel and merchandise purchases. Mr. DeMello is a resident of public housing who has first hand knowledge and experience with public housing issues and would be a valuable asset to this board. Mr. DeMello has expressed a willingness to serve as a member of the Hilo Eviction Board for an additional two-year term.
- G. Mr. Mark Nishino is a resident of Kahului, Maui. He is employed as an office manager with State Farm Insurance. Mr. Nishino has previous experience in property management which is a valuable asset to this eviction board. Mr. Nishino has expressed a willingness to continue to serve the community as a member of the Maui Eviction Board for an additional two-year term.

II. RECOMMENDATION

That Ms. Ludvina Takahashi and Mr. Gary Mackler be reappointed to the Kauai Eviction Board, Mr. George DeMello be reappointed to the Hilo Eviction Board and Mr. Mark Nishino be reappointed to the Maui Eviction Board for additional Two-Year terms expiring on August 31, 2011.

Prepared by: Renee Blondin-Nip, Hearings Officer RN.

Approved by the Board of Directors at its meeting on

AUG 20 2009

HEARINGS OFFICE

Please take necessary action



EXECUTIVE DIRECTOR

FOR ACTION

SUBJECT: To Adopt Board Resolution No. 19 Relating to the Statement of Procurement Policy Governing the Federal Capital Fund Stimulus Grant.

I. FACTS

- A. On August 16, 2007, the Hawaii Public Housing Authority's (HPHA) Board of Directors adopted the Statement of Procurement Policy.
- B. On March 19, 2009, the HPHA's Board of Directors adopted revisions to the Statement of Procurement Policy based on changes to procurement laws, rules and regulations.
- C. Under the American Recovery and Reinvestment Act of 2009 (Recovery Act), the HPHA has received approximately \$16 million in additional Federal Capital Fund Stimulus Grant funds. To comply with the Recovery Act procurement requirements, the U.S. Department of Housing and Urban Development (HUD) issued a notice requiring all public housing agencies to amend its procurement policies to incorporate provisions of the Recovery Act.

II. DISCUSSION

- A. The HPHA intends to adopt an addendum to the Statement of Procurement Policy which will specifically address procurements executed with Recovery Act funds.
- B. The addendum mirrors the HPHA's current Statement of Procurement Policy with the following exceptions:
 - 1. Removes requirements relating to the procurement of goods and services arising under state laws to facilitate obligation and expenditure of Recovery Act funds;
 - 2. Includes the "Buy American" requirements of section 1605 of the Recovery Act; and
 - 3. Increases the small purchase threshold from \$50,000 to \$100,000.
- C. The attached draft addendum, "Statement of Procurement Policy for the Capital Fund Stimulus Grant" to the Policy displays the changes in underlined format.

III. REQUEST

That the Board of Directors adopt Board Resolution No. 19 Relating to the Statement of Procurement Policy Governing the Federal Capital Fund Stimulus Grant.

Attachment: Addendum – Statement of Procurement Policy for the Capital Fund Stimulus Grant, dated August 20, 2009

Prepared by: Rick T. Sogawa, Acting Procurement Officer 

RESOLUTION NO. 19

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION APPROVING THE STATEMENT OF PROCUREMENT POLICY FOR THE
FEDERAL CAPITAL FUND STIMULUS GRANT

WHEREAS, the Board of Directors of the Hawaii Public Housing Authority (HPHA) entered into Consolidated Annual Contributions Contract (ACC) No SF-181 dated July 1, 1998 with the U.S. Department of Housing and Urban Development (HUD), and

WHEREAS, HUD has agreed to provide American Recovery and Reinvestment Act (ARRA) assistance to the HPHA in an amount of \$16,245,443 for the purpose of carrying out capital and management activities at federal public housing developments in accordance with the requirements of the ARRA including title XVI general provisions, and

WHEREAS, HPHA and HUD entered into the Capital Fund Program Amendment Number 1 to receive the additional ARRA formula allocation, and

WHEREAS, the HPHA agreed to comply with the requirements for eligible activities, reporting, and expenditure deadlines of the ARRA, and

WHEREAS, more specifically, the HPHA is required to adopt a procurement policy that complies with the federal capital fund stimulus grant funds.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority hereby approves the Hawaii Public Housing Authority's addendum entitled Statement of Procurement Policy for the Capital Fund Stimulus Grant, dated August 20, 2009.

The UNDERSIGNED, hereby certifies that the foregoing resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on August 20, 2009 in Honolulu, Hawaii.

Travis O. Thompson, Chairperson

STATEMENT OF PROCUREMENT POLICY
FOR THE CAPITAL FUND STIMULUS GRANT
For the Hawaii Public Housing Authority



This Procurement Policy complies with the Annual Contributions Contract (ACC) between Hawaii Public Housing Authority (HPHA) and the HUD, Federal Regulations at **24 Code of Federal Regulations (CFR) 85.36**, the procurement standards of the Procurement Handbook for PHAs, HUD Handbook 7460.8, Rev 2.

The HPHA self-certifies that this Procurement Policy, and the HPHA's procurement system, complies with all applicable Federal regulations and, as such, the HPHA is exempt from prior HUD review and approval of individual procurement action.

1. GENERAL PROVISIONS

A. Purpose

The HPHA shall: provide for a procurement system of quality and integrity; provide for the fair and equitable treatment of all persons or firms involved in purchasing by the HPHA; ensure that supplies and services (including construction) are procured efficiently, effectively, and at the most favorable prices available to the HPHA; promote competition in contracting; and assure that HPHA purchasing actions are in full compliance with applicable Federal standards and HUD regulations relating to the procurement of goods, services and construction under the Capital Fund Stimulus Grant.

Non-compliance with this Policy may result in disciplinary action, which may include suspension, termination, or any other appropriate action allowed by collective bargaining agreement.

B. Application

This Procurement Policy applies to all procurement actions of the Authority, regardless of the source of funds, except as noted under "exclusions," below. However, nothing in this Policy shall prevent the HPHA from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with the law. When both HUD and non-Federal grant funds are used for a project, the work to be accomplished with the funds should be separately identified prior to procurement so that appropriate requirements can be applied, if necessary. If it is not possible to separate the funds, HUD procurement regulations shall be applied to the total project. If funds and work can be separated and work can be completed by a new contract, then regulations applicable to the source of funding may be followed.

If this policy conflicts with the provisions of 24 CFR part 85 or the American Reinvestment and Recovery Act (Recovery Act), the provisions of 24 CFR part 85 or the Recovery Act shall apply.

C. Definition

The term "procurement," as used in this Policy, includes the procuring, purchasing, leasing, or renting of: (1) goods, supplies, equipment, and materials, (2) construction and maintenance; consultant services, (3) Architectural and Engineering (A/E) services, (4) Social Services, and (5) other services.

D. Exclusions

This policy does not govern administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 program, the execution of landlord Housing Assistance Payments contracts under that program, or non-program income, e.g., fee-for-service revenue under 24 CFR Part 990. These excluded areas are subject to applicable State and local requirements.

E. Changes in Laws and Regulations

In the event an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with these Policies, automatically supersede these Policies.

F. Public Access to Procurement Information

Most procurement information that is not proprietary is a matter of public record and shall be available to the public to the extent provided in the State of Hawaii's Freedom of Information Act, Chapter 92, Hawaii Revised Statutes.

II. ETHICS IN PUBLIC CONTRACTING

A. General

Every employee, officer and Board or Directors (Board) member is expected to adhere to the highest standards of ethical behavior when acting on behalf of the HPHA. Said persons should avoid conflicts between their duties to HPHA and their own personal interests. The HPHA shall adhere to a code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. The HPHA's Standards of Conduct is consistent with applicable Federal, State or local law. Non-compliance with the HPHA's policy on Standards of Conduct may result in disciplinary action, which may include termination of employment or removal from the HPHA Board of Directors.

The following is a general overview of the HPHA's Standards of Conduct (adopted 12/18/03) and the provisions are not exhaustive. In the event the HPHA's Standards of Conduct is modified or a new Standard is adopted, the revised Standard shall supersede the policy summarized herein.

B. Conflict of Interest

No employee, officer, Board member, or agent of the HPHA shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, either real or apparent, would be involved. This type of conflict would be when one of the persons listed below was a financial or any type of interest in a firm competing for the award:

1. An employee, officer, Board member, or agent involved in making the award;
2. His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister);
3. His/her partner; or
4. An organization which employs or is negotiating to employ, or has an arrangement concerning prospective employment of any of the above relatives.

C. Gratuities, Kickbacks, and Use of Confidential Information

No officer, employee, Board member, or agent shall ask for or accept gratuities, favors, or items of more than \$25 in value from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain.

D. Prohibition Against Contingent Fees

Contractors wanting to do business with the HPHA must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for a bona fide established commercial selling agency.

III. PROCUREMENT AUTHORITY AND ADMINISTRATION

A. Delegation of Contracting Authority

Other than approval of this Policy, approval by the Board of Directors is not required for any procurement action, as permitted under Federal, State and local law. It is the responsibility of the Executive Director to ensure that all procurement actions are conducted in accordance with the policies contained herein.

While the Executive Director is responsible for ensuring that the HPHA's procurements comply with this Policy, the Executive Director may delegate all

procurement authority as is necessary and appropriate to conduct the business of the Agency. Each contract or purchasing action that obligates the HPHA to pay a contractor or vendor must be signed or otherwise authorized by an individual to whom the HPHA has expressly delegated the authority to make such an obligation.

B. Procurement Administration

Further, and in accordance with this delegation of authority, the Executive Director shall, where necessary, establish operational procedures (such as a procurement manual or standard operating procedures) to implement this Policy. The Executive Director shall also establish a system of sanctions for violations of the ethical standards described in Section III below, consistent with Federal, State, or local law.

C. Procurement Planning

The HPHA recognizes that advanced planning is essential to managing the procurement function properly. Hence, the HPHA will periodically review its record of prior purchases, as well as future needs, to: find patterns of procurement actions that could be performed more efficiently or economically; maximize competition and competitive pricing among contracts and decrease the HPHA's procurement costs; reduce administrative costs; ensure that supplies and services are obtained without any need for re-procurement (e.g., resolving bid protests); and minimizing errors that occur when there is inadequate lead time. Consideration should be given to the storage, security, and handling requirements when planning the most appropriate purchasing actions.

D. FUNDING AVAILABILITY

Before initiating any contract, the HPHA shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification. Any employee, officer, or Board member who negotiates and enters into a verbal or written unauthorized commitment of HPHA funds may be subject to disciplinary action and/or sanctions as allowable under Federal, State, or local law.

E. Staff Qualifications and Training

The HPHA's Procurement staff shall be required to meet minimum standards for education and procurement experience.

The HPHA shall establish training and experience standards for its procurement positions. The Procurement Officer shall periodically review the HPHA's procurement operations to ensure that personnel meet those standards. Procurement staff shall be required to attend annual training to keep abreast of current regulations governing procurement. Staff who are not adequately trained shall not be allowed to handle procurements independently.

IV. PURCHASING METHODS

The HPHA shall follow the "Buy American" requirements of section 1605 of the Recovery Act and use only iron, steel and manufactured goods produces in the Unites States in their projects.

Subsections 1605(b) and (c) of the Recovery Act authorize the head of a Federal department or agency to waive the Buy American provision. The HPHA shall request a request for regulatory waiver only if it can document that: (1) applying the provision would be inconsistent with the public interest; (2) the relevant goods are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or (3) the inclusion of the goods produced in the United States will increase the cost of the project by more than 25 percent.

A. Petty Cash Purchases

Purchases under \$50 may be handled through the use of a petty cash account. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period, e.g., one month. For all Petty Cash Accounts, the HPHA shall ensure that security is maintained and only authorized individuals have access to the account. These accounts should be reconciled and replenished periodically.

B. Small Purchase Procedures

For any amounts above the Petty Cash ceiling, but not exceeding \$100,000, the HPHA may use small purchase procedures. Under small purchase procedures, the HPHA shall obtain a reasonable number of quotes (preferably three); however, for purchases of less than \$2,000, also known as Micro Purchases, only one quote is required provided the quote is considered reasonable. To the greatest extent feasible, and to promote competition, small purchases should be distributed among qualified sources.

Quotes may be obtained orally (either in person or by phone), by fax, in writing, or through e-procurement. Award shall be made to the qualified vendor that provides the best value to the HPHA. If award is to be made for reasons other than lowest price, documentation shall be provided in the contract file. The HPHA shall not break down requirements aggregating more than the small purchase threshold (or the Micro Purchase threshold) into several purchases that are less than the applicable threshold merely to: (1) permit use of the small purchase procedures or (2) avoid any requirements that applies to purchases that exceed the Micro Purchase threshold.

C. Sealed Bids

Sealed bidding shall be used for all contracts that exceed the small purchase threshold and that are not competitive proposals or non-competitive proposals,

as these terms are defined in this document. Under sealed bids, the PHA publicly solicits bids and awards a firm fixed-price contract (lump sum or unit price) to the responsible bidder whose bid, conforming with all the material terms and conditions of the IFB, is the lowest in price. Sealed bidding is the preferred method for procuring construction, supply, and non-complex service contracts that are expected to exceed \$100,000.

1. Conditions for Using Sealed Bids

The HPHA shall use the sealed bid method if the following conditions are present: a complete, adequate, and realistic statement of work, specifications or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the work; the contract can be awarded based on a firm fixed price; and the selection of the successful bidder can be made principally on the lowest price.

The following contracts shall not be solicited under the sealed bid method: 1) Professional Services; 2) Health and Human Services; 3) Design-Build Construction projects; and 4) any other contract where a complete statement of work or specification cannot be established prior to solicitation.

2. Solicitation and Receipt of Bids

An IFB is issued with the specifications and all contractual terms and conditions applicable to the procurement, and a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the solicitation. The IFB must state the time and place for both receiving the bids and public bid opening. All bids received will be date and time-stamped and stored unopened in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.

3. Pre-Bid Conference

After an IFB is issued and before bids are due, the HPHA may conduct a pre-bid conference to discuss the project's requirements. Notice of any scheduled conference shall be included in the IFB. A written summary of the conference must be made available to anyone requesting it. Any changes to a solicitation shall be issued under an addendum.

4. Bid Opening and Award

Sealed bids shall be opened publicly. All bids received shall be recorded on an abstract (tabulation) of bids, and then made available for public inspection. If equal low bids are received from responsible bidders,

selection shall be made by drawing lots or other similar random method. The method for doing this shall be stated in the IFB.

If only one responsible bid is received from a responsible bidder, award shall not be made unless the price can be determined to be reasonable, based on a cost or price analysis and shall be subject to conditions governing non-competitive proposals.

Bid prices that exceed the independent cost estimate or available funds are not open to negotiation. The HPHA shall handle the reduction of base bid offers through the inclusion of deductive alternates or value engineering when it is in the best interests of the State. Unless specific written approval or statutory authority is provided, no bid price should be negotiated after bid opening.

5. Mistakes in Bids

Correction or withdrawal of bids is permitted, where appropriate, before bid opening by written, or telegraphic notice received in the office designated in the IFB prior to the time set for bid opening.

After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake of a non-judgemental character was made, the nature of the mistake and the bid price actually intended. A low bidder alleging a non-judgemental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of a bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made.

All decisions to allow correction or withdrawal of a bid shall be supported by a written determination signed by the Procurement Officer. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interests of the HPHA or fair competition shall not be permitted.

D. Competitive Sealed Proposals

Unlike sealed bidding, the competitive proposal method permits: consideration of technical factors other than price; discussion with offerors concerning offers submitted; negotiation of contract price or estimated cost and other contract terms and conditions; revision of proposals before the final contractor selection; and the withdrawal of an offer at any time up until the point of award. Award is normally made on the basis of the proposal that represents the best overall value to the HPHA, considering price and other factors (e.g., technical expertise, past experience, quality of proposed staffing, etc.) set in the solicitation and not solely the lowest price.

1. Conditions for Use

Where conditions are not appropriate for the use of sealed bidding competitive proposals may be used. Competitive proposals are the preferred method for procuring professional services that will exceed the small purchase threshold.

2. Form of Solicitation

Other than Architect/Engineering (A/E) services, competitive proposals shall be solicited through the issuance of an RFP. The RFP shall clearly identify the important and relative value of each of the evaluation factors as well as any subfactors and price. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established before the solicitation is issued.

Proposals shall be handled so as to prevent disclosure of the number of offerors, identify the offerors, and the contents of their proposals until after award. The HPHA may assign a price specific weight in the evaluation criteria. The HPHA may consider price in conjunction with technical factors; in either case, the method for evaluating price shall be established in the RFP.

3. Evaluation

The proposal shall be evaluated only on the criteria stated in the RFP. Where not apparent from the evaluation criteria, the HPHA shall establish an Evaluation Plan for each RFP. An Evaluation Report, summarizing the results of the evaluation, shall be prepared prior to award of a contract.

Generally, all RFPs shall be evaluated by an appropriately appointed Evaluation Committee. A copy of the document identifying any committee members and any subsequent changes thereto must be placed in the contract files. The Evaluation Committee shall consist of at least three governmental employees with sufficient qualifications in the area of the goods, services or construction to be procured. The Evaluation Committee shall be required to disclose any potential conflicts of interest and to sign a Non-Disclosure statement.

4. Negotiations

Negotiations shall be conducted with all offerors who submit a proposal determined to have a reasonable chance of being selected for award, unless it is determined that negotiations are not needed with any of the offerors. This determination is based on the relative score of the proposals as they are evaluated and rated in accordance with the technical and price factors specified in the RFP. These offerors shall be

treated fairly and equally with respect to any opportunity for negotiation and revision of their proposals.

No offeror shall be given any information about any other offerors proposal, and no offeror shall be assisted in bringing its proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations.

Negotiations are exchanges (in either competitive or sole source environment) between the HPHA and offerors that are undertaken with the intent of allowing the offeror to revise its proposal. These negotiations may include bargaining. Bargaining includes persuasion, alteration of assumptions and positions, give-and-take, and may apply to price, schedule, technical requirements, type of contract or other terms of a proposed contract.

When negotiations are conducted in a competitive acquisition, they take place after establishment of the competitive range and are called discussions. Discussions are tailored to each offeror's proposal, and shall be conducted by the contracting officer with each offeror within the competitive range. The primary object of discussions is to maximize the HPHA's ability to obtain best value, based on the requirements and the evaluation factors set forth in the solicitation.

The Procurement Officer shall indicate to, or discuss with, each offeror still being considered for award, significant weaknesses, deficiencies, and other aspects of its proposal (such as cost, price, technical approach, past performance, and terms and conditions) that could, in the opinion of the contracting officer, be altered or explained to enhance materially the proposer's potential for award. The scope and extent of discussions are a matter of the Procurement Officer's judgment. The contracting officer may inform an offeror that its price is considered by the PHA to be too high, or too low, and reveal the results of the analysis supporting that conclusion. It is also permissible to indicate to all offerors the cost or price that the governments price analysis, market research, and other reviews have identified as reasonable.

Auctioning (revealing one offerors price in an attempt to get another offeror to lower their price) is strictly prohibited.

5. Award

After evaluation of the revised proposals, if any, the contract shall be awarded to the responsible firm whose technical approach to the project, qualifications, price and/or any other factors considered, are most advantageous to the HPHA provided that the price is within the maximum total project budgeted amount established for the specific property or activity.

6. A/E Services

The HPHA must contract for A/E services using Qualifications Based Selection (QBS) procedures, utilizing a RFQ. Sealed bidding shall not be used for A/E solicitations. Under QBS procedures, competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. QBS procedures **shall not** be used to purchase other types of services, though architectural/ engineering firms are potential sources.

E. Requests for Qualifications

The QBS method is conducted using an RFQ. Under the QBS method, the HPHA shall select the highest ranked respondent on technical factors and then negotiate price.

The QBS methods can only be used for A/E services or developer's related contracts, or when specifically authorized by HUD. The QBS method cannot be used to contract for other services that may be provided by an A/E firm unless specifically authorized.

1. Evaluation Factors

The following factors are recommended for modernization contracts:

- a. Evidence of the A/E's or firm's ability to perform the work;
- b. Capability to provide services in a timely manner;
- c. Evidence that the A/E is registered in the State and carries Errors and Omissions insurance;
- d. Past performance in terms of cost control, quality of work, and compliance with performance scheduled;
- e. Demonstrated knowledge of local building codes and Federal building alteration requirements; and
- f. Other factors determined to be important to HPHA.

F. Noncompetitive Proposals

1. Conditions for Use

Procurement by noncompetitive proposals (sole-source) may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, cooperative purchasing, or competitive proposals, and if one of the following applies:

- a. The item is available only from a single source, based on a good faith review of available sources;

- b. An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the HPHA, as may arise by reason of a flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any of the other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary simply to meet the emergency;
- c. HUD authorizes the use of noncompetitive proposals; or
- d. After solicitation of a number of sources, competition is determined inadequate.

2. Justification

Each procurement based on noncompetitive proposals shall be supported by a written justification for the selection of this method. The justification shall be approved in writing by the responsible Contracting Officer. Poor planning or lack of planning is not justification for emergency or sole-source procurements.

The justification, to be included in the procurement file, should include the following information:

- a. Description of the requirement;
- b. History of prior purchases and their nature (competitive vs. noncompetitive);
- c. The specific exception in **24 CFR 85.36(d)(4)(i)(A)** through **(D)** which applies;
- d. Statement as to the unique circumstances that require award by noncompetitive proposals;
- e. Description of the efforts made to find competitive sources (advertisement in trade journals or local publications, phone calls to local suppliers, issuance of a written solicitation, etc.);
- f. Statement as to efforts that will be taken in the future to promote competition for the requirement;
- g. Signature by the Contracting Officer's supervisor (or someone above the level of the Contracting Officer); and
- h. Price Reasonableness. The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing an analysis, as described in this Policy.

G. Cooperative Purchasing/Intergovernmental Agreements

The HPHA may enter into State and/or local cooperative or intergovernmental agreements to purchase or use common supplies, equipment, or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the interagency agreement shall stipulate who is authorized to purchase on behalf of the

participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions.

The HPHA may use Federal or State excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs. The goods and services obtained under a cooperative purchasing agreement must have been procured in accordance with **24 CFR 85.36**.

V. INDEPENDENT COST ESTIMATE

For all purchases above the Micro Purchase threshold, the HPHA shall prepare an independent cost estimate (ICE) prior to solicitation. The level of detail shall be commensurate with the cost and complexity of the item to be purchased. The contracting office is responsible for the preparation of the ICE, and may obtain assistance from other personnel (e.g., the end user, or budget and finance) are usually involved and may actually do most of the preparation. The HPHA may develop the ICE using its own employees, outside parties (e.g., consultants), or a combination of the two. If any outside party (whether compensated or not) assists in developing the ICE, the HPHA shall take appropriate steps to ensure that organizational conflicts of interest are avoided and that an outside party does not obtain any competitive advantage from its advance knowledge of the HPHA's cost estimate.

For purchases above \$2,000 but less than the HPHA's small purchase threshold, documentation will be kept to a minimum. The ICE may be based on prior purchases, commercial catalogs, or detailed analyses (e.g., purchases for services).

For purchases above the HPHA's small purchase threshold, the level of detail will vary but should be commensurate with the size (i.e., dollar value), complexity, and commercial nature of the requirement. ICEs will normally be broken out into major categories of cost (e.g., labor, materials, and other direct costs such as travel, overhead, and profit). Commercially available products and services may require less detail as the marketplace tends to provide current reliable pricing information for commercially available products; HPHA may also not need to break out components. Non-commercial type requirements, and work designed specifically for the HPHA, will require much more extensive estimation and a detailed ICE.

The ICE will serve as the primary in-house gauge of cost and price reasonableness, but may not be relied upon to the exclusion of other sources of pricing information. Market conditions may fluctuate between the time the ICE is prepared and the receipt of offers. For example, materials or labor costs may have increased or decreased. If a significant period of time has elapsed, or the HPHA knows that certain market conditions have changed, the Procurement Officer may request that an updated ICE be prepared to use in evaluating offers.

VI. COST AND PRICE ANALYSIS

The HPHA shall require assurances that, before entering into a contract, the price is reasonable, in accordance with the following instructions.

A. Petty Cash and Micro Purchases

No formal cost or price analysis is required. Rather, the execution of a contract by the Procurement Officer (through a Purchase Order or other means) shall serve as the Procurement Officer's determination that the price obtained is reasonable, which may be based on prior experience or other factors.

B. Small Purchases

A comparison with other offers shall generally be sufficient determination of the reasonableness of price and no further analysis is required. If a reasonable number of quotes is not obtained to establish reasonableness through price competition, the requisitioner shall document price reasonableness through other means, such as prior purchases of this nature, catalog prices, personal knowledge at the time of purchase, comparison to the ICE, or any other reasonable basis.

C. Sealed Bids

The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, and when the bid received is substantially more than the ICE, and where the HPHA cannot reasonably determine price reasonableness, the HPHA must conduct a cost analysis, consistent with federal guidelines, to ensure that the price paid is reasonable.

D. Competitive Proposals

The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient proposals are not received, the HPHA must compare the price with the ICE. For competitive proposals where prices cannot be easily compared among offerors, where there is not adequate competition, or where the price is substantially greater than the ICE, the HPHA must conduct a cost analysis, consistent with Federal guidelines, to ensure that the price paid is reasonable.

E. Contract Modifications

A cost analysis, consistent with federal guidelines, will be conducted for all contract modifications for projects that were procured through Sealed Bids, Competitive Proposals, or Non-Competitive Proposals, or for projects originally procured through Small Purchase procedures and the amount of the contract modification will result in a total contract price in excess of \$100,000.

VII. SOLICITATION AND ADVERTISING

A. Method of Solicitation

1. Petty Cash and Micro Purchases. The HPHA may contact only one source, if the price is considered reasonable.
2. Small Purchases. Quotes may be solicited orally, through fax, or by any other reasonable method.
3. Sealed Bids and Competitive Proposals. Solicitation must be done publicly. The HPHA must use one or more following solicitation methods, provided that the method employed provides for meaningful competition.
 - a. Advertising in newspapers or other print mediums of local or general circulations. Advertisements in local newspapers should be published in the local newspaper where the service or construction is to be delivered.
 - b. Advertising in various trade journals or publications (for construction).
 - c. E-Procurement. The HPHA may conduct its public procurements through the Internet using e-procurement systems. However, all e-procurements must otherwise be in compliance with 24 CFR 85.36, State and local requirements, and the Authority's procurement policy.

B. Time Frame

For purchases of more than \$100,000, the public notice should run not less than once each week for two consecutive weeks.

C. Form

Notices/advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, a contact who can provide a copy of, and information about, the solicitation, and a brief description of the needed items(s).

D. Time Period for Submission of Bids

A minimum of 30 days shall generally be provided for preparation and submission of sealed bids and 15 days for competitive proposals. However, the Executive Director/Chief Procurement Officer may allow for a shorter period under extraordinary circumstances and/or when it has been determined that the HPHA would still receive adequate competition under a shorter notice. A copy of the Executive Director's (or designee's) written determination shall be maintained in the contract file.

E. Cancellation of Solicitations

1. An IFB, RFP, or other solicitation may be cancelled before bids/offers are due if:
 - a. The supplies, services or construction is no longer required;
 - b. The funds are no longer available;
 - c. Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best; or
 - d. Other similar reasons.
2. A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if:
 - a. The supplies or services (including construction) are no longer required;
 - b. Ambiguous or otherwise inadequate specifications were part of the solicitation;
 - c. All factors of significance to the HPHA were not considered;
 - d. Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
 - e. There is reason to believe that bids or proposals may not have been independently determined in open competition, may have been collusive, or may have been submitted in bad faith; or
 - f. For good cause of a similar nature when it is in the best interest of the HPHA.
3. The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request.
4. A notice of cancellation shall be sent to all bidders/offerors solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any resolicitation or future procurement of similar items.
5. If all otherwise acceptable bids received in response to an IFB are at unreasonable prices an analysis should be conducted to see if there is a problem in either the specifications or the HPHA's cost estimate. If both are determined adequate and if only one bid is received and the price is unreasonable, the Procurement Officer may cancel the solicitation and either:
 - a. Re-solicit using an RFP; or
 - b. Complete the procurement by using the competitive proposal method. The Procurement Officer must determine, in writing, that such action is appropriate, must inform all bidders of the HPHA's intent to negotiate, and must give each bidder a reasonable opportunity to negotiate.
6. If problems are found with the specifications, HPHA should cancel the solicitation, revise the specifications and resolicit using an IFB.

F. Credit (or Purchasing) Cards

Credit card usage should follow the rules for all other small purchases. For example, the Procurement Officer may use a credit card for micro purchases without obtaining additional quotes provided the price is considered reasonable. However, for amounts above the micro purchase level, the Procurement Officer would generally need to have obtained a reasonable number of quotes before purchasing via a credit card.

When using credit cards, the HPHA will adopt reasonable safeguards to assure that they are used only for intended purposes (for instance, limiting the types of purchases or the amount of purchases that are permitted with credit cards). The use and administration of the HPHA's purchasing card program is subject to policies issued by the State Procurement Office.

VIII. BONDING REQUIREMENTS

The standards under this section apply to construction contracts that exceed \$50,000. There are no bonding requirements for small purchases or for competitive proposals. The HPHA may require bonds in these latter circumstances when deemed appropriate; however, non-construction contracts should generally not require bid bonds. Use of performance bonds with State funded non-construction contracts requires prior written approval by the State Procurement Office. There are no requirements for bid, payment or performance bonds for small purchases.

1. Bid Bonds

For construction contracts exceeding \$100,000, offerors shall be required to submit a bid guarantee from each bidder equivalent to 5% of the bid price.

2. Payment Bonds

For construction contracts exceeding \$100,000, the successful bidder shall furnish an assurance of completion. This assurance may be any one of the following four:

- a. A performance bond and a payment bond both in a penal sum of 100% of the contract price; or
- b. Separate performance and payment bonds, each for 50 % or more of the contract price; or
- c. A 20 % cash escrow; or
- d. A 25 % irrevocable letter of credit.

These bonds must be obtained from guarantee or surety companies acceptable to the U. S. Government and authorized to do business in the State where the work is to be performed. Individual sureties shall not be considered. U. S. Treasury Circular Number 570 lists companies approved to act as sureties on

bonds securing Government contracts, the maximum underwriting limits on each contract bonded, and the States in which the company is licensed to do business. Use of companies on this circular is mandatory.

IX. CONTRACTOR QUALIFICATIONS AND DUTIES

A. Contractor Responsibility

The HPHA shall not award any contract until the prospective contractor, i.e., low responsive bidder, or successful offeror, has been determined to be responsible. A responsible bidder/offeror must:

1. Have adequate financial resources to perform the contract, or the ability to obtain them;
2. Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all the bidders/offerors existing commercial and governmental business commitments;
3. Have a satisfactory performance record;
4. Have a satisfactory record of integrity and business ethics;
5. Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;
6. Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and,
7. Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not be suspended, debarred or under a HUD-imposed LDP.
8. Submit data and information necessary to prepare reports as required under by the U.S. Department of Housing and Urban Development.

If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.

In no instance shall the Executive Director seek an exemption from the State Procurement Office or HUD to contract with a non-responsible offeror.

B. Suspension and Debarment

Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined to be ineligible by HUD in accordance with HUD regulations (24 CFR Part 24) or by other Federal agencies, e.g., Department of Labor for violation of labor regulations, when necessary to protect housing authorities in their business dealings.

C. Vendor Lists

All interested businesses shall be given the opportunity to be included on vendor mailing lists. Any lists of persons, firms, or products which are used in the

purchase of supplies and services (including construction) shall be kept current and include enough sources to ensure competition.

X. DETERMINING RESPONSIVENESS

The HPHA shall not award any contract unless it has been determined that a bid offer is responsive. To be considered responsive, a bid must conform to the material requirements of the IFB. Bid offers may be deemed non-responsive for the following:

1. Unless specifically provided for in the solicitation, multiple or alternate offers shall not be accepted and all such offers shall be rejected.
2. Any offer which is conditioned upon receiving a contract other than is provided for in the solicitation shall be deemed non-responsive and not acceptable.
3. Any offer submitted in response to an invitation for competitive sealed bids which conditioned by proposed changes to the scope of work shall be deemed non-responsive.
4. Any offer submitted via facsimile machine, electronic mail, or through an electronic procurement system shall be acceptable only when specifically allowed in the invitation for bids or request for proposal and for a purchase below the small purchase threshold.

Minor informalities are not grounds for determining a bid to be non-responsive.

XI. CONTRACT PRICING ARRANGEMENTS

A. Contract Types

Any type of contract which is appropriate to the procurement and which will promote the best interests of the HPHA may be used, provided that the cost - plus-a-percentage-of-cost and percentage-of-construction-cost methods are not used. All solicitations and contracts shall include the clauses and provisions necessary to define the rights and responsibilities of both the contractor and the HPHA.

For all cost reimbursement contracts, HPHA must include a written determination as to why no other contract type is suitable. Further, the contract must include a ceiling price that the contractor exceeds at its own risk.

B. Options

Options for additional quantities or performance periods may be included in contracts, provided that:

1. The option is contained in the solicitation;
2. The option is a unilateral right of the HPHA;

3. The contract states a limit on the additional quantities and the overall term of the contract;
4. The options are evaluated as part of the initial competition;
5. The contract states the period within which the options may be exercised;
6. The options may be exercised only at the price specified in or reasonably determinable from the contract; and
7. The options may be exercised only if determined to be more advantageous to HPHA than conducting a new procurement.

C. Employment Contracts

Employment contracts are part of the personnel process and are subject to those rules and regulations. Independent services contract, where there is no employer-employee relationship, is considered a procurement action and subject to applicable procurement rules.

To the extent feasible, the HPHA will consider employing existing or additional force account laborers on either a permanent or a temporary basis to perform Capital Fund stimulus grant work. See 24 CFR 968.105 and 968.120. No prior HUD approval is required specifically for force account labor, but such work must be incorporated into the Capital Fund planning, budgeting and reporting documents.

XII. CONTRACT CLAUSES

All contracts should identify the contract pricing arrangement as well as other pertinent terms and conditions, as determined by the HPHA.

Additionally, the forms HUD-5369, 5369-A, 5369-B, 5369, 5370, 5370-C, and 51915-A, which contain all HUD-required clauses and certifications for contracts of more than \$100,000, as well as any forms/clauses as required by HUD for small purchases, shall be used in all corresponding solicitations and contracts issued by this Authority.

XIII. CONTRACT ADMINISTRATION

The HPHA shall maintain a system of contract administration designed to ensure that contractors perform in accordance with their contracts. These systems shall provide for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts, and similar matters. For cost-reimbursement contracts, costs are allowable only to the extent that they are consistent with the cost principles in HUD Handbook 2210.18.

The HPHA shall establish systems for ensuring that the items required by contract are received in accordance with contract terms. Payment shall be processed promptly once goods and/or services are received. No payments

shall be processed without adequate verification that goods and services are satisfactorily received.

XIV. SPECIFICATIONS

A. General

All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying HPHA needs. Specifications shall be reviewed prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Function or performance specifications are preferred. Detailed product specifications shall be avoided whenever possible. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

B. Limitation

The following types of specifications shall be avoided:

1. Geographic restrictions not mandated or encouraged by applicable Federal law (except for A/E contracts, which may include geographic location as a selection factor if adequate competition is available);
2. Brand name specifications (unless the specifications list the minimum essential characteristics and standards to which the item must conform to satisfy its intended use). Nothing in this procurement policy shall preempt any State licensing laws. Specifications shall be reviewed to ensure that organizational conflicts of interest do not occur.

XV. APPEALS AND REMEDIES

A. General

It is HPHA policy to resolve all contractual issues informally and without litigation. Disputes will not be referred to HUD unless all administrative remedies have been exhausted. When appropriate, a mediator may be used to help resolve differences.

B. Informal Appeals Procedure

The HPHA shall adopt an informal bid protest/appeal procedure for contracts of \$100,000 or less. Under these procedures, the bidder/contractor may request to meet with the appropriate Contract Officer.

C. Formal Appeals Procedure

A formal appeals procedure shall be established for solicitations/contracts of more than \$100,000.

1. Bid Protest

Any actual or prospective contractor may protest the solicitation or award of a contract for serious violations of the principles of this Policy. Any protest against a solicitation must be received before the due date for the receipt of bids or proposals, and any protest against the award of a contract must be received within ten (10) calendar days after the contractor receives notice of the contract award, or the protest will not be considered. All bid protests shall be in writing, submitted to the Procurement Officer or designee, who shall issue a written decision on the matter.

The Procurement Officer may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant. For State funded procurements, written approval by the State Procurement Office Administrator is required in order to proceed to contract.

2. Contractor Claims

All claims by a contractor relating to performance of a contract shall be submitted in writing to the Procurement Officer for a written decision. The contractor may request a conference on the claim. The Procurement Officer's decision shall inform the contractor of its appeal rights to the next higher level of authority in HPHA. Contractor claims shall be governed by the Changes clause in the form HUD-5370.

XVI. ASSISTANCE TO SMALL AND OTHER BUSINESSES

A. Required Efforts

Consistent with Presidential Executive Orders 11625, 12138, and 12432, and Section 3 of the HUD Act of 1968, all feasible efforts shall be made to ensure that small and minority-owned businesses, womens' business enterprises, and other individuals or firms located in or owned in substantial part by persons residing in the area of the HPHA project are used when possible. Such efforts shall include, but shall not be limited to:

1. Including such firms, when qualified, on solicitation mailing lists;
2. Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;

3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
5. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce;
6. Including in contracts, to the greatest extent feasible, a clause requiring contractors, to provide opportunities for training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which provide opportunities to low-income residents, as described in 24 CFR Part 135 (so-called Section 3 businesses); and
7. Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed above. Goals shall be established periodically for participation by small businesses, minority-owned businesses, women-owned business enterprises, labor surplus area businesses, and Section 3 business concerns in HPHA prime contracts and subcontracting opportunities.

B. Definitions

1. A **small business** is defined as a business that is: independently owned; not dominant in its field of operation; and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in **13 CFR Part 121** should be used to determine business size.
2. A **minority-owned business** is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans, and Hasidic Jewish Americans.
3. A **women's business enterprise** is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.
4. A "**Section 3 business concern**" is as defined under **24 CFR Part 135**.
5. A **labor surplus area business** is defined as a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or

underemployment, as defined by the DOL in **20 CFR Part 654**, Subpart A, and in the list of labor surplus areas published by the Employment and Training Administration.

XVII. DOCUMENTATION

The HPHA must maintain records sufficient to detail the significant history of each procurement action. These records shall include, but shall not necessarily be limited to, the following:

1. Rationale for the method of procurement (if not self-evident);
2. Rationale of contract pricing arrangement (also if not self-evident);
3. Reason for accepting or rejecting the bids or offers;
4. Basis for the contract price (as prescribed in this handbook);
5. A copy of the contract documents awarded or issued and signed by the Contracting Officer;
6. Basis for contract modifications; and
7. Related contract administration actions.

The level of documentation should be commensurate with the value of the procurement. In general, records are to be retained for a period of three years after final payment and all matters pertaining to the contract are closed. Each Contract Administrator shall be responsible to confirm the record retention requirements for their specific funding source.

XVIII. DISPOSITION OF SURPLUS PROPERTY

Property no longer necessary for the HPHA's purposes (non-real property) shall be transferred, sold, or disposed of in accordance with applicable Federal, state, and local laws and regulations.

FOR ACTION

SUBJECT: To Approve Resolution No. 20 Approving the Section 8 Management Assessment Program (SEMAP) Certification For The Fiscal Year Ending June 30, 2009

I. REQUEST

Approval of the SEMAP Certification for FY ending June 30, 2009.

II. FACTS

- A. SEMAP is a management assessment system that the Department of Housing and Urban Development (HUD) will annually use to measure the performance of all housing agencies (HAs) that administer the Section 8 tenant-based rental assistance program.
- B. SEMAP sets forth the following fourteen (14) indicators to measure program performance. SEMAP enables HUD to ensure program integrity and accountability by identifying HA management capabilities and deficiencies and by improving risk assessment to effectively target monitoring and program assistance. HAs can use the SEMAP performance analysis to assess their own program operations.
- C. Indicators 1-8, 13 and the Bonus Indicator are "self certified." Indicators 9-12 and 14 are measured and reported by HUD's Public & Indian Housing Information Center (PIC) Reports.
1. Indicator 1. Selection from the Waiting List **(15 pts)**
Examines whether the HA has written policies in its administrative plan for selecting applicants from the waiting list and whether the HA follows these policies when selecting applicants for admission from the waiting list.
 2. Indicator 2. Reasonable Rent **(20 pts)**
Examines whether the HA has and implements a reasonable written method to determine and document for each unit leased that the rent charged by the owner is reasonable based on current rents for comparable unassisted units.
 3. Indicator 3. Determination of Adjusted Income **(20 pts)**
Examines whether at the time of admission and annual reexamination, the HA verifies and correctly determines adjusted annual income for each assisted family and, where the family is responsible for utilities under the lease, the HA uses the appropriate utility allowance for the unit leased in determining the gross rent.
 4. Indicator 4. Utility Allowance Schedule **(5 pts)**
Examines whether the HA maintains an up-to-date utility allowance schedule.
 5. Indicator 5. Housing Quality Standards (HQS) Quality Control Inspections **(5 pts)**
Examines whether a HA supervisor or other qualified person reinspects a sample of units under contract during HA fiscal year, under HUD's Quality Control sample guidelines.

6. **Indicator 6. HQS Enforcement (10 pts)**
Examines whether following each HQS inspection of a unit under contract where the unit fails to meet HQS, any cited life-threatening HQS deficiencies are corrected within 24 hours from the inspection and all other cited HQS deficiencies are corrected within no more than 30 calendar days from the inspection or any HA-approved extension. Also if deficiencies were not corrected within the required timeframe, the HA stopped housing assistance payments or took action to enforce the family obligations.
7. **Indicator 7. Expanding Housing Opportunities (5 pts)**
Examines whether the HA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration, informs rental voucher and certificate holders of the full range of areas where they may lease units both inside and outside the HA's jurisdiction, and supplies a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentration.
8. **Indicator 8. Fair Market Rent (FMR) Limit and Payment Standards (5 pts)**
Examines if HA has adopted current payment standards for the voucher program by unit size for each FMR area in the PHA jurisdiction and has payment standards which do not exceed 110 percent of current applicable FMR and which are not less than 90 percent of the current FMR.
9. **Indicator 9. Annual Reexaminations (10 pts)**
Examines whether the HA completes a reexamination for each participating family at least every 12 months.
10. **Indicator 10. Correct Tenant Rent Calculations (5 pts)**
Examines whether the HA correctly calculates tenant rent in a) the rental certificate program, and b) the family's share of the rent to owner in the rental voucher program.
11. **Indicator 11. Pre-Contract HQS Inspections (5 pts)**
Examines whether newly leased units pass HQS inspection on or before the beginning date of the assisted lease and Housing Assistance Payment (HAP) contract.
12. **Indicator 12. Annual HQS Inspections (10 pts)**
Examines whether the HA inspects each unit under contract at least annually.
13. **Indicator 13. Lease-Up (20 pts)**
Examines whether the HA enters HAP contracts for the number of units under budget for at least one year.
14. **Indicator 14. Family Self-Sufficiency (FSS) Enrollment and Escrow Accounts (10 pts)**
Examines whether the HA has enrolled families in the FSS program as required, and the extent of the HA's progress in supporting FSS by measuring the percent of current FSS participants with the FSS progress reports entered in PIH Information Center (PIC) that have had increases in earned income which resulted in escrow account.

In addition, there is a Deconcentration Bonus Indicator, which is optional for HAs with jurisdiction in metropolitan FMR areas, such as HPHA. This indicator examines the percent of Section 8 mover families with children who moved to low poverty census tracts in HA's principal operating area

during the last HA FY and is at least two percentage points higher than the percent of all Section 8 families with children who resided in low poverty census tracts at the end of last HA FY. (5 pts)

III. DISCUSSION

The SEMAP score and overall performance rating identifies housing agencies as high performer, standard or troubled and identifies and requires corrective actions for SEMAP deficiencies, and imposes sanctions for troubled performers.

Indicator	Maximum Points	FY 08 Points	Anticipated Points for FY 09
#1: Selection from the Wait List	15	15	0 ₁
#2: Reasonable Rent	20	15	15 ₂
#3: Determination of Adjusted Income	20	15	15 ₃
#4: Utility Allowance Schedule	5	5	5
#5: Housing Quality Standard (HQS) Quality Control Inspections	5	5	5
#6: HQS Enforcement	10	0	10 ₄
#7: Expanding Housing Opportunities	5	5	5
#8: Fair Market Rent (FMR) Limit and Payment Standards	5	5	5
#9: Annual Reexaminations	10	10	10
#10: Correct Tenant Rent Calculations	5	5	5
#11: Pre-Contract HQS Inspections	5	5	5
#12: Annual HQS Inspections	10	10	10
#13: Lease-Up	20	0	20 ₅
#14: Family Self-Sufficiency (FSS) Enrollment and Escrow Account	10	8	10 ₆
#15: Deconcentration Bonus	5	0	0 ₇
Total	145	103	120

Footnotes:

¹Selection of tenants placed into the system was correctly done up to February 2009 when the Emphasys system failed to re-sequence the current waitlist possibly due to lack of hardware/software capability. Since placement into the Section 8 program is a priority, selection from the waitlist was taken from the different preference categories because the list could not be re-sequenced. Error did not impact final rating as Standard Performer. To receive maximum points, HPHA must score at least 98% of samples showing that admissions into the program were made in accordance with preference policies and the order of selection. HPHA will generate a manual waitlist outside of the Emphasys system as a backup to avoid facing this problem in the future. We anticipate full points for 2010 SEMAP.

²File samples indicated some rent comparables were dated or did not follow Administrative Plan procedure. Errors did not impact final rating as Standard Performer. To receive maximum points, HPHA must score at least 98%. Staff has been reminded to double check the inspectors' work

for completeness to improve score in the future. Out of 60 files reviewed, 4 files had errors resulting in 93.3% compliance or 15 points. To receive maximum points, HPHA must score at least 98%. We anticipate full points for 2010 SEMAP.

³File samples indicated some rent calculations did not follow PIH 2004-1 policy and procedure. Errors did not impact final rating as Standard Performer. Training has been established during Branch meetings to address the deficiency and improve score in the future. Out of 211 files reviewed, 28 files had errors resulting in 87% compliance or 15 points. To receive maximum points, HPHA must score at least 90%.

⁴Controls have been created whereby the inspection section follows up on failed items. Landlords were notified by telephone call 15 days after unit failed housing inspection to remind them that corrections have to be made within 30 days. Abatements of housing assistance payment were also done beginning no later than the first of the month following the specified correction period. Out of 50 files reviewed, 1 file had an error resulting in 98% compliance. To receive the maximum points, HPHA must score at least 98% compliance.

⁵HPHA Housing Assistance Payment expenditures were 98.76% of the Budget Authority. To receive the maximum 20 points, HPHA must expend at least 98% of the Budget Authority. The Section 8 Branch had succeeded in its goal to attain this mark for FY 2009 and will continue to maintain it for FY 2010.

⁶The Family Self-Sufficiency (FSS) file reviews indicate that there are 80 participating families out of 93 available slots resulting in 86% mandatory slots filled; 36 of these families have an escrow account balance resulting in 39% of the FSS families with an account balance. SEMAP indicator 14 states that if at least 80% of its mandatory FSS slots and 30% or more of FSS families have an escrow account balance, 10 points shall be awarded. The FSS Program continues to outreach and establish escrow balances to maintain the full 10 points for FY 2010.

⁷Deconcentration Bonus points not included in the total SEMAP points.

The Section 8 Management Assessment Program Certification is being submitted for FY ending June 30, 2009, 120/145 = 83.0%, Standard Performer Rating.

Less than 60% = Troubled Performer Rating
60%-89% = Standard Performer Rating
90% plus = High Performer Rating

IV. RECOMMENDATION

That the Board of Directors of the Hawaii Public Housing Authority adopt Resolution No. 20, approving the Section 8 Management Assessment Program Certification for FY ending June 30, 2009.

Prepared by: Norhana Schumacher, Acting Section 8 Subsidy Programs
Branch Chief NS

Approved by the Board of Directors at its meeting on

AUG 20 2009

SECTION 8 SUBSIDY PROGRAMS BRANCH

Please take necessary action



EXECUTIVE DIRECTOR

RESOLUTION NO. 20

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

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

WHEREAS, the Board of Directors of the Hawaii Public Housing Authority, in compliance with the U.S. Department of Housing and Urban Development (HUD) management performance requirements for Fiscal Year 2009, has reviewed the Section 8 Management Assessment Program (SEMAP) Certification, herein attached, and

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

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

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority hereby approves the SEMAP Certification for FY ending June 30, 2009.

The UNDERSIGNED, hereby certifies that the foregoing Resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on August 20, 2009.



Travis Thompson, Chairperson

FOR ACTION

SUBJECT: ~~To Request Governor's Approval to Fill Federally Funded Positions, to Exempt HPHA from Wage Cuts, Furloughs, and Layoffs, and to Allow HPHA to Implement Program Reductions to Help Address the State Deficit~~
To Direct the Executive Director to Use the Process That is Currently in Place to Fill Vacant Federally Funded Positions

I. FACTS

A. On July 9, 2009, the Department of Human Resources Development (DHRD) distributed a memorandum to impose a hiring freeze effective July 15 2009. The DHRD memo imposed restrictions on hiring for the following:

- All classification and bargaining unit actions for civil service positions (including reallocations, administrative reviews, appeals and selective certification requirements); and
- All recruitment actions for civil service positions.

(The above shall not apply to positions that are funded by the American Recovery and Reinvestment Act.)

B. For FY 2010 the HPHA identified 34 civil service positions and 7 exempt positions from Property Management and Maintenance Services, Construction Management Branch, Section 8 Subsidy Program Branch, Fiscal Management Office, Information Technology, Procurement and Personnel Office which are currently vacant, but critical to the effective operations of the work unit. These positions were budgeted and included in the Board approved agency budget on June 18, 2009.

C. HPHA staffing has undergone rightsizing and is sustainable.

- HPHA staffing for FY 2006 – FY 2009 steadily declined from 316 to 272, saving several million dollars per year. These reductions by attrition were required to reduce HPHA's annual deficits noted below under Discussion section.
- HPHA faced a projected \$4.2 million deficit in May 2008 and contemplated 84 layoffs for FY 2009. However, instead of layoffs, management and staff worked cooperatively, with union support, and temporarily reorganized into Special Teams to reach performance goals, including a balanced budget for FY 2009.
- Staffing reductions by attrition were important to reach budget stability by end of FY 2009.
- HPHA went through its budget balancing process over the past two years because its severe deficits occurred prior to the current state general fund deficit.
- The HPHA workforce is now streamlined, organized and motivated to work toward performance and budgetary goals as was done last year.
- HPHA can sustain and support the positions included in its FY 2010 budget, approved by the Board of Directors on June 18, 2009.

- Section 8 Subsidy Programs Branch will be unable to maintain its standard performer rating, and will have no chance to reach high performer status. The Branch Chief plays a critical role in providing direction and guidance, ensuring quality controls, and accurate reporting to HUD. Of particular concern is the institutional knowledge that was lost with the recent retirement of 2 key staffers.
- Information Technology Office will be unable to implement the agency-wide software upgrade to Emphasys Elite and effectively manage the HPHA's statewide network of users.
- Contracts and Procurement Office (CPO) will be unable to procure needed contracts for all of the above-mentioned offices and the Homeless Programs Branch, putting private providers and the people served at risk. Vacancies at the CPO has reached a critical state with 3 of 5 professional positions vacant.

D. HPHA can help balance the state general fund budget without furloughs, pay cuts, or layoffs.

- Of HPHA's \$120 million budget, \$20 million is from state general funds.
- Of HPHA's 272 current employees, only 11.25 are state general funded; 260.75 are federal funded (N) or revolving funded (W) (rent collections).
- The state general funded operating budget for FY 2010 is \$5.1 billion. HPHA's \$20 million in state general funds is .004 of the \$5.1 billion (4/10 of 1 percent of the state general funded operating budget).
- The state's projected deficit for FY 2010 is \$400 million. HPHA is able to contribute .004 of the \$400 million deficit, or \$1.6 million through program reductions in the state general funded budget.
- Layoffs are being contemplated for only state general funded staff for the Departments of Transportation, Commerce and Community Affairs, and Hawaiian Home Lands, and the HPHA. Federal and revolving funded staff are exempt from layoffs because such layoffs will not affect the state general fund deficit. Layoffs of the 11.25 state general funded HPHA staff would clearly be unacceptable as it would eliminate the Homeless Programs Branch, which is responsible for \$16 million in homeless service provider contracts to emergency and transitional shelters. (The savings from these layoffs would only result in savings of \$575,000.)
- Similarly, HPHA furloughs will not help the state general fund deficit to any material degree. Furloughs of three days per month of all 272 HPHA staff would result in \$2.7 million in savings, of which only \$112,000 would be attributable to the 11.25 state general funded staff. In contrast, \$2,588,000 would be saved from the 260.75 federal or special funded staff, which will not help reduce the state general fund deficit.
- The possibility of furloughs is also making it difficult to recruit excellent staff with private sector experience, who are otherwise willing to bring their expertise to the public sector.
- In response to the current state deficit, the HPHA has already restricted state general fund spending by 5 percent, and could further reduce state general fund spending to contribute \$1.6 million towards reducing the state general fund deficit.

- The HPHA has already identified an additional 39 vacant and unbudgeted federally funded positions to be abolished (this 39 is different from the 41 budgeted positions discussed earlier).

E. HPHA can fairly contribute to reducing the state general fund deficit and maintain the progress it has achieved in the past two years

Various departments and agencies are structured and funded differently. Allowing each department and agency to contribute to the state general fund deficit reduction in the way each is best suited will help both the state and the department/agency. The budget outcome is achieved, and the department/agency goals are achieved.

III. RECOMMENDATION

A. That the HPHA Board of Directors requests that Governor Lingle allow the HPHA authority to hire staff where the staff positions (please see attachment A) are:

1. Funded by federal funds or rent collections;
2. Included in HPHA's FY 2010 budget (approved by the Board of Directors on June 18, 2009);
3. Supported by a statement from the Board Chair and Executive Director that based on the Fiscal Management Office reports there are sufficient funds to pay the salaries and fringe benefits of the staff person for at least one calendar year from date of hire; and
4. Approved by the DHS director or deputy director as meeting 1), 2), and 3) above.

B. That the HPHA Board of Directors requests that Governor Lingle exempt HPHA from wage cuts, furloughs, and layoffs where staff positions are:

1. Funded by federal funds or rent collections;
2. Included in HPHA's FY 2010 budget (approved by the Board of Directors on June 18, 2009); and
3. Supported by a statement from the Board Chair and Executive Director that based on the Fiscal Management Office reports there are sufficient funds to pay the salaries and fringe benefits of the staff person for at least one calendar year from date of hire.

C. That the HPHA Board of Directors requests that Governor Lingle allow HPHA to contribute to reducing the state general fund deficit through program reductions and other methods in the amount of \$1.6 million reduction in FY 2010 state general funds provided to HPHA.

Attachments: Attachment A – vacancies

Prepared by: *for* Chad K. Taniguchi, Executive Director 

Approved by the Board of Directors at its meeting on

AUG 20 2009

EXECUTIVE DIRECTORS OFFICE

Please take necessary action



EXECUTIVE DIRECTOR

**HAWAII PUBLIC HOUSING AUTHORITY (HPHA)
Vacant Positions to Fill FY 2010**

Branch/ Office	Type of Appt.	Position No.	Title	Months Vacant	Means of Financing	In FY 2010 Budget
Compliance Office	Exempt	103020	Chief Compliance Officer	10	Federal	Yes
Personnel Office	Civil Service	6627	Personnel Clerk IV	1	Federal	Yes
Planning Office	Exempt	107934	Housing Planner	10	Federal	Yes
Information Technology Office	Civil Service	106429	IT Specialist	23	Federal	Yes
Fiscal Management Office	Exempt	118550	Chief Financial Mgt Advisor	3	Federal	Yes
Fiscal Management Office	Civil Service	41041	Fiscal Officer	10 days	Federal	Yes
Fiscal Management Office	Civil Service	41253	Secretary II	24	Federal	Yes
Fiscal Management Office	Civil Service	41252	Accountant IV	26	Federal	Yes
Fiscal Management Office	Civil Service	46278	Accountant II	11	Federal	Yes
Contracts and Procurement Office	Exempt	100882	Procurement Officer	48	Federal	Yes
Contracts and Procurement Office	Exempt	117691	Contract Specialist	40	Federal	Yes
Contracts and Procurement Office	Exempt	117689	Housing Contract Specialist	1	Federal	Yes
Construction Management Branch	Civil Service	25649	State Housing Administrator	12	Federal	Yes
Construction Management Branch	Civil Service	5857	Office Assistant IV	27	Federal	Yes
Construction Management Branch	Civil Service	48707	Office Assistant III	7	Federal	Yes
Construction Management Branch	Civil Service	102676	Bldg Engineer IV	24	Revolving	Yes
Property Mgt. and Maint Services Branch	Civil Service	8751	Public Housing Supervisor VI	6	Federal	Yes
Property Mgt. and Maint Services Branch	Exempt	111874	Program Specialist (To be reclassified)	36	Federal	Yes
Property Mgt. and Maint Services Branch	Civil Service	6182	Secretary III	1	Federal	Yes
AMP 30 - Puuwai Momi	Civil Service	6307	Public Housing Supervisor IV	1	Federal	Yes
AMP 31 - Kalihi Valley	Civil Service	30242	Office Assistant III	8	Federal	Yes
AMP 32/33 - Mayor Wright	Civil Service	5035	Public Housing Supervisor IV	24	Federal	Yes
AMP 32/33 - Mayor Wright	Civil Service	9619	Secretary I	7	Federal	Yes
AMP 34 - Kalakaua	Civil Service	6693	Public Housing Supervisor IV	35	Federal	Yes
AMP 34 - Kalakaua	Civil Service	6565	General Laborer I	12	Federal	Yes
AMP 34 - Kalakaua	Civil Service	23696	Public Housing Specialist II	11	Federal	Yes
AMP 35 - Kalanihua	Civil Service	41258	Bldg. Maint. Worker II	8	Federal	Yes
AMP 35 - Kalanihua	Civil Service	23574	Bldg. Maint. Worker I	9	Federal	Yes
AMP 35 - Kalanihua	Civil Service	41666	Public Housing Specialist II	8	Federal	Yes
AMP 37 - Hilo	Civil Service	15721	Bldg. Maint. Worker I	4	Federal	Yes
AMP 38 - Kauai	Civil Service	41349	Public Housing Supervisor IV	4	Federal	Yes
AMP 38 - Kauai	Civil Service	96905K /119285	Public Housing Supervisor III	1	Federal	Yes
AMP 38 - Kauai	Civil Service	119260	Public Housing Specialist II	3	Federal	Yes
AMP 38 - Kauai	Civil Service	8756	Bldg. Maint. Worker I	2	Federal	Yes
AMP 38 - Kauai	Civil Service	17576	Bldg. Maint. Worker I	6	Federal	Yes
AMP 38 - Kauai	Civil Service	10541	Bldg. Maint. Helper	3	Federal	Yes
AMP 38 - Kauai	Civil Service	43948	General Laborer I	40	Federal	Yes
AMP 39 - Maui	Civil Service	6352	Secretary I	18	Federal	Yes
AMP 39 - Maui	Civil Service	4938	Bldg. Maint. Worker I	24	Federal	Yes
Section 8 Subsidy Programs Branch	Civil Service	41280	Public Housing Supervisor V (Branch Chief)	2	Federal	Yes
Section 8 Subsidy Programs Branch	Civil Service	9647	Public Housing Specialist II	0.5	Federal	Yes

Total 7 exempt 34 Civil Service 540.5 1 Revolving 40 Federal

HAWAII PUBLIC HOUSING AUTHORITY
FY 2010 GOALS & OBJECTIVES
July 1, 2009 – June 30, 2010

Goal #1 Public Housing:

Improve ratings under the “Standard Performer” status under HUD’s Public Housing Assessment System (PHAS¹).

Objectives: Receive passing scores on the 4 indicators assessed by HUD, move closer to high performer.

Management Operations

- Refer eviction referrals (or payment agreements) after rent delinquency of 30 days, by end of fiscal year.
- Monitor PHAS requirements on a monthly basis.
- Conduct 95% of recertifications.
- Achieve 97% occupancy by end of fiscal year.

HPHA’s Financial Condition

- Collect an average of 97% rent receivables by the end of the fiscal year.
- Implement monthly review and reconciliation of AMP general ledger within 30 days after the end of the reporting period.
- Complete and submit bad debt write off to the Attorney General’s office within 180 days of vacancy.

Physical Condition of HPHA properties

- Abate emergency work orders within 24 hours; complete tenant requested work orders within 25 days.
- Complete 100% of Annual Unit Inspections within 12 months of last inspection.

Improve Resident Satisfaction with Public Housing Operations and Increased Communication with Tenants

- Conduct 100% AMP resident meetings 4 times per fiscal year, 2 involving AMP managers only.
- Implement tenant monitor pilot program in at least 3 housing projects, by the end of fiscal year.
- Increase number of active tenant associations.
- Develop strategies and training for public housing managers and staff to improve responsiveness to resident concerns, as measured by resident surveys.
- Coordinate, promote and provide effective programs and activities to promote economic self-sufficiency of residents.

Goal #2 Section 8 Housing Choice Voucher Program:

Obtain “High Performer” status under HUD’s Section 8 Management Assessment Program (SEMAP).

¹ Passing score is 70; high performer is 90+. HPHA’s last scores were 71 in FY 2007 and 75 for FY 2008. Nationally HUD did not utilize rating for FY 2009. HUD intends to implement a new PHAS for FY 2010 with differently weighted measurements, which have not been set.

Objectives:

- Maintain 95-100% utilization of authorized budget without exceeding authorized limits.
- Balance the administrative costs budget for staffing and operations.
- Explore methods to increase number of vouchers and funding, and to utilize Housing Choice Vouchers for supportive housing.
- Achieve at least 90% no errors on determinations of rent reasonableness.
- Adjust utility allowance no later than June 1, 2010.
- Complete all Housing Quality Standards inspections.
- Enforce corrections to all Housing Quality Standards findings.
- Complete at least 95% annual reexaminations on time and in compliance.
- Lease up at least 98% for the calendar year ending December 31, 2009.

Goal #3 Homeless Services:

Provide homeless prevention and intervention which promotes the social and economic self-sufficiency of families and individuals in the State of Hawaii.

Objectives:

- Provide for a network of homeless prevention and intervention services within a balanced budget in light of potential reductions in state funding.
- Meet federal funding timetables and reporting requirements.
- Targeted program outcomes for FY 2010.
 - Number of homeless transitioning to permanent housing: 3,300 persons
 - Number of unduplicated clients served by outreach providers: 11,000 persons
 - Number of unduplicated persons served by the shelter providers: 9,000 persons
 - Number of persons prevented by becoming homeless: 2,000
- Work with the State Administration and Legislature to effect the transfer of the Homeless Programs to the Department of Human Services on July 1, 2010.

Goal #4 Housing Modernization and Development:

Fully utilize state and federal capital funding to renovate and modernize state and federal public housing properties to promote safety, accessibility and crime prevention.

Objectives:

- Attain timely design, bidding and construction by meeting deadlines for obligation/encumbrance, and expenditure of allotted funds.
- Fix all existing vacant units by end of fiscal year, except for Kuhio Park Terrace and Kalihi Valley Homes, which will take into the following year.
- Repair all new long term vacant units within an average of 270 days, subject to the availability of funds.
- Contract for KPT mixed income redevelopment.
- Execute the energy performance contract for planned energy conservation measures.

Goal #5 Fiscal Management:

Provide effective and efficient fiscal management services.

Objectives:

- Meet HUD's deadline for the unaudited and audited Financial Data System submittals as published by HUD.
- Complete the independent audit by December 31, 2009.
- Resolve all FY 2008 audit findings by September 30, 2009.
- Resolve all FY 2009 REAC findings by November 30, 2009.
- By December 2009, provide monthly budget-to-actual reports for the previous month, within 30 days.

Goal #6 Administrative and Operational Effectiveness:

Develop and operate an effective organization by providing timely, appropriate, and necessary administrative support services to manage the HPHA's programs.

Objectives:

- Balance the entire agency budget by the end of the fiscal year.
- Complete and implement the HPHA's comprehensive training plan (subject to the availability of funds and DHS approvals).
- Work with the board and legislature to develop policies that promote resident responsibility and self sufficiency.
- Work cooperatively with community representatives and other units of government to prevent discrimination in HPHA programs and to further fair housing objectives.
- Implement Emphasys Elite software system for the Section 8 Program by March 2010.
- Seek Moving To Work status and designation by HUD.
- Achieve elderly only designation for certain projects by end of fiscal year.

- L. The evaluations of the proposals by the evaluation committee were conducted on August 5 and August 11, 2009, and the basis for the staff recommendation below.

II. DISCUSSION

- A. The recommended developer has over thirty five years of experience in all aspects of housing development, from conception through construction completion, ownership and operation.
- B. The recommended developer's core development team includes the following:
- Developer;
 - Local Developer;
 - General Contracting Firm;
 - Master Planner Architect;
 - Civil Engineer;
 - Property Management/Relocation Specialist/Supportive Services Provider;
 - Corporate and Tax Attorneys;
 - HUD Counsel; and
 - Local Counsel
- C. The conceptual design proposed by the recommended developer includes the following:
- New mix of households including public housing, project-based voucher and market rate units;
 - Planned increase in the total unit count from 748 to 1024;
 - One-for-One replacement of public housing units;
 - Improved neighborhood circulation with new streets;
 - Substantial renovation of KPT Towers A & B;
 - Construction of a New Senior Citizen Mid-Rise apartment; and
 - Phased demolition of Kuhio Homes and new construction of higher density low-rise family units.
- D. The recommended developer's proposed scope of work focuses on renovating both Towers, demolition and reconstruction of the low-rises, and upgrading the interior and exterior finishes.
- E. The recommended developer's financial plan consists of Tax Exempt Bonds, Federal and State Low Income Housing Tax Credits, Private Mortgages supported by Project-Based Section 8 vouchers, and \$15 million HPHA Capital Funding.
- F. Should the Board approve the selection of the recommended developer the next steps will include contracting with the developer (with Board approval), planning/permitting with resident and community input, followed by phased construction.

III. RECOMMENDATION

Staff recommends that the HPHA's Board of Directors approve the selection of The Michaels Development Company as the development partner for a mixed income/mixed finance redevelopment project at Kuhio Park Terrace and Kuhio Homes.

Approved by the Board at its meeting on
AUG 20 2009

Prepared by: Rick T. Sogawa, Acting Procurement Officer

CONTRACT & PROCUREMENT OFFICE

Reviewed by: Chad K. Taniguchi, Executive Director

Please take necessary action



060

FOR ACTION

SUBJECT: To Accept the Audited Financial Statements for Banyan Street Manor, located at 1122 Banyan Street, Honolulu, Hawaii for Fiscal Year 2007 and Fiscal Year 2008

I. FACTS

- A. The auditors have performed the audit of the project for the fiscal years ending on June 30, 2007 and June 30, 2008 in accordance with Government Auditing Standards and the provisions of OMB Circular A-133.
- B. The auditor has indicated that detailed accounting records have not been maintained and certain prior-year records and supporting data were not available for the audit.
- C. Fiscal year ending 2006 proposed audit adjustments (provided in April 2009) and supporting data were not available for the audit.
- D. Because of the significance of the matters noted in the two previous paragraphs, the auditor did not express an opinion on the financial statements for the two years.
- E. Because of the above stated significance of the problems with the financial statements, staff has consulted with the auditor to ensure that the proposed audit adjustments are incorporated by the current management agent and that the financial record keeping of the current agent would meet the requirements for an auditor to express an opinion on the financial statements in the future.

The auditor has indicated that in working with the current Management Agent staff during the preparation of the 2007 and 2008 Audit, they believe that the financial record keeping can be brought into compliance.

II. RECOMMENDATION

That the Board of Directors accept the audited financial statements of the Banyan Street Manor for the fiscal year ending June 30, 2007 and June 30, 2008.

Attachments: Banyan Street Manor June 30, 2007 Financial Statements (see insert)
Banyan Street Manor June 30, 2008 Financial Statements (see insert)

Prepared by: Michael J. Hee, Chief, Private Management Contracts Section 
Reviewed by: Stephanie Fo, Property Management & Maintenance Services Branch Chief 

**Approved by the Board of Directors at its meeting on
AUG 20 2009**

PROPERTY MANAGEMENT & MAINTENANCE BRANCH

Please take necessary action



EXECUTIVE DIRECTOR

Financial Statements

BANYAN STREET MANOR

JUNE 30, 2007

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
JUNE 30, 2007

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Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The management's discussion and analysis and the accompanying supplementary information are presented for purposes of additional analysis and are not required parts of the basic financial statements of the Project. Such supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, for the reasons stated in the third paragraph, we do not express an opinion on its relation to the financial statements taken as a whole.

RC Holsinger Associates, P.C.

Honolulu, Hawaii
July 10, 2009

Audit Partner: John Holt
Firm EIN: 23-2939307

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2007 AND 2006

This section of the Banyan Street Manor, F.H.A. Project No. 140-35073-LDI-L8 (Project) annual financial report presents management's discussion and analysis of the Project's financial performance during the fiscal years ended June 30, 2007 and 2006. It should be read in conjunction with the Project's financial statements which follow this section.

Financial Highlights

- The Project's total net assets increased by 1.7% or approximately \$78,255 in 2007 over 2006.
- The Project's rental income increased by 44% or approximately \$170,175 in 2007 over 2006.
- The Project's general operating and administrative expenses decreased by 27% or approximately \$73,524 in 2007 over 2006.

Overview of the Financial Statements

The financial statements consist of four parts: management's discussion and analysis, the financial statements and notes to financial statements, supplemental information required by U.S. Department of Housing and Urban Development (HUD), and other reports. Three of these components are described below:

Financial Statements

The financial statements reflect information about the Project and its' use of accounting methods similar to those used by private sector companies. The *Statement of Net Assets* provides short-term and long-term information about the Project's financial position, and reflects the Project's economic condition at the end of the year. All of the current year revenues and expenses are accounted for in the *Statement of Activities* on an accrual basis, i.e., revenues are recognized when earned and expenses are recognized when incurred.

The *Statement of Net Assets* presents all of the Project's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases and decreases in the Project's assets may serve as a useful indicator of whether the financial position of the Project is improving or deteriorating.

The *Statement of Activities* presents information reflecting changes in the Project's net assets during the year.

The *Notes to Financial Statements* explains the information as reflected in the financial statements.

Supplemental Information Required by HUD

The *Supplemental Information Required by HUD* represents additional information for analytical purposes and provides additional information as reflected in the financial statements.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
JUNE 30, 2007 AND 2006

Financial Analysis - Continued

Net assets of the Project increased by 1.7% in 2007 over 2006. Investment in capital assets (i.e., land improvements, building, building equipment, and furnishings), less the related debt used to construct the assets represents a large portion of the Project's net assets; \$1,695,441 or 37% in 2007 and \$1,856,472 or 41% in 2006. Capital assets are used to provide housing to low and moderate income persons. Although the Project's investment in its capital assets is reported net of debt, the resources needed to repay this debt must be provided by other sources, since the capital assets, mainly the building, cannot be used to liquidate these liabilities. Restricted assets consist principally of deposits required under the Regulatory Agreement for the replacement of property and other project expenditures approved by HUD. Restricted assets are held in separate accounts with the mortgagee and are generally not available for operating purposes. The remaining unrestricted assets may be used to finance day to day operations without any constraints established by debt or other legal requirements. The changes in net assets reflect the Project's current year revenues and expenses on an accrual basis of accounting. The changes in net assets for the years ended June 30, 2007 and 2006 are as follows:

	<u>2007</u>	<u>2006</u>
Revenues:		
Rental income	\$ 555,813	\$ 385,638
Financial revenues	-	11,930
Other revenues	<u>13,937</u>	<u>13,455</u>
Total Revenues	569,750	411,023
Expenses:		
General operating and administrative expenses	203,662	277,186
Depreciation	<u>137,640</u>	<u>143,728</u>
Total Expenses	<u>341,302</u>	<u>420,914</u>
Increase (Decrease) in Net Assets	<u>\$ 228,448</u>	<u>\$ (9,891)</u>

The Project's rental revenues are subject to constraints contained in the Regulatory Agreement and the Project may not increase rents charged to tenant without the prior approval by HUD.

The decrease in general operating and administrative expenses from \$277,186 in 2006 to \$203,662 in 2007, represents a decrease of \$73,524 or 27%.

FINANCIAL STATEMENTS

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
STATEMENT OF NET ASSETS
JUNE 30, 2007

ASSETS

Current Assets:

1120	Cash - operations	\$	414,054
1130	Tenant accounts receivable		36,695
1131	Allowance for doubtful accounts		<u>(36,400)</u>
1130N	Net Tenant Accounts Receivable		295
1135	Accounts receivable - HUD		-
1200	Prepaid expenses		<u>6,019</u>
1100T	Total Current Assets		420,368

Tenant Deposits Held in Trust:

1191	Tenant deposits held in trust		10,409
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Restricted Deposits and Funded Reserves:

1310	Escrow deposits		6,503
1320	Replacement reserve		515,166
1340	Residual receipts reserve		<u>1,920,150</u>
1300T	Total Restricted Deposits and Funded Reserves		2,441,819

Capital Assets:

1410	Miscellaneous - land improvements		58,897
1420	Building		4,651,323
1440	Building equipment		77,588
1460	Furnishings		<u>11,365</u>

1400T	Total Capital Assets		4,799,173
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1495	Accumulated depreciation		<u>(2,527,731)</u>
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1400N	Net Capital Assets		2,271,442
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Other Assets:

1520	Deferred financing costs, net		<u>57,484</u>
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1500T	Total Other Assets		<u>57,484</u>
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1000T	Total Assets	\$	<u><u>5,201,522</u></u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 1 - HISTORY OF THE PROJECT

Banyan Street Manor (Project) is a low-income residential housing project owned by the Hawaii Public Housing Authority (HPHA). Effective July 1, 2006, the Hawaii State legislature bifurcated the HPHA from the former Housing and Community Development Corporation of Hawaii (HCDCH). The accompanying financial statements are those of the Project and do not represent the financial statements of the HPHA.

Since August 4, 1997, the Project has been operating under the provisions of the U.S. Department of Housing and Urban Development's (HUD) Section 8 Housing Assistance Payment Program and Section 221 (d)(3) Multi-family Rental Housing for Moderate Income Families Program, both of which are the Project's non-major HUD programs. Under these programs the Project provides housing to low and moderate income persons, subject to regulation by HUD as to rental charges and operating methods. Lower rental charges are recovered by the Project through rent subsidies provided by HUD. The Project is located in the Honolulu district and consists of 12 one-bedroom and 43 two-bedroom apartments including a two-bedroom apartment that is being used as the resident manager's lodging.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the Project are summarized below:

Basis of Accounting - The financial statements of the Project are prepared on the accrual basis of accounting.

Reporting Entity - The HPHA is administratively attached to the State of Hawaii's Department of Human Services. The HPHA's Board of Directors consists of eleven members.

Deferred Costs - Deferred costs represent costs incurred in connection with obtaining the mortgage loan. The deferred costs are amortized on the straight-line method over the 40 year term of the mortgage loan.

Capital Assets - Building, land improvements, equipment and furniture are reflected in the *Statement of Net Assets* at cost. Depreciation is provided for in amounts sufficient to relate the cost of the depreciable assets to operations over the estimated service lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities. Depreciation expense for the year ended June 30, 2007 was \$137,640. Depreciation expense is computed by the straight-line method over estimated lives from 3 to 40 years, as follows:

	<u>Years</u>
Building	40
Miscellaneous - land improvements	25 - 40
Equipment	4 - 10
Furniture for project/tenant use	3 - 7

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Use of Estimates - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Rental Income - A significant portion of the Project's rent revenue is received as rental subsidies from HUD. Rental income from leases is recognized under the operating method whereby income is recognized when rent becomes due and expenses, including depreciation, are charged against such revenue as incurred. Generally, rental arrangements with tenants are initially for a one year period. The resident manager is given free rent and a salary for services rendered.

Statement of Cash Flows - For purposes of the Statement of Cash Flows, the Project considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The Project maintains cash and cash equivalents which are insured by the FDIC up to \$100,000.

NOTE 3 - MORTGAGE PAYABLE

The Project entered into a HUD insured mortgage note agreement in October, 1976, in the amount of \$1,727,800 held in First Hawaiian Bank. On June 1, 2003, USGI Inc. (USGI) became the new servicing agent and mortgagee. The mortgage loan bears interest at 7.5% and is collateralized by the rental property. The monthly installments for principal and interest are \$11,370, with a maturity date of January 1, 2018. It is expected that the loan will be paid off by June 2011.

The mortgage payable recorded by the Project is summarized as follows:

Mortgage payable	\$ 576,001
Less: Current portion	<u>84,000</u>
Long-term Portion	<u>\$ 492,001</u>

USGI confirmed mortgage balances which differed from the Project's amounts recorded in the books. According to USGI, the principal balance as of June 30, 2007, was \$464,035, per the mortgage loan amortization schedule.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2007

NOTE 3 - MORTGAGE PAYABLE - Continued

As of June 30, 2007, according to USGI, aggregate principal and interest payments for the next four years are as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 105,207	\$ 31,235	\$ 136,442
2009	123,279	23,068	146,347
2010	122,176	14,266	136,442
2011	<u>123,279</u>	<u>4,781</u>	<u>128,060</u>
Total Future Loan Payments	<u>\$ 473,941</u>	<u>\$ 73,350</u>	<u>\$ 547,291</u>

On November 20, 1990, HCDCH purchased the Project's building and residual receipts. Of the total residual receipts, amounting to \$571,327, HCDCH paid cash of \$400,000 and executed a non-negotiable, unsecured promissory note payable to the former owner of the Project for the remaining balance of \$171,327. The principal plus interest are accrued at the same rate as the residual receipts funds, which are held by the mortgagee and are due within 45 days of full payment of the mortgage note. The promissory note payable is not reflected on the Project's financial statements as HUD does not consider the payment of this note to be a Project expense. Therefore, the obligation is reflected on HPHA's financial statements.

NOTE 4 - HUD RESTRICTED DEPOSITS

Under the Regulatory Agreement, the Project is required to set aside amounts for the replacement of property and other project expenditures approved by HUD. HUD-restricted replacement reserve and residual receipts funds of \$2,295,246 on June 30, 2007, are held in separate accounts and generally are not available for operating purposes. Use of the replacement reserves and residual receipts is contingent upon HUD's prior written approval.

NOTE 5 - RENT INCREASES

Under the Regulatory Agreement, the Project may not increase rents charged to tenants without the prior approval by HUD. The last approved rent increase was effective August 1, 2003.

NOTE 6 - MANAGEMENT FEE

The Project entered into a one year management agreement with Urban Real Estate Company effective December 1, 2004, and four supplemental contracts ending October 31, 2007 totaling \$237,555. For the year ended June 30, 2007, the Project reimbursed the managing agent \$120,625 for management contract services including payroll taxes and insurance benefits.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2007

NOTE 7 - HOUSING ASSISTANCE PAYMENT CONTRACT

The Project receives housing assistance payments in accordance with the HUD contract for qualified tenants, which is mandated under Section 8 of the U.S. Housing and Urban Act of 1937. The Project's current contract extends the housing assistance payments to December 31, 2009.

NOTE 8 - PROPERTY AND LIABILITY INSURANCE

Since HPHA is a component of the State of Hawaii, the Project is covered under the property and liability insurance policy of the State of Hawaii which insures real and personal property in the amount of \$10,000,000.

NOTE 9 - LAND LEASE

The Project entered into a lease agreement which commenced in October 1973, with the City and County of Honolulu for the lease of the land on which the building is situated and all improvements thereon for a term of 55 years. The Project has the option to purchase the fee simple interest in the land at any time after October 5, 1993, for a percentage of the fair market value at the time of purchase. Lease rent, for a nominal amount, has been prepaid for the entire term of the lease.

NOTE 10 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATION

The Project's sole asset is a 55-unit apartment project. The Project's operations are concentrated in the multifamily real estate market located in Honolulu, Hawaii. In addition, the Project is a heavily regulated environment. The operations of the Project are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to changes by an act of Congress or administrative changes mandated by HUD.

NOTE 11 - SUBSEQUENT EVENTS FOR 2009

On April 15, 2009, a motion for default judgment was granted, to the U.S. Department of Housing and Urban Development against the Hawaii Public Housing Authority (HPHA). HPHA was ordered to pay \$50,000 in civil penalties for failure to submit audited financial reports for the Project for the fiscal years ended June 30, 2006 and 2007.

In 2009, HPHA was named as a defendant in two class action lawsuits, one in State Circuit Court and one in Federal District Court. The lawsuits seek orders to correct numerous shortcomings in living conditions in Kuhio Park Terrace and Kuhio Homes, two HUD Projects. The firm managing these projects is Realty Laua, Inc., which was the same management agent contracted for Banyan Street Manor in November 2007. The outcome of the lawsuits has not been determined at the time of this report. In 2009, Hawaii state lawmakers passed a resolution demanding a management audit of all state public housing projects.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2007

Operating Activities:		
S1200-010	Rental receipts	\$ 555,813
S1200-030	Other operating receipts	<u>13,937</u>
S1200-040	Total Receipts	569,750
S1200-050	Administrative	17,467
S1200-070	Management fee	16,500
S1200-090	Utilities	41,870
S1200-100	Salaries and wages	37,816
S1200-110	Operating and maintenance	69,355
S1200-150	Miscellaneous taxes and insurance	17,193
S1200-180	Interest on first mortgage	<u>3,461</u>
S1200-230	Total Disbursements	<u>203,662</u>
S1200-240	Net Cash Provided by Operating Activities	366,088
Investing Activities:		
S1200-245	Net deposits to the mortgage escrow account	(3,840)
S1200-250	Net deposits to the reserve for replacement account	(47,949)
S1200-260	Net deposits to the residual receipts account	-
S1200-330	Net disposal of capital asset	1,498
S1200-340	Withdrawal from residual receipts	199,997
S1200-580	Net change in tenant deposits held in trust	<u>(30)</u>
S1200-350	Net Cash Provided by Investing Activities	149,676
Capital and Related Financing Activities:		
S1200-360	Principal payments of capital debt	<u>(125,072)</u>
S1200-460	Net Cash Used in Capital and Related Financing	<u>(125,072)</u>
S1200-470	Net Increase in Cash	390,692
S1200-480	Cash - Beginning of Year	<u>23,362</u>
S1200T	Cash - End of Year	<u>\$ 414,054</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

NOTE 1 - HISTORY OF THE PROJECT

Banyan Street Manor (Project) is a low-income residential housing project owned by the Hawaii Public Housing Authority (HPHA). Effective July 1, 2006, the Hawaii State legislature bifurcated the HPHA from the former Housing and Community Development Corporation of Hawaii (HCDCH). The accompanying financial statements are those of the Project and do not represent the financial statements of the HPHA.

Since August 4, 1997, the Project has been operating under the provisions of the U.S. Department of Housing and Urban Development's (HUD) Section 8 Housing Assistance Payment Program and Section 221 (d)(3) Multi-family Rental Housing for Moderate Income Families Program, both of which are the Project's non-major HUD programs. Under these programs the Project provides housing to low and moderate income persons, subject to regulation by HUD as to rental charges and operating methods. Lower rental charges are recovered by the Project through rent subsidies provided by HUD. The Project is located in the Honolulu district and consists of 12 one-bedroom and 43 two-bedroom apartments including a two-bedroom apartment that is being used as the resident manager's lodging.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the Project are summarized below:

Basis of Accounting - The financial statements of the Project are prepared on the accrual basis of accounting.

Reporting Entity - The HPHA is administratively attached to the State of Hawaii's Department of Human Services. The HPHA's Board of Directors consists of eleven members.

Deferred Costs - Deferred costs represent costs incurred in connection with obtaining the mortgage loan. The deferred costs are amortized on the straight-line method over the 40 year term of the mortgage loan.

Capital Assets - Building, land improvements, equipment and furniture are reflected in the *Statement of Net Assets* at cost. Depreciation is provided for in amounts sufficient to relate the cost of the depreciable assets to operations over the estimated service lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities. Depreciation expense for the year ended June 30, 2007 was \$137,640. Depreciation expense is computed by the straight-line method over estimated lives from 3 to 40 years, as follows:

	<u>Years</u>
Building	40
Miscellaneous - land improvements	25 - 40
Equipment	4 - 10
Furniture for project/tenant use	3 - 7

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2007

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Use of Estimates - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Rental Income - A significant portion of the Project's rent revenue is received as rental subsidies from HUD. Rental income from leases is recognized under the operating method whereby income is recognized when rent becomes due and expenses, including depreciation, are charged against such revenue as incurred. Generally, rental arrangements with tenants are initially for a one year period. The resident manager is given free rent and a salary for services rendered.

Statement of Cash Flows - For purposes of the Statement of Cash Flows, the Project considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The Project maintains cash and cash equivalents which are insured by the FDIC up to \$100,000.

NOTE 3 - MORTGAGE PAYABLE

The Project entered into a HUD insured mortgage note agreement in October, 1976, in the amount of \$1,727,800 held in First Hawaiian Bank. On June 1, 2003, USGI Inc. (USGI) became the new servicing agent and mortgagee. The mortgage loan bears interest at 7.5% and is collateralized by the rental property. The monthly installments for principal and interest are \$11,370, with a maturity date of January 1, 2018. It is expected that the loan will be paid off by June 2011.

The mortgage payable recorded by the Project is summarized as follows:

Mortgage payable	\$ 576,001
Less: Current portion	<u>84,000</u>
Long-term Portion	<u>\$ 492,001</u>

USGI confirmed mortgage balances which differed from the Project's amounts recorded in the books. According to USGI, the principal balance as of June 30, 2007, was \$464,035, per the mortgage loan amortization schedule.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2007

NOTE 3 - MORTGAGE PAYABLE - Continued

As of June 30, 2007, according to USGI, aggregate principal and interest payments for the next four years are as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 105,207	\$ 31,235	\$ 136,442
2009	123,279	23,068	146,347
2010	122,176	14,266	136,442
2011	<u>123,279</u>	<u>4,781</u>	<u>128,060</u>
 Total Future Loan Payments	 <u>\$ 473,941</u>	 <u>\$ 73,350</u>	 <u>\$ 547,291</u>

On November 20, 1990, HCDCH purchased the Project's building and residual receipts. Of the total residual receipts, amounting to \$571,327, HCDCH paid cash of \$400,000 and executed a non-negotiable, unsecured promissory note payable to the former owner of the Project for the remaining balance of \$171,327. The principal plus interest are accrued at the same rate as the residual receipts funds, which are held by the mortgagee and are due within 45 days of full payment of the mortgage note. The promissory note payable is not reflected on the Project's financial statements as HUD does not consider the payment of this note to be a Project expense. Therefore, the obligation is reflected on HPHA's financial statements.

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Under the Regulatory Agreement, the Project is required to set aside amounts for the replacement of property and other project expenditures approved by HUD. HUD-restricted replacement reserve and residual receipts funds of \$2,295,246 on June 30, 2007, are held in separate accounts and generally are not available for operating purposes. Use of the replacement reserves and residual receipts is contingent upon HUD's prior written approval.

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Under the Regulatory Agreement, the Project may not increase rents charged to tenants without the prior approval by HUD. The last approved rent increase was effective August 1, 2003.

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The Project entered into a one year management agreement with Urban Real Estate Company effective December 1, 2004, and four supplemental contracts ending October 31, 2007 totaling \$237,555. For the year ended June 30, 2007, the Project reimbursed the managing agent \$120,625 for management contract services including payroll taxes and insurance benefits.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2007

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The Project receives housing assistance payments in accordance with the HUD contract for qualified tenants, which is mandated under Section 8 of the U.S. Housing and Urban Act of 1937. The Project's current contract extends the housing assistance payments to December 31, 2009.

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Since HPHA is a component of the State of Hawaii, the Project is covered under the property and liability insurance policy of the State of Hawaii which insures real and personal property in the amount of \$10,000,000.

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The Project entered into a lease agreement which commenced in October 1973, with the City and County of Honolulu for the lease of the land on which the building is situated and all improvements thereon for a term of 55 years. The Project has the option to purchase the fee simple interest in the land at any time after October 5, 1993, for a percentage of the fair market value at the time of purchase. Lease rent, for a nominal amount, has been prepaid for the entire term of the lease.

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The Project's sole asset is a 55-unit apartment project. The Project's operations are concentrated in the multifamily real estate market located in Honolulu, Hawaii. In addition, the Project is a heavily regulated environment. The operations of the Project are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to changes by an act of Congress or administrative changes mandated by HUD.

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On April 15, 2009, a motion for default judgment was granted, to the U.S. Department of Housing and Urban Development against the Hawaii Public Housing Authority (HPHA). HPHA was ordered to pay \$50,000 in civil penalties for failure to submit audited financial reports for the Project for the fiscal years ended June 30, 2006 and 2007.

In 2009, HPHA was named as a defendant in two class action lawsuits, one in State Circuit Court and one in Federal District Court. The lawsuits seek orders to correct numerous shortcomings in living conditions in Kuhio Park Terrace and Kuhio Homes, two HUD Projects. The firm managing these projects is Realty Laua, Inc., which was the same management agent contracted for Banyan Street Manor in November 2007. The outcome of the lawsuits has not been determined at the time of this report. In 2009, Hawaii state lawmakers passed a resolution demanding a management audit of all state public housing projects.

SUPPLEMENTAL INFORMATION

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SUPPLEMENTAL DATA REQUIRED BY HUD
JUNE 30, 2007

Accounts and Notes Receivable (Other than Tenant)

Accounts and notes receivable - balances were unrecorded as of June 30, 2007.

Tenant Rent Receivable

As of June 30, 2007, tenant rent receivable was \$36,695 and allowance for doubtful accounts was \$36,400. The tenant rent receivable aging is not presented, as it was not maintained nor reconciled.

Tenant Security Deposit

Tenant security deposits are held in a separate bank account in the name of the Project. As of June 30, 2007, the account balance was \$10,409, held in First Hawaiian Bank. Confirmation of the 2007 bank account balance could not be obtained.

Replacement Reserve and Residual Receipts Funds

In accordance with the provisions of the Regulatory Agreement, a reserve fund for replacements and residual receipts are maintained with the mortgagee, USGI. The confirmed amounts for replacement reserves and residual receipts by USGI differ from the amounts recorded by the Project. Disbursements from the funds may be made only with the prior approval of HUD. The following is a summary of the funds according to USGI:

	<u>Replacement Reserve</u>	<u>Residual Receipts</u>
Balance, June 30, 2006	\$ 531,811	\$ 1,905,457
Deposits made during the year	47,949	-
Interest income	<u>2,332</u>	<u>7,694</u>
Less: Withdrawals	<u>-</u>	<u>199,997</u>
Balance, June 30, 2007, as confirmed by mortgagee	<u>\$ 582,092</u>	<u>\$ 1,713,154</u>

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SUPPLEMENTAL DATA REQUIRED BY HUD - CONTINUED
JUNE 30, 2007

Replacement Reserve and Residual Receipts Funds - Continued

At the end of fiscal year 2007, we computed the Project's surplus cash of \$368,462, which was required to be deposited into the residual receipts fund. The Project is required to pay 12 monthly deposits of \$4,359 into the replacement reserves fund. In fiscal year 2007, 11 deposits were made. A prior year's withdrawal of \$38,900 was required to reimburse the replacement fund; this deposit could not be confirmed.

Schedule of Changes in Capital Assets

The following schedule is according to the Project's Capital Assets subledger:

	CAPITAL ASSETS			
	Balance			Balance
	<u>July 1, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2007</u>
Building	\$ 4,651,323	\$ -	\$ -	\$ 4,651,323
Miscellaneous-land improvement	60,395	-	1,498	58,897
Building equipment-portable	77,588	-	-	77,588
Furniture	11,365	-	-	11,365
	<u>\$ 4,800,671</u>	<u>\$ -</u>	<u>\$ 1,498</u>	<u>\$ 4,799,173</u>

	ACCUMULATED DEPRECIATION			
	Balance			Balance
	<u>July 1, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2007</u>
Building	\$ 2,262,337	\$ 133,712	\$ -	\$ 2,396,049
Miscellaneous-land improvement	42,624	1,435	-	44,059
Building equipment-portable	75,256	1,335	-	76,591
Furniture	10,179	853	-	11,032
	<u>\$ 2,390,396</u>	<u>\$ 137,335</u>	<u>\$ -</u>	<u>\$ 2,527,731</u>

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SUPPLEMENTAL DATA REQUIRED BY HUD - CONTINUED
YEAR ENDED JUNE 30, 2007

Statement of Activities Data

Rent Revenue:

5120	Rent revenue - gross potential	\$ 145,355
5121	Tenant assistance payments	410,098
5170	Garage and parking spaces	<u>360</u>
5100T	Total Rent Revenue	555,813
5220	Vacancies - apartments	<u>-</u>
5125N	Net Rental Revenue	555,813

Financial Revenue:

5430	Revenue from investments - residual receipts	-
5440	Revenue from investments - replacement reserve	-
5490	Revenue from investments - miscellaneous	<u>-</u>
5400T	Total Financial Revenue	-

Other Revenue:

5910	Laundry and vending	12,511
5920	Tenant charges	1,426
5990	Miscellaneous	<u>-</u>
5900T	Total Other Revenue	<u>13,937</u>
5000T	Total Revenue	569,750

Administrative Expenses:

6310	Office salaries	-
6311	Office expenses	125
6320	Management fee	16,500
6330	Manager salary	37,816
6331	Administrative rent free unit	-
6350	Audit	8,437
6351	Accounting services	6,000
6370	Bad debts	-
6390	Miscellaneous	<u>2,905</u>
6263T	Total Administrative Expenses	71,783

Utilities Expense:

6450	Electricity	11,041
6451	Water	8,841
6452	Gas	3,807
6453	Sewer	<u>18,181</u>
6400T	Total Utilities Expenses	41,870

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SUPPLEMENTAL DATA REQUIRED BY HUD - CONTINUED
YEAR ENDED JUNE 30, 2007

Statement of Activities Data - Continued

Operating and Maintenance Expenses:

6510	Payroll	\$	20,711
6515	Supplies		4,340
6520	Contracts		6,405
6525	Garbage and trash removal		5,763
6530	Security contract		22,862
6590	Miscellaneous		<u>9,274</u>
6500T	Total Operating And Maintenance Expenses		69,355

Taxes and Insurance:

6711	Payroll taxes (Project's share)		4,477
6720	Property and liability insurance		-
6723	Health insurance and other employment benefits		9,212
6790	Miscellaneous		<u>3,504</u>
6700T	Total Taxes and Insurance		17,193

Financial Expenses:

6820	Interest on mortgage payable		3,461
6850	Mortgage insurance premium/service charge		<u>-</u>
6800T	Total Financial Expenses		<u>3,461</u>

6000T	Total Cost of Operations Before Depreciation		<u>203,662</u>
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5060T	Change in Net Assets Before Depreciation and Amortization		366,088
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6600	Depreciation		137,640
6610	Amortization		<u>-</u>

5060N	Operating Income		<u>228,448</u>
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3250	Change in Net Assets	\$	<u>228,448</u>
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1000-010	Total mortgage principal payments required during audit year	\$	<u>125,072</u>
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1000-020	Total of 12 monthly deposits in the audit year into the replacement reserve account, as required by the Regulatory Agreement	\$	<u>47,949</u>
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners
State of Hawaii
Hawaii Public Housing Authority
Banyan Street Manor

We were engaged to audit the financial statements of Banyan Street Manor, F.H.A. Project No. 140-35073-LDI-L8, as of and for the year ended June 30, 2007, and have issued our report thereon dated July 10, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Consolidated Audit Guide for Audits of HUD Programs (Guide)*, issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Project's internal control over financial reporting as a basis for designing our auditing procedures for the purposes of expressing our opinion on the financial statements, but not for the purpose for expressing an opinion on the effectiveness of the organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Project's internal control over financial reporting.

Our consideration of the internal control over the financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Project's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of Banyan Street Manor's financial statements that is more than inconsequential will not be prevented or detected by the Project's internal controls. These conditions were considered in determining that the system of financial accounting and reporting in operation for the Project for the year ended June 30, 2007 was inadequate. There were significant failures in the operation of the internal control structure related to general accounting and Project administration. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2007-1 and 2007-2 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Project's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that all of the significant deficiencies described above are material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Project's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including applicable provisions of the Hawaii Public Procurement Code (Chapter 103D of the Hawaii Revised Statutes) and procurement rules, directives, and circulars, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2007-1 and 2007-2. The effects of the instances of noncompliance have not been corrected in the 2007 financial statements of Banyan Street Manor.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and the U.S. Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.

RC Holsinger Associates, P.C.

Honolulu, Hawaii
July 10, 2009

Audit Partner: John Holt
Firm EIN: 23-2939307

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2007

		Questioned Costs
<u>Finding 2007-1</u>	<u>General Ledger, Trial Balance, Accounts, and Files</u>	
Statement of condition:	The Project's accounting system has not been properly maintained.	
Criteria:	Sound internal control procedures and Federal regulations require that the books and records of the Project be adequately maintained on a regular monthly basis.	
Effect of condition:	The financial status of the Project and compliance with HUD requirements could not be verified nor determined.	\$ -
Cause of condition:	Accounting records were inadequately maintained and not reviewed.	
Recommendation:	We recommend the managing agency implements the policy of recording all transactions in accordance with GAAP, produces complete monthly financial statements, and HPHA reviews the statements for accuracy, completeness, and compliance.	
<u>Finding 2007-2</u>	<u>Timely Recording of Section 8 Housing Assistance Payments and Adjustments</u>	
Statement of condition:	The Project is not recording Section 8 Housing Assistance Payments (HAP) payments and adjustments on a timely basis.	
Criteria:	Sound internal control procedures and Federal regulations require that the books and records of the Project be adequately maintained on a regular monthly basis.	
Effect of condition:	Without reliable and timely information, management decisions related to HUD reporting criteria may be compromised.	\$ -
Cause of condition:	Accounting records were inadequately maintained and not reviewed.	
Recommendation:	We recommend the managing agency implements the policy of recording all transactions in accordance with GAAP. Reconciliation of the Housing Assistance accounts should occur on a monthly basis. HPHA needs to review all reconciliations for accuracy, completeness, and compliance.	

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
MANAGEMENT'S CORRECTIVE ACTION PLAN
JUNE 30, 2007

- 2007-1 Owner is providing the FY 2006 account adjustments from the FY 2006 audit to the managing agent to incorporate into the account ledgers. Owner is reviewing accounting policies, procedures, and record keeping requirements with the managing agent and will review monthly statements for accuracy.
- 2007-2 Owner is reviewing accounting policies, procedures, and record keeping requirements with the managing agent and will review monthly statements for accuracy.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO
NON-MAJOR HUD PROGRAMS

To the Board of Commissioners
State of Hawaii
Hawaii Public Housing Authority
Banyan Street Manor

We were engaged to audit the financial statements of Banyan Street Manor, F.H.A. Project No. 140-35073-LDI-L8 (Project), as of and for the year ended June 30, 2007, and have issued our report thereon dated July 10, 2009. In addition, we were engaged to audit the Project's compliance with specific program requirements governing:

- Reporting requirements
- Mortgage status
- Replacement reserves
- Residual receipts
- Security deposits
- Cash receipts and disbursements
- Tenant application, eligibility, and recertification
- Management functions
- Management, maintenance, and reexamination of tenants

that are applicable to each of its non-major HUD programs, for the year ended June 30, 2007. Compliance with those requirements is the responsibility of the Project's management. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Consolidated Audit Guide for Audits of HUD Programs (Guide)*, issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above have occurred. An audit includes examining, on a test basis, evidence about the Project's compliance with those requirements.

The scope of our audit work was limited due to detailed accounting records of the Project were not maintained and certain prior-year records and supporting data were not available. Of the limited testing we were able to perform, the results of our tests disclosed instances of noncompliance with these requirements and are described in the accompanying schedule of findings and questioned costs as items 2007-3 and 2007-4.

Because of the matter described in the preceding paragraph, the scope of our audit work was not sufficient to enable us to express, and we do not express, an opinion on the Project's compliance with the requirements described above that are applicable to each of its non-major HUD programs for the year ended June 30, 2007.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and the U.S. Department of Housing and Urban Development, and is not intended to be and should not be used by anyone other than those specified parties.

RC Holsinger Associates, P.C.

Honolulu, Hawaii
July 10, 2009

Audit Partner: John Holt
Firm EIN: 23-2939307

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35703-LDI-L8)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
NON-MAJOR HUD PROGRAMS
JUNE 30, 2007

<u>Finding 2007-3</u>	<u>Vacancies</u>	<u>Questioned Costs</u>
Statement of condition:	The Project had a high rate of vacant units. The estimated loss of rental income was not calculated nor accounted for.	
Criteria:	The Project's purpose is to provide housing to the disabled, elderly and low income individuals.	
Effect of condition:	The consistent loss of rental revenue and poor cash flow inhibits the Project's ability to meet its daily operating expenses. Housing is not being provided to qualified applicants.	\$ -
Cause of condition	Ineffective monitoring of the Project by HPHA and the managing agent.	
Recommendation:	We recommend HPHA and the managing agent review operational policies and procedures. The status and reason for all vacancies should be communicated to HPHA monthly.	
<u>Finding 2007-4</u>	<u>Completeness of Tenant Files and Documentation for Eligibility for Rental Assistance</u>	
Statement of condition:	Tenant files were incomplete.	
Criteria:	<p>The Project is required to certify and recertify on an annual basis tenant eligibility for rental assistance. The Project is required to have documentation reflecting that the tenant income and household information was verified. The tenant files should be complete with all the required documentation, e.g. model lease agreement, lead-paint disclosure forms, residents rights and responsibility acknowledgment, declaration of citizenship or eligible immigrant status, move-in inspection, annual inspection, house rules disclosures, social security identification verification, etc.</p> <p>The timely recertification of tenants and the submission of the data to HUD affects the Project ability to receive HAP payments. In order to receive HAP payments, the Project needs to maintain 85% occupancy. If the Project is below the occupancy percentage, HAP payments are suspended until 85% occupancy is achieved.</p>	

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35703-LDI-L8)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
NON-MAJOR HUD PROGRAMS - CONTINUED
JUNE 30, 2007

<u>Finding 2007-4</u>	<u>Completeness of Tenant Files and Documentation for Eligibility for Rental Assistance - Continued</u>	<u>Questioned Costs</u>
Effect of condition:	Incomplete tenant files and documentation could result in the tenant being deemed ineligible for rental assistance and the Project would be liable to repay previous rental assistance payments received. Tenants not recertified on a timely basis results in loss of rental assistance for the tenant.	\$ -
Cause of condition:	Tenant files and supporting documentation were inadequately maintained.	
Recommendation:	We recommend the managing agency perform a quality review over tenant files to ensure completeness and HUD compliance.	

BANYAN STREET MANOR
(F.H.A PROJECT NO. 140-35073-LDI-L8)
MANAGEMENT'S CORRECTIVE ACTION PLAN
NON-MAJOR HUD PROGRAMS
JUNE 30, 2007

- 2007-3 Ten units are vacant in anticipation of modernization including addressing roof repairs, hazardous material abatement, and repairs due to localized termite damage.
- 2007-4 Owner will require the managing agent to provide a quality control plan for tenant files, and implement a project monitoring procedure to include a review of tenant file documentation.

BANYAN STREET MANOR
(F.H.A PROJECT NO. 140-35073-LDI-L8)
STATUS OF PRIOR YEAR'S RESPONSE
JUNE 30, 2006

- 2006-1 The Project is under new management. All operating policies and procedures along with the accounting system are being reviewed and improved.
- 2006-2 The Project is under new management. All operating policies and procedures along with the accounting system are being reviewed and improved.
- 2006-3 The Project is under new management. All operating policies and procedures along with the accounting system are being reviewed and improved.
- 2006-4 The Project is under new management. All operating policies and procedures along with the accounting system are being reviewed and improved.
- 2006-5 The Project is under new management. All operating policies and procedures along with the accounting system are being reviewed and improved.
- 2006-6 The Project is under new management. All operating policies and procedures along with the accounting system are being reviewed and improved.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO
FAIR HOUSING AND NON-DISCRIMINATION

To the Board of Commissioners
State of Hawaii
Hawaii Public Housing Authority
Banyan Street Manor

We were engaged to audit the financial statements of Banyan Street Manor, F.H.A. Project No. 140-35073-LDI-L8 (Project), as of and for the year ended June 30, 2007, and have issued our report thereon date July 10, 2009.

We have also applied procedures to test the Project's compliance with the Fair Housing and Non-Discrimination requirements applicable to its HUD programs for the year ended June 30, 2007.

Except as discussed in the following paragraph, our procedures were limited to the applicable compliance requirement described by the *Consolidated Audit Guide for Audits of HUD Programs (Guide)* issued by the U.S. Department of Housing and Urban Development, Office of Inspector General. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Project's compliance with the Fair Housing and Non-Discrimination requirements. Accordingly, we do not express such an opinion.

We were unable to obtain a copy of the Project's Affirmative Fair Housing Marketing Plan from the management company, nor were we able to determine whether policies and procedures for marketing the units were placed in operation. We were unable to satisfy ourselves by alternative procedures as to the Project's compliance with those requirements.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and the U.S. Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.

RC Holsinger Associates, P.C.

Honolulu, Hawaii
July 10, 2009

Audit Partner: John Holt
Firm EIN: 23-2939307

**CERTIFICATES OF OWNER
AND MANAGEMENT AGENTS**



URBAN
REAL ESTATE COMPANY

Banyan Street Manor
F.H.A. Project No. 140-35073-LDI-L9

MANAGEMENT AGENT'S CERTIFICATIONS

We hereby certify that we have examined the accompanying financial statements and supplemental information required by HUD of the Banyan Street Manor (F.H.A. Project No. 140-35073-LDI-L9), and to the best of our knowledge and belief, the same are accurate and complete as of June 30, 2007.

Urban Management Corporation
Harris Zane
Project Manager
Federal Identification No. 99-0144547

7/13/2009
Date

Financial Statements

BANYAN STREET MANOR

JUNE 30, 2008

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
JUNE 30, 2008

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
State of Hawaii
Hawaii Public Housing Authority
Banyan Street Manor

We were engaged to audit the accompanying *Statement of Net Assets* of Banyan Street Manor, F.H.A. Project No. 140-35073-LDI-L8, as of June 30, 2008, and the related *Statement of Activities and Cash Flows* for the year then ended. These financial statements are the responsibility of the Project's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Detailed accounting records have not been maintained and certain prior-year records and supporting data were not available for our audit. Fiscal year ended 2006 proposed audit adjustments were unrecorded and are not reflected in the financial statements presented herein. Therefore, we were not able to satisfy ourselves about the amounts at which assets, liabilities, and equity are recorded in the accompanying balance sheet at June 30, 2008.

Because of the significance of the matters discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the financial statements referred to in the first paragraph.

In accordance with *Government Auditing Standards*, and the *Consolidated Audit Guide for Audits of HUD Programs*, issued by the U.S. Department of Housing and Urban Development, we have also issued reports, dated July 10, 2009, on our consideration of the Project's internal control over financial reporting and on its compliance with specific requirements applicable to Fair Housing and Non-Discrimination and specific requirements applicable to non-major HUD program transactions. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The management's discussion and analysis and the accompanying supplementary information are presented for purposes of additional analysis and are not required parts of the basic financial statements of the Project. Such supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, for the reasons stated in the third paragraph, we do not express an opinion on its relation to the financial statements taken as a whole.

RC Holsinger Associates, P.C.

Honolulu, Hawaii
July 10, 2009

Audit Partner: John Holt
Firm EIN: 23-2939307

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008 AND 2007

This section of the Banyan Street Manor, F.H.A. Project No. 140-35073-LDI-L8 (Project) annual financial report presents management's discussion and analysis of the Project's financial performance during the fiscal years ended June 30, 2008 and 2007. It should be read in conjunction with the Project's financial statements which follow this section.

Financial Highlights

- The Project's total net assets decreased by 3.6% or approximately \$164,497 in 2008 over 2007.
- The Project's rental income decreased by 55% or approximately \$308,301 in 2008 over 2007.
- The Project's general operating and administrative expenses increased by 37% or approximately \$75,776 in 2008 over 2007.

Overview of the Financial Statements

The financial statements consist of four parts: management's discussion and analysis, the financial statements and notes to financial statements, supplemental information and supporting data required by U.S. Department of Housing and Urban Development (HUD), and other reports. Three of these components are described below:

Financial Statements

The financial statements reflect information about the Project and its' use of accounting methods similar to those used by private sector companies. The *Statement of Net Assets* provides short-term and long-term information about the Project's financial position, and reflects the Project's economic condition at the end of the year. All of the current year revenues and expenses are accounted for in the *Statement of Activities* on an accrual basis, i.e., revenues are recognized when earned and expenses are recognized when incurred.

The *Statement of Net Assets* presents all of the Project's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases and decreases in the Project's assets may serve as a useful indicator of whether the financial position of the Project is improving or deteriorating.

The *Statement of Activities* presents information reflecting changes in the Project's net assets during the year.

The *Notes to Financial Statements* explains the information reflected in the financial statements.

Supplemental Information and Supporting Data Required by HUD

The *Supplemental Information and Supporting Data Required by HUD* represents additional information for analytical purposes and provides additional information as reflected in the financial statements.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
JUNE 30, 2008 AND 2007

Overview of the Financial Statements - Continued

Other Reports

Additional reports are as follows:

- Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
- Report on Compliance with Specific Requirements Applicable to Non-Major HUD Programs
- Report on Compliance with Specific Requirements Applicable to Fair Housing and Non-Discrimination

Financial Analysis

As mentioned previously, the *Statement of Net Assets* serves as an indicator of the Project's financial position. The *Statement of Net Assets* includes all of the Project's assets and liabilities, and provides information about the nature and the amounts of investment in resources (assets) and the obligations (liabilities) of the Project.

As of June 30, 2008 and 2007, the Project's net assets were as follows:

<u>ASSETS</u>		
	<u>2008</u>	<u>2007</u>
Assets:		
Current assets	\$ (40,102)	\$ 420,368
Deposits held in trust	9,643	10,409
Restricted deposits and funded reserves	1,979,405	2,441,819
Net capital assets	2,960,573	2,271,442
Other assets	<u>57,484</u>	<u>57,484</u>
Total Assets	<u>\$ 4,967,003</u>	<u>\$ 5,201,522</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Current liabilities	\$ 128,830	\$ 129,592
Long-term liabilities	<u>422,741</u>	<u>492,001</u>
Total Liabilities	<u>551,571</u>	<u>621,593</u>
Net Assets:		
Invested in capital assets, net of debt	2,453,832	1,695,441
Restricted	1,767,874	2,295,246
Unrestricted	<u>193,726</u>	<u>589,242</u>
Total Net Assets	<u>4,415,432</u>	<u>4,579,929</u>
Total Liabilities and Net Assets	<u>\$ 4,967,003</u>	<u>\$ 5,201,522</u>

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
JUNE 30, 2008 AND 2007

Financial Analysis - Continued

Net assets of the Project decreased by 3.6% in 2008 over 2007. Investment in capital assets (i.e., land improvements, building, building equipment, and furnishings), less the related debt used to construct the assets represents a large portion of the Project's net assets; \$2,453,832 or 56% in 2008 and \$1,695,441 or 37% in 2007. Capital assets are used to provide housing to low and moderate income persons. Although the Project's investment in its capital assets is reported net of debt, the resources needed to repay this debt must be provided by other sources, since the capital assets, mainly the building, cannot be used to liquidate these liabilities. Restricted assets consist principally of deposits required under the Regulatory Agreement for the replacement of property and other project expenditures approved by HUD. Restricted assets are held in separate accounts with the mortgagee and are generally not available for operating purposes. The remaining unrestricted assets may be used to finance day to day operations without any constraints established by debt or other legal requirements. The changes in net assets reflect the Project's current year revenues and expenses on an accrual basis of accounting. The changes in net assets for the years ended June 30, 2008 and 2007 are as follows:

	2008	2007
Revenues:		
Rental income	\$ 247,512	\$ 555,813
Financial revenues	-	-
Other revenues	7,822	13,937
Total Revenues	255,334	569,750
Expenses:		
General operating and administrative expenses	279,438	203,662
Depreciation	140,393	137,640
Total Expenses	419,831	341,302
(Decrease) Increase in Net Assets	\$ (164,497)	\$ 228,448

The Project's rental revenues are subject to constraints contained in the Regulatory Agreement and the Project may not increase rents charged to tenant without the prior approval by HUD.

The increase in general operating and administrative expenses from \$203,662 in 2007 to \$279,438 in 2008, represents an increase of \$75,776 or 37%.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
JUNE 30, 2008 AND 2007

Capital Assets and Debt Administration

Capital Assets

The Project's investment in net capital assets amounts to \$2,960,573 and \$2,271,442, net of accumulated depreciation of \$2,668,123 and \$2,527,731 as of June 30, 2008 and 2007, respectively. Capital assets includes land improvements, building, furnishings, and portable building equipment. Building represents 99% in 2008 and 2007. See Note 2 of the Project's financial statements for additional information regarding the Project's capital assets.

The Project's capital assets, net of the accumulated depreciation are as follows:

	<u>2008</u>	<u>2007</u>
Capital Assets, net of accumulated depreciation		
Building	\$ 2,946,608	\$ 2,255,274
Miscellaneous - land improvements	13,366	14,838
Building equipment - portable	634	997
Furnishings	<u>(35)</u>	<u>333</u>
Total Net Capital Assets	<u>\$ 2,960,573</u>	<u>\$ 2,271,442</u>

Debt Administration

As of June 30, 2008 and 2007, the Project had long-term debt of \$506,741 and \$576,001, respectively, which is comprised of a HUD insured mortgage note. See Note 3 of the Project's notes to financial statements for additional information on the mortgage note.

	<u>2008</u>	<u>2007</u>
Mortgage payable - current portion	\$ 84,000	\$ 84,000
Mortgage payable - long-term portion	<u>422,741</u>	<u>492,001</u>
Total Mortgage Payment	<u>\$ 506,741</u>	<u>\$ 576,001</u>

The Project's total debt decreased by \$69,260 in 2008 and increased by \$22,198 in 2007.

Currently Known Facts, Decisions or Conditions

On May 6, 2005, a class action law suit was filed by residents of Wilikina Apartments and Banyan Street Manor against the Housing and Community Development Corporation of Hawaii for failure to update their utility allowances. The First Circuit Court approved the class action Settlement Agreement on July 25, 2007. The funds for the settlement were provided by the state legislature. The Banyan Street Manor's portion of the settlement was \$24,736.

Contacting the HPHA

If you have any questions about this report or need additional financial information, contact Executive Director Chad.K.Taniguichi@hawaii.gov, or call (808) 832-4694.

FINANCIAL STATEMENTS

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
STATEMENT OF NET ASSETS
JUNE 30, 2008

ASSETS

Current Assets:

1120	Cash - operations	\$	(46,416)
1130	Tenant accounts receivable		36,695
1131	Allowance for doubtful accounts		<u>(36,400)</u>
1130N	Net Tenant Accounts Receivable		295
1135	Accounts receivable - HUD		-
1200	Prepaid expenses		<u>6,019</u>
1100T	Total Current Assets		(40,102)

Tenant Deposits Held in Trust:

1191	Tenant deposits held in trust		9,643
------	-------------------------------	--	-------

Restricted Deposits and Funded Reserves:

1310	Escrow deposits		6,503
1320	Replacement reserve		427,697
1340	Residual receipts reserve		<u>1,545,205</u>
1300T	Total Restricted Deposits and Funded Reserves		1,979,405

Capital Assets:

1410	Miscellaneous - land improvements		58,897
1420	Building		5,480,846
1440	Building equipment		77,588
1460	Furnishings		<u>11,365</u>
1400T	Total Capital Assets		5,628,696
1495	Accumulated depreciation		<u>(2,668,123)</u>
1400N	Net Capital Assets		2,960,573

Other Assets:

1520	Deferred financing costs, net		<u>57,484</u>
1500T	Total Other Assets		<u>57,484</u>
1000T	Total Assets		<u>\$ 4,967,003</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
STATEMENT OF NET ASSETS - CONTINUED
JUNE 30, 2008

LIABILITIES

Current Liabilities:

2110	Accounts payable - operations	\$ 35,196
2170	Current portion of mortgage payable	84,000
2191	Tenant deposits held in trust	<u>9,634</u>
2122T	Total Current Liabilities	<u>128,830</u>

Long-term Liabilities:

2320	Mortgage payable	<u>422,741</u>
2300T	Total Long-term Liabilities	<u>422,741</u>
2000T	Total Liabilities	551,571

NET ASSETS

Net Assets:

3131	Unrestricted net assets	193,726
3132	Temporarily restricted net assets	1,767,874
3133	Invested in capital assets, net of related debt	<u>2,453,832</u>
3130	Total Net Assets	<u>4,415,432</u>
2033T	Total Liabilities and Net Assets	<u>\$ 4,967,003</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2008

Revenue:		
5120	Revenue - gross potential	\$ 247,512
5900T	Other revenue	<u>7,822</u>
5000T	Total Revenue	255,334
Expenses:		
6263T	Administrative	99,032
6400T	Utilities	56,718
6500T	Operating and maintenance	73,866
6700T	Taxes and insurance	28,121
6800T	Financial	<u>21,701</u>
6000T	Total Expenses Before Depreciation and Amortization	<u>279,438</u>
	Loss Before Depreciation	(24,104)
6600	Less: Depreciation Expense	<u>140,393</u>
	Change in Net Assets	(164,497)
	Total Nets Assets - Beginning of Year	<u>4,579,929</u>
	Total Nets Assets - End of Year	<u>\$ 4,415,432</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2008

Operating Activities:

S1200-010	Rental receipts	\$	247,512
S1200-030	Other operating receipts		<u>7,822</u>
S1200-040	Total Receipts		255,334
S1200-050	Administrative		47,476
S1200-070	Management fee		16,500
S1200-090	Utilities		56,718
S1200-100	Salaries and wages		35,056
S1200-110	Operating and maintenance		73,866
S1200-150	Miscellaneous taxes and insurance		28,121
S1200-180	Interest on first mortgage		<u>21,701</u>
S1200-230	Total Disbursements		<u>279,438</u>
S1200-240	Net Cash Used in Operating Activities		(24,104)

Investing Activities:

S1200-245	Net deposits to the mortgage escrow account		(1,914)
S1200-250	Net deposits to the reserve for replacement account		(61,026)
S1200-260	Net deposits to the residual receipts account		(332,236)
S1200-330	Net purchase of capital asset		(829,523)
S1200-340	Withdrawal from residual receipts		926,821
S1200-580	Net change in tenant deposits held in trust		<u>20,694</u>
S1200-350	Net Cash Used in Investing Activities		(277,184)

Capital and Related Financing Activities:

S1200-360	Principal payments of capital debt		<u>(159,182)</u>
S1200-460	Net Cash Used in Capital and Related Financing		<u>(159,182)</u>
S1200-470	Net Decrease in Cash		(460,470)
S1200-480	Cash - Beginning of Year		<u>414,054</u>
S1200T	Cash - End of Year	\$	<u><u>(46,416)</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
STATEMENT OF CASH FLOWS - CONTINUED
YEAR ENDED JUNE 30, 2008

Reconciliation of Change in Total Net Assets to Net Cash Used
in Operating Activities:

3250	Change in total net assets from operations	\$ (164,497)
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Adjustments to Reconcile Change in Total Net Assets to Net
Cash Used in Operating Activities:

6600	Depreciation expense	140,393
1200-602	Allowance for doubtful accounts	-

(Increase) Decrease in Certain Asset Accounts:

S1200-490	Tenant accounts receivable	-
S1200-500	Accounts receivable - other	-
S1200-510	Accounts receivable - interest	-

Increase (Decrease) in Certain Liability Accounts:

S1200-540	Accounts payable - operations	-
S1200-560	Accrued liabilities	-
S1200-590	Prepaid revenue	-

Net Cash Used in Operating Activities	<u>\$ (24,104)</u>
---------------------------------------	--------------------

The accompanying Notes to Financial Statements are an integral part of this statement.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1 - HISTORY OF THE PROJECT

Banyan Street Manor (Project) is a low-income residential housing project owned by the Hawaii Public Housing Authority (HPHA). Effective July 1, 2006, the Hawaii State legislature bifurcated the HPHA from the former Housing and Community Development Corporation of Hawaii (HCDCH). The accompanying financial statements are those of the Project and do not represent the financial statements of the HPHA.

Since August 4, 1997, the Project has been operating under the provisions of the U.S. Department of Housing and Urban Development's (HUD) Section 8 Housing Assistance Payment Program and Section 221 (d)(3) Multi-family Rental Housing for Moderate Income Families Program, both of which are the Project's non-major HUD programs. Under these programs the Project provides housing to low and moderate income persons, subject to regulation by HUD as to rental charges and operating methods. Lower rental charges are recovered by the Project through rent subsidies provided by HUD. The Project is located in the Honolulu district and consists of 12 one-bedroom and 43 two-bedroom apartments including a two-bedroom apartment that is being used as the resident manager's lodging.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by the Project are summarized below:

Basis of Accounting - The financial statements of the Project are prepared on the accrual basis of accounting.

Reporting Entity - The HPHA is administratively attached to the State of Hawaii's Department of Human Services. The HPHA's Board of Directors consists of eleven members.

Deferred Costs - Deferred costs represent costs incurred in connection with obtaining the mortgage loan. The deferred costs are amortized on the straight-line method over the 40 year term of the mortgage loan.

Capital Assets - Building, land improvements, equipment and furniture are reflected in the *Statement of Net Assets* at cost. Depreciation is provided for in amounts sufficient to relate the cost of the depreciable assets to operations over the estimated services lives using the straight-line method. Improvements are capitalized, while expenditures for maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the statement of activities. Depreciation expense for the year ended June 30, 2008 was \$140,393. Depreciation expense is computed by the straight-line method over estimated lives from 3 to 40 years, as follows:

	<u>Years</u>
Building	40
Miscellaneous - land improvements	25 - 40
Equipment	4 - 10
Furniture for project/tenant use	3 - 7

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2008

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Use of Estimates - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Rental Income - A significant portion of the Project's rent revenue is received as rental subsidies from HUD. Rental income from leases is recognized under the operating method whereby income is recognized when rent becomes due and expenses, including depreciation, are charged against such revenue as incurred. Generally, rental arrangements with tenants are initially for a one year period. The resident manager is given free rent and a salary for services rendered.

Statement of Cash Flows - For purposes of the Statements of Cash Flows, the Project considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The Project maintains cash and cash equivalents which are insured by the FDIC up to \$100,000.

NOTE 3 - MORTGAGE PAYABLE

The Project entered into a HUD insured mortgage note agreement in October, 1976, in the amount of \$1,727,800 held in First Hawaiian Bank. On June 1, 2003, USGI Inc. (USGI) became the new servicing agent and mortgagee. The mortgage loan bears interest at 7.5% and is collateralized by the rental property. The monthly installments for principal and interest are \$11,370, with a maturity date of January 1, 2018. It is expected that the loan will be paid off by June 2011.

The mortgage payable recorded by the Project is summarized as follows:

Mortgage payable	\$ 506,741
Less: Current portion	<u>84,000</u>
Long-term Portion	<u>\$ 422,741</u>

USGI confirmed mortgage balances which differed from the Project's amounts recorded in the books. According to USGI, the principal balance as of June 30, 2008, was \$340,517 per the mortgage loan amortization schedule.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2008

NOTE 3 - MORTGAGE PAYABLE - Continued

As of June 30, 2008, according to USGI, aggregate principal and interest payments for the next three years are as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	123,279	23,068	146,347
2010	122,176	14,266	136,442
2011	<u>123,279</u>	<u>4,781</u>	<u>128,060</u>
Total Future Loan Payments	<u>\$ 368,734</u>	<u>\$ 42,115</u>	<u>\$ 410,849</u>

On November 20, 1990, HCDCH purchased the Project's building and residual receipts. Of the total residual receipts, amounting to \$571,327, HCDCH paid cash of \$400,000 and executed a non-negotiable, unsecured promissory note payable to the former owner of the Project for the remaining balance of \$171,327. The principal plus interest are accrued at the same rate as the residual receipts funds, which are held by the mortgagee and are due within 45 days of full payment of the mortgage note. The promissory note payable is not reflected on the Project's financial statements as HUD does not consider the payment of this note to be a Project expense. Therefore, the obligation is reflected on HPHA's financial statements.

NOTE 4 - HUD RESTRICTED DEPOSITS

Under the Regulatory Agreement, the Project is required to set aside amounts for the replacement of property and other project expenditures approved by HUD. HUD-restricted replacement reserve and residual receipts funds of \$1,767,874 on June 30, 2008, are held in separate accounts and generally are not available for operating purposes. Use of the replacement reserves and residual receipts is contingent upon HUD's prior written approval.

NOTE 5 - RENT INCREASES

Under the Regulatory Agreement, the Project may not increase rents charged to tenants without the prior approval by HUD. The last approved rent increase was effective August 1, 2003.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2008

NOTE 6 - MANAGEMENT FEE

The Project entered into a one year management agreement with Urban Real Estate Company effective December 1, 2004, and four supplemental contracts ending October 31, 2007 totaling \$237,555. The Project entered into contracts effective November 1, 2007 for 18 months with RL Property/Realty Laua, LLC for a total not to exceed \$427,750. The contract included security, accounting, and maintenance services. For the year ended June 30, 2008, the Project reimbursed the managing agent \$169,197 for management contract services including payroll taxes and insurance benefits.

NOTE 7 - HOUSING ASSISTANCE PAYMENT CONTRACT

The Project receives housing assistance payments in accordance with the HUD contract for qualified tenants, which is mandated under Section 8 of the U.S. Housing and Urban Act of 1937. The Project's current contract extends the housing assistance payments to December 31, 2009.

NOTE 8 - PROPERTY AND LIABILITY INSURANCE

Since HPHA is a component of the State of Hawaii, the Project is covered under the property and liability insurance policy of the State of Hawaii which insures real and personal property in the amount of \$10,000,000.

NOTE 9 - LAND LEASE

The Project entered into a lease agreement which commenced in October 1973, with the City and County of Honolulu for the lease of the land on which the building is situated and all improvements thereon for a term of 55 years. The Project has the option to purchase the fee simple interest in the land at any time after October 5, 1993, for a percentage of the fair market value at the time of purchase. Lease rent, for a nominal amount, has been prepaid for the entire term of the lease.

NOTE 10 - CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATION

The Project's sole asset is a 55-unit apartment project. The Project's operations are concentrated in the multifamily real estate market located in Honolulu, Hawaii. In addition, the Project is a heavily regulated environment. The operations of the Project are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to changes by an act of Congress or administrative changes mandated by HUD.

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2008

NOTE 11 - SUBSEQUENT EVENTS

The Project entered into a new one year management agreement with EAH, Inc. on January 31, 2009 for \$251,470.

On April 15, 2009, a motion for default judgment was granted, to the U.S. Department of Housing and Urban Development against the Hawaii Public Housing Authority (HPHA). HPHA was ordered to pay \$50,000 in civil penalties for failure to submit audited financial reports for the Project for the fiscal years ended June 30, 2006 and 2007.

In 2009, HPHA was named as a defendant in two class action lawsuits, one in State Circuit Court and one in Federal District Court. The lawsuits seek orders to correct numerous shortcomings in living conditions in Kuhio Park Terrace and Kuhio Homes, two HUD Projects. The firm managing these projects is Realty Laua, Inc., which was the same management agent contracted for Banyan Street Manor in November 2007. The outcome of the lawsuits has not been determined at the time of this report. In 2009, Hawaii state lawmakers passed a resolution demanding a management audit of all state public housing projects.

SUPPLEMENTAL INFORMATION
AND SUPPORTING DATA
REQUIRED BY HUD

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SUPPLEMENTAL DATA REQUIRED BY HUD
JUNE 30, 2008

Accounts and Notes Receivable (Other than Tenant)

Accounts and notes receivable - balances were unrecorded as of June 30, 2008.

Tenant Rent Receivable

As of June 30, 2008, tenant rent receivable was \$36,695 and allowance for doubtful accounts of \$36,400 remained unchanged from June 30, 2007. The tenant rent receivable aging is not presented, as it was not maintained nor reconciled.

Tenant Security Deposit

Tenant security deposits are held in a separate bank account in the name of the Project. As of June 30, 2008, the account balance was \$9,643, held in Central Pacific Bank.

Replacement Reserve and Residual Receipts Funds

In accordance with the provisions of the Regulatory Agreement, a reserve fund for replacements and residual receipts are maintained with the mortgagee, USGI. The confirmed amounts for replacement reserves and residual receipts by USGI differ from the amounts recorded by the Project. Disbursements from the funds may be made only with the prior approval of HUD. Disbursements were made from the residual receipts fund during 2008 for mortgage payments and construction improvements. The following is a summary of the funds according to USGI:

	<u>Replacement Reserve</u>	<u>Residual Receipts</u>
Balance, June 30, 2007	\$ 582,092	\$ 1,713,154
Deposits made during the year	61,026	206,850
Return of funds	-	125,387
Interest income	<u>1,524</u>	<u>4,639</u>
Less: Withdrawals	<u>-</u>	<u>926,798</u>
Balance, June 30, 2008, as confirmed by mortgagee	<u>\$ 644,642</u>	<u>\$ 1,123,232</u>

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SUPPLEMENTAL DATA REQUIRED BY HUD - CONTINUED
JUNE 30, 2008

Schedule of Changes in Capital Assets

The following schedule is according to the Project's Capital Assets subledger.

	CHANGES IN CAPITAL ASSETS			
	Balance			Balance
	<u>July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2008</u>
Building	\$ 4,651,323	\$ 829,523	\$ -	\$ 5,480,846
Miscellaneous-land improvement	58,897	-	-	58,897
Building equipment-portable	77,588	-	-	77,588
Furniture	11,365	-	-	11,365
Total Capital Assets	\$ 4,799,173	\$ 829,523	\$ -	\$ 5,628,696

	CHANGES IN ACCUMULATED DEPRECIATION			
	Balance			Balance
	<u>July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2008</u>
Building	\$ 2,396,049	\$ 138,189	\$ -	\$ 2,534,238
Miscellaneous-land improvement	44,059	1,472	-	45,531
Building equipment-portable	76,591	363	-	76,954
Furniture	11,032	368	-	11,400
Total Accumulated Depreciation	\$ 2,527,731	\$ 140,392	\$ -	\$ 2,668,123

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SUPPLEMENTAL DATA REQUIRED BY HUD - CONTINUED
JUNE 30, 2008

Computation of Surplus Cash, Distribution, and Residual Receipts

Compute Surplus Cash:

1300-010	Cash - operations	\$ (46,416)
1135	Accounts receivable - HUD	<u>-</u>
S1300-040	Total cash	(46,416)

Current Obligations:

1300-050	Accrued mortgage interest payable	-
1300-075	Accounts payable - 30 days	35,196
2210	Prepaid revenues	-
2191	Tenant security deposits liability	<u>9,634</u>
S1300-140	Total Current Obligations	<u>44,830</u>
S1300-150	Surplus (deficiency) cash	<u>\$ (91,246)</u>

Compute Distributions to Owners and Required Deposit to Residual Receipts:

1300-210	Deposit due residual receipts	<u>\$ -</u>
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BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SUPPLEMENTAL DATA REQUIRED BY HUD - CONTINUED
YEAR ENDED JUNE 30, 2008

Statement of Activities Data

Rent Revenue:

5120	Rent revenue - gross potential	\$ 152,144
5121	Tenant assistance payments	95,188
5170	Garage and parking spaces	<u>180</u>
5100T	Total Rent Revenue	247,512
5220	Vacancies - apartments	<u>-</u>
5125N	Net Rental Revenue	247,512

Financial Revenue:

5430	Revenue from investments - residual receipts	-
5440	Revenue from investments - replacement reserve	-
5490	Revenue from investments - miscellaneous	<u>-</u>
5400T	Total Financial Revenue	-

Other Revenue:

5910	Laundry and vending	3,792
5920	Tenant charges	266
5990	Miscellaneous	<u>3,764</u>
5900T	Total Other Revenue	<u>7,822</u>
5000T	Total Revenue	255,334

Administrative Expenses:

6310	Office salaries	-
6311	Office expenses	2,259
6320	Management fee	16,500
6330	Manager salary	35,056
6331	Administrative rent free unit	-
6350	Audit	-
6351	Accounting services	42,850
6370	Bad debts	-
6390	Miscellaneous	<u>2,367</u>
6263T	Total Administrative Expenses	99,032

Utilities Expense:

6450	Electricity	14,927
6451	Water	11,945
6452	Gas	4,507
6453	Sewer	<u>25,339</u>
6400T	Total Utilities Expenses	56,718

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SUPPLEMENTAL DATA REQUIRED BY HUD - CONTINUED
YEAR ENDED JUNE 30, 2008

Statement of Activities Data - Continued

Operating and Maintenance Expenses:

6510	Payroll	\$ 22,813
6515	Supplies	1,549
6520	Contracts	6,353
6525	Garbage and trash removal	7,224
6530	Security contract	26,875
6590	Miscellaneous	<u>9,052</u>
6500T	Total Operating And Maintenance Expenses	73,866

Taxes and Insurance:

6711	Payroll taxes (Project's share)	11,541
6720	Property and liability insurance	-
6723	Health insurance and other employment benefits	11,688
6790	Miscellaneous	<u>4,892</u>
6700T	Total Taxes and Insurance	28,121

Financial Expenses:

6820	Interest on mortgage payable	21,701
6850	Mortgage insurance premium/service charge	<u>-</u>
6800T	Total Financial Expenses	<u>21,701</u>
6000T	Total Cost of Operations Before Depreciation	<u>279,438</u>

5060T	Change in Net Assets Before Depreciation and Amortization	(24,104)
6600	Depreciation	140,393
6610	Amortization	<u>-</u>
5060N	Operating Income	<u>(164,497)</u>
3250	Change in Net Assets	<u>\$ (164,497)</u>

1000-010	Total mortgage principal payments required during audit year	<u>\$ 159,182</u>
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1000-020	Total of 12 monthly deposits in the audit year into the replacement reserve account, as required by the Regulatory Agreement	<u>\$ 61,026</u>
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners
State of Hawaii
Hawaii Public Housing Authority
Banyan Street Manor

We were engaged to audit the financial statements of Banyan Street Manor, F.H.A. Project No. 140-35073-LDI-L8, as of and for the year ended June 30, 2008, and have issued our report thereon dated July 10, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Consolidated Audit Guide for Audits of HUD Programs (Guide)*, issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Project's internal control over financial reporting as a basis for designing our auditing procedures for the purposes of expressing our opinion on the financial statements, but not for the purpose for expressing an opinion on the effectiveness of the organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Project's internal control over financial reporting.

Our consideration of the internal control over the financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Project's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there

is more than a remote likelihood that a misstatement of Banyan Street Manors' financial statements that is more than inconsequential will not be prevented or detected by the Project's internal controls. These conditions were considered in determining that the system of financial accounting and reporting in operation for the Project for the year ended June 30, 2008 was inadequate. There were significant failures in the operation of the internal control structure related to general accounting and Project administration. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2008-1 and 2008-2 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Project's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that all of the significant deficiencies described above are material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Project's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including applicable provisions of the Hawaii Public Procurement Code (Chapter 103D of the Hawaii Revised Statutes) and procurement rules, directives, and circulars, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2008-1 and 2008-2. The effects of the instance of noncompliance have not been corrected in the 2008 financial statements of Banyan Street Manor.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and the U.S. Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.

RC Holsinger Associates, P.C.

Honolulu, Hawaii
July 10, 2009

Audit Partner: John Holt
Firm EIN: 23-2939307

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2008

<u>Finding 2008-1</u>	<u>General Ledger, Trial Balance, Accounts, and Files</u>	<u>Questioned Costs</u>
Statement of condition:	The Project's accounting system has not been properly maintained.	
Criteria:	Sound internal control procedures and Federal regulations require that the books and records of the Project be adequately maintained on a regular monthly basis.	
Effect of condition:	The financial status of the Project and compliance with HUD requirements could not be verified nor determined.	\$ -
Cause of condition:	Accounting records were inadequately maintained and not reviewed.	
Recommendation:	We recommend the managing agency implements the policy of recording all transactions in accordance with GAAP, produces complete monthly financial statements, and HPHA reviews the statements for accuracy, completeness, and compliance.	
<u>Finding 2008-2</u>	<u>Timely Recording of Section 8 Housing Assistance Payments and Adjustments</u>	
Statement of condition:	The Project is not recording Section 8 Housing Assistance Payments (HAP) payments and adjustments on a timely basis.	
Criteria:	Sound internal control procedures and Federal regulations require that the books and records of the Project be adequately maintained on a regular monthly basis.	
Effect of condition:	Without reliable and timely information, management decisions related to HUD reporting criteria may be compromised.	\$ -
Cause of condition:	Accounting records were inadequately maintained and not reviewed.	
Recommendation:	We recommend the managing agency implements the policy of recording all transactions in accordance with GAAP. Reconciliation of the Housing Assistance accounts should occur on a monthly basis. HPHA needs to review all reconciliations for accuracy, completeness, and compliance.	

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)
MANAGEMENT'S CORRECTIVE ACTION PLAN
JUNE 30, 2008

- 2008-1 Owner is reviewing accounting policies, procedures, and record keeping requirements with the managing agent and will review monthly statements for accuracy.
- 2008-2 Owner is reviewing accounting policies, procedures, and record keeping requirements with the managing agent and will review monthly statements for accuracy.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO
NON-MAJOR HUD PROGRAMS

To the Board of Commissioners
State of Hawaii
Hawaii Public Housing Authority
Banyan Street Manor

We were engaged to audit the financial statements of Banyan Street Manor, F.H.A. Project No. 140-35073-LDI-L8 (Project), as of and for the year ended June 30, 2008, and have issued our report thereon dated July 10, 2009. In addition, we were engaged to audit the Project's compliance with specific program requirements governing:

- Reporting requirements
- Mortgage status
- Replacement reserves
- Residual receipts
- Security deposits
- Cash receipts and disbursements
- Tenant application, eligibility, and recertification
- Management functions
- Management, maintenance, and reexamination of tenants

that are applicable to each of its non-major HUD programs, for the year ended June 30, 2008. Compliance with those requirements is the responsibility of the Project's management. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Consolidated Audit Guide for Audits of HUD Programs (Guide)*, issued by the U.S. Department of Housing and Urban Development, Office of the Inspector General. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above have occurred. An audit includes examining, on a test basis, evidence about the Project's compliance with those requirements.

The scope of our audit work was limited due to detailed accounting records of the Project were not maintained and certain prior-year records and supporting data were not available. Of the limited testing we were able to perform, the results of our tests disclosed instances of noncompliance with these requirements and are described in the accompanying schedule of findings and questioned costs as items 2008-3 and 2008-4.

Because of the matter described in the preceding paragraph, the scope of our audit work was not sufficient to enable us to express, and we do not express, an opinion on the Project's compliance with the requirements described above that are applicable to each of its non-major HUD programs for the year ended June 30, 2008.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and the U.S. Department of Housing and Urban Development, and is not intended to be and should not be used by anyone other than those specified parties.

RC Holsinger Associates, P.C.

Honolulu, Hawaii
July 10, 2009

Audit Partner: John Holt
Firm EIN: 23-2939307

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35703-LDI-L8)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
NON-MAJOR HUD PROGRAMS
JUNE 30, 2008

<u>Finding 2008-3</u>	<u>Vacancies</u>	<u>Questioned Costs</u>
Statement of condition:	The Project had a high rate of vacant units. The estimated loss of rental income was not calculated nor accounted for.	
Criteria:	The Project's purpose is to provide housing to the disabled, elderly and low income individuals.	
Effect of condition:	The consistent loss of rental revenue and poor cash flow inhibits the Project's ability to meet its daily operating expenses. Housing is not being provided to qualified applicants.	\$ -
Cause of condition	Ineffective monitoring of the Project by HPHA and the managing agent.	
Recommendation:	We recommend HPHA and the managing agent review operational policies and procedures. The status and reason for all vacancies should be communicated to HPHA monthly.	
<u>Finding 2008-4</u>	<u>Completeness of Tenant Files and Documentation for Eligibility for Rental Assistance</u>	
Statement of condition:	Tenant files were incomplete.	
Criteria:	The Project is required to certify and recertify on an annual basis tenant eligibility for rental assistance. The Project is required to have documentation reflecting that the tenant income and household information was verified. The tenant files should be complete with for all the required documentation, e.g. model lease agreement, lead-paint disclosure forms, residents rights and responsibility acknowledgment, declaration of citizenship or eligible immigrant status, move-in inspection, annual inspection, house rules disclosures, social security identification verification, etc.	
	The timely recertification of tenants and the submission of the data to HUD affects the Project ability to receive HAP payments. In order to receive HAP payments, the Project needs to maintain 85% occupancy. If the Project is below the occupancy percentage, HAP payments are suspended until 85% occupancy is achieved.	

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35703-LDI-L8)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
NON-MAJOR HUD PROGRAMS - CONTINUED
JUNE 30, 2008

<u>Finding 2008-4</u>	<u>Completeness of Tenant Files and Documentation for Eligibility for Rental Assistance - Continued</u>	<u>Questioned Costs</u>
Effect of condition:	Incomplete tenant files and documentation could result in the tenant being deemed ineligible for rental assistance and the Project would be liable to repay previous rental assistance payments received. Tenants not recertified on a timely basis results in loss of rental assistance for the tenant.	\$ -
Cause of condition:	Tenant files and supporting documentation were inadequately maintained.	
Recommendation:	We recommend the managing agency perform a quality review over tenant files to ensure completeness and HUD compliance.	

BANYAN STREET MANOR
(F.H.A PROJECT NO. 140-35073-LDI-L8)
MANAGEMENT'S CORRECTIVE ACTION PLAN
NON-MAJOR HUD PROGRAMS
JUNE 30, 2008

- 2008-3 Ten units are vacant for modernization including roof repairs, hazardous material abatement, and repairs due to localized termite infestation.
- 2008-4 Owner will require the managing agent to provide a quality control plan for tenant files, and implement a project monitoring procedure to include a review of tenant file documentation.

BANYAN STREET MANOR
(F.H.A PROJECT NO. 140-35073-LDI-L8)
STATUS OF PRIOR YEAR'S RESPONSE
JUNE 30, 2007

- 2007-1 The Project is under new management. All operating policies and procedures along with the accounting system are being reviewed and improved.
- 2007-2 The Project is under new management. All operating policies and procedures along with the accounting system are being reviewed and improved.
- 2007-3 The Project is under new management. All operating policies and procedures along with the accounting system are being reviewed and improved.
- 2007-4 The Project is under new management. All operating policies and procedures along with the accounting system are being reviewed and improved.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO
FAIR HOUSING AND NON-DISCRIMINATION

To the Board of Commissioners
State of Hawaii
Hawaii Public Housing Authority
Banyan Street Manor

We were engaged to audit the financial statements of Banyan Street Manor, F.H.A. Project No. 140-35073-LDI-L8 (Project), as of and for the year ended June 30, 2008, and have issued our report thereon date July 10, 2009.

We have also applied procedures to test the Project's compliance with the Fair Housing and Non-Discrimination requirements applicable to its HUD programs for the year ended June 30, 2008.

Except as discussed in the following paragraph, our procedures were limited to the applicable compliance requirement described by the *Consolidated Audit Guide for Audits of HUD Programs (Guide)* issued by the U.S. Department of Housing and Urban Development, Office of Inspector General. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Project's compliance with the Fair Housing and Non-Discrimination requirements. Accordingly, we do not express such an opinion.

We were unable to obtain a copy of the Project's Affirmative Fair Housing Marketing Plan from the management company, nor were we able to determine whether policies and procedures for marketing the units were placed in operation. We were unable to satisfy ourselves by alternative procedures as to the Project's compliance with those requirements.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and the U.S. Department of Housing and Urban Development and is not intended to be and should not be used by anyone other than these specified parties.

RC Holsinger Associates, P.C.

Honolulu, Hawaii
July 10, 2009

Audit Partner: John Holt
Firm EIN: 23-2939307

**CERTIFICATES OF OWNER
AND MANAGEMENT AGENTS**

LINDA LINGLE
GOVERNOR



CHAD K. TANIGUCHI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
Honolulu, Hawaii 96817

IN REPLY PLEASE REFER TO:
09:PM/129

July 13, 2009

Banyan Street Manor
F.H.A. Project No. : 140-35073-LDI-L8

CERTIFICATE OF OWNER

I hereby certify that I have examined the accompanying financial statements and supplemental information required by HUD of the Banyan Street Manor, F.H.A. Project No. 140-35073-LDI-L8 for fiscal year ending June 30, 2008 and, to the best of my knowledge and belief, the same is complete and accurate.

State of Hawaii
Hawaii Public Housing Authority
EIN: 99-0334987

A handwritten signature in black ink, appearing to read "Chad K. Taniguchi".

Chad K. Taniguchi
Executive Director

JUL 16 2009

Date



URBAN
REAL ESTATE COMPANY

Banyan Street Manor
F.H.A. Project No. 140-35073-LDI-L9

MANAGEMENT AGENT'S CERTIFICATIONS

We hereby certify that we have examined the accompanying financial statements and supplemental information required by HUD of the Banyan Street Manor (F.H.A. Project No. 140-35073-LDI-L9), and to the best of our knowledge and belief, the same are accurate and complete as of June 30, 2008.

Urban Management Corporation
Harris Zane
Project Manager
Federal Identification No. 99-0144547

7/13/2009
Date

REALTY LAUA LLC

BANYAN STREET MANOR
(F.H.A. PROJECT NO. 140-35073-LDI-L8)

MANAGEMENT AGENT'S CERTIFICATE

We hereby certify that we have examined the accompanying financial statements and supplemental information required by HUD of the Banyan Street Manor, (F.H.A. Project No. 140-35073-LDI-L8) and to the best of our knowledge and belief, the same are complete and accurate as of June 30, 2008.


Signature of Management Agent's Representative

MANAGEMENT AGENT EIN: 26-0589174

1515 DILLINGHAM BLVD., STE. 215
HONOLULU, HAWAII 96817
PHONE: (808) 851-7155 FAX: (808) 851-7156

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

	Jun-09				Year to Date 6/30/2009				Total Year Budget
	Budget	Actual	Actual vs Budget	%	Budget	Actual	Actual vs Budget	%	
FEDERAL LOW RENT PROGRAM									
(Full Accrual)									
Rental Program	1,412,527	1,429,491	16,964	101%	16,950,324	16,881,702	(68,622)	100%	16,950,324
State and Federal Subsidy	1,614,756	2,731,953	1,117,197	169%	19,384,026	21,677,076	2,293,050	112%	19,377,072
Other Revenue	36,705	36,378	(327)	99%	433,506	514,171	80,665	119%	440,460
Expenses	3,192,147	3,291,436	(99,289)	103%	38,305,764	35,667,449	2,638,315	93%	38,305,764
NET CHANGE	(128,159)	906,386	1,034,545	-707%	(1,537,908)	3,405,500	4,943,408	-221%	(1,537,908)
STATE FAMILY PROGRAM									
(Full Accrual)									
Rental Program	65,981	61,633	(4,348)	93%	791,772	886,920	95,148	112%	791,772
State Subsidy	0	(0)	(0)		0	602,985	602,985		0
Other Revenue	190	24,147	23,957	12709%	2,280	91,529	89,249	4014%	2,280
Expenses	201,664	(76,381)	278,045	-38%	2,402,448	1,658,011	744,437	69%	2,402,448
NET CHANGE	(135,493)	162,160	297,653	-120%	(1,608,396)	(76,578)	1,531,818	5%	(1,608,396)
STATE ELDERLY PROGRAM									
(Full Accrual)									
Rental Program	156,034	161,815	5,781	104%	1,872,408	1,934,175	61,767	103%	1,872,408
State Subsidy	0	0	0		0	597,014	597,014		0
Other Revenue	0	24,263	24,263		0	101,960	101,960		0
Expenses	200,619	(443,959)	644,578	-221%	2,407,428	2,434,663	(27,235)	101%	2,407,428
NET CHANGE	(44,585)	630,037	674,622	-1413%	(535,020)	198,486	733,506	-37%	(535,020)
CENTRAL OFFICE COST CENTER									
(Full Accrual)									
Other Revenue (Fees)	483,019	1,092,052	609,033	226%	5,794,733	9,056,051	3,261,318	156%	5,794,733
Expenses	559,383	774,469	(215,086)	138%	6,260,548	7,775,314	(1,514,766)	124%	6,260,548
NET CHANGE	(76,364)	317,583	393,947	-416%	(465,815)	1,280,737	1,746,552	-275%	(465,815)
SECTION 8 HOUSING CHOICE VOUCHER									
(Modified Accrual)									
Restricted: for tenant rents only									
Revenues: HUD PHA HSP (Sect8)	1,231,663	1,301,017	69,354	106%	19,639,124	18,350,478	(1,288,646)	93%	19,639,124
Revenues: VASH HSP (Veterans)	455,547	71,115	(384,432)	16%	607,396	732,341	124,945	121%	607,396
Expenses	1,687,210	1,721,089	(33,879)	102%	20,246,520	18,500,241	1,746,279	91%	20,246,520
NET CHANGE *	-	(348,957)	(348,957)		-	582,578	582,578		0
Unrestricted: staff/admin costs									
Revenues: Admin Fees/Others	188,135	177,518	(10,617)	94%	2,257,620	1,502,462	(755,158)	67%	2,257,620
Expenses	211,904	35,427	176,477	17%	2,542,848	1,840,388	702,460	72%	2,542,848
NET CHANGE	(23,769)	142,091	165,860	-598%	(285,228)	(337,926)	(52,698)	118%	(285,228)
SECTION 8 PROJECT BASED PROGRAM									
(Modified Accrual)									
Restricted: for tenant rents only									
Revenues	1,499,988	1,894,329	394,341	126%	17,999,928	22,021,594	4,021,666	122%	17,999,928
Expenses	1,499,988	1,894,329	(394,341)	126%	17,999,928	22,021,594	(4,021,666)	122%	17,999,928
NET CHANGE *	-	-	0		-	-	-		0
Unrestricted Administration									
Revenues	131,441	532,735	401,294	405%	1,577,292	1,562,099	(15,193)	99%	1,577,292
Expenses	121,687	603,541	481,854	496%	1,460,244	1,445,892	14,352	99%	1,460,244
NET CHANGE	9,754	(70,806)	883,148	-726%	117,048	116,207	(841)	99%	117,048
STATE RENT SUPPLEMENT									
(Modified Accrual)									
Revenue	98,794	0	(98,794)	0%	1,185,528	1,233,027	47,499	104%	1,185,528
Expenses	103,768	90,312	13,456	87%	1,245,216	1,214,592	30,624	98%	1,245,216
NET CHANGE	(4,974)	(90,312)	(85,338)	1816%	(59,688)	18,435	78,123	-31%	(59,688)
HOMELESS PROGRAMS									
(Modified Accrual)									
State and Federal Subsidy	0	1,023,785	1,023,785		21,818,004	15,741,881	(6,076,123)	72%	21,818,004
Other Revenue	1,919,322	362,510	(1,556,812)	19%	1,213,860	1,919,718	705,858	158%	1,213,860
Expenses	1,906,496	2,797,972	(891,476)	147%	22,877,952	20,183,382	2,694,570	88%	22,877,952
NET CHANGE	12,826	(1,411,677)	(1,424,503)	-11006%	153,912	(2,521,783)	(2,675,695)	-1638%	153,912
SUBTOTAL OPERATIONS *	(351,758)	236,504	588,262	-67%	(4,221,095)	2,083,077	6,886,750	-63%	(4,221,095)
CAPITAL FUND									
State and Federal Subsidy	4,606,353	0	(4,606,353)	0%	55,276,236	47,433,767	(7,842,469)	86%	55,276,236
Expenses	4,606,353	2,333,146	2,273,207	51%	55,276,236	24,268,890	31,007,346	44%	55,276,236
NET CHANGE *	0	(2,333,146)	(2,333,146)		0	23,164,877	23,164,877		0
GRAND TOTAL AGENCY	(351,758)	(2,096,642)	(1,744,884)	596%	(4,221,095)	25,830,532	30,051,627	-612%	(4,221,095)

Property Management and Maintenance Services Branch
Report for the Month Ended July 31, 2009

GOAL: **Fix** units, **Fill** units (95% occupancy) and **Collect** rent (collect 97%).

A. Fix Units

See attachment, #1 - July 2009 current Unit Turnover Report, #2 – Fiscal Year 2008-2009 Unit Turnover Report, and #3 Vacancy Overtime.

B. Fill Units

See chart below for the percent of units occupied for state properties and federal AMPs.

State Occupancy Report:

Island	Total Available Units	Total Occupied Units	Occupancy Ratio
2201-Hauiki	46	44	95.65%
2202-Puahala Homes	128	109	85.16%
2204-Kawailehua	26	25	96.15%
2205-Kahale Mua	32	29	90.63%
2206-Lokahi	30	14	46.67%
2207-Ke Kumu Elua	26	10	38.46%
2401-Hale Po'ai	206	205	99.51%
2402-La'iola	108	107	99.07%
2403-Kamalu-Ho'olulu	221	218	98.64%
2404-Halia Hale	41	40	97.56%
Total	864	801	92.71%

Puahala Homes 85.16% - 15 units being used by Homeless, 3 are rent ready, 1 resident association.

Lokahi 46.67% - Property being renovated, contract awarded, pre-construction meeting 8/25/09.

Ke Kumu Elua 38.46% - 1 unit is now occupied, 3 units rent ready, 10 units need paint only, 2 units need repairs and paint.

Federal Occupancy Report:

AMP	Total Available Units	Total Occupied Units	Occupancy Ratio
30P-Aiea	362	360	99.45%
31P-KVH	372	324	87.10%
32P-MWH	363	353	97.25%
33P-Kam/Kaamanu	371	370	99.73%
34P-Kalakaua	581	556	95.70%
35P-Kalanihuaia	585	550	94.02%
37P-Hilo	301	271	90.03%
38P-Kauai	319	307	96.24%
39P-Maui	196	134	68.37%
40P-KPT	740	700	94.59%
43P-Kona	200	192	96.00%
44P-Leeward Oahu	258	216	83.72%
45P-Windward Oahu	225	222	98.67%
46P-Kamuella	101	86	85.15%
49P-Central Oahu	150	134	89.33%
50P-Palolo	114	107	93.86%
Total	5,238	4,882	93.20%

AMP 32 KVH – 22 units are PHASE 4 modernization, 2 roof leaks – CMS, 8 rent ready, 16 are under repair.

AMP 39 Maui – 55 units, under repair by contractor, asbestos abatement and demolition started at the end of July 2009, 2 units are rent ready and 5 are under repair by AMP.

AMP 44 Leeward – 2 units filled, 5 units available, 14 units under repair, 13 CMS units including 4 fire units, 8 units being repaired by CM.

AMP 46 Kamuela – 6 vacants due to renovation, 5 referred to CMS, 2 rent ready, 1 waiting for appliances, 1 already moved into.

The current applications pool consists of 161 families (6 are on more than 1 waitlist) to ensure ready vacant units are filled within 48 hours. It is currently taking 13 days to lease up the vacant units.

C. Collection of Rent:

Collections for the month of July 2009 for federal and state properties:

Federal AMPs July 2009 Collections:

AMP	Collection Rate		
	Charges	Collected	Ratio
30P-Aiea	\$ 149,064.00	143,280.16	96.12%
31P-KVH	\$ 96,026.00	91,280.04	95.06%
32P-MWH	\$ 105,430.71	109,358.02	103.73%
33P-Kam/Kaamanu	\$ 96,908.73	103,250.53	106.54%
34P-Kalakaua	\$ 127,241.45	141,736.52	111.39%
35P-Kalanihiua	\$ 137,709.64	148,903.88	108.13%
37P-Hilo	\$ 55,817.50	67,521.44	120.97%
38P-Kauai	\$ 72,695.00	83,795.34	115.27%
39P-Maui	\$ 46,854.00	46,508.59	99.26%
40P-KPT	\$ 259,233.00	255,579.68	98.59%
43P-Kona	\$ 40,385.00	40,866.00	101.19%
44P-Leeward Oahu	\$ 48,169.00	46,122.36	95.75%
45P-Windward Oahu	\$ 73,517.00	75,060.60	102.10%
46P-Kamuela	\$ 16,234.00	16,442.07	101.28%
49P-Central Oahu	\$ 42,897.00	45,026.12	104.96%
50P-Paloalo	\$ 23,790.00	24,149.18	101.51%
	\$ 1,391,972.03	\$ 1,438,880.53	103.37%

State Properties June 2009 Rent Collections:

Island	Collection Rate		
	Charges	Collected	Ratio
2201-Hauiki	\$ 19,839.00	19,201.60	96.79%
2202-Puahala Homes	\$ 41,839.00	41,675.51	99.61%
2204-Kawailehua	\$ 6,755.00	5,955.63	88.17%
2205-Kahale Mua	\$ 4,806.00	5,626.00	117.06%
2206-Lokahi	\$ 6,482.00	6,881.00	106.16%
2207-Ke Kumu Elua	\$ 2,253.00	3,245.00	144.03%
2401-Hale Po'ai	\$ 57,188.00	70,803.00	123.81%
2402-La'iola	\$ 33,869.00	37,492.00	110.70%
2403-Kamalu-Ho'olulu	\$ 61,756.00	69,645.00	112.77%
2404-Halia Hale	\$ 11,973.00	13,449.00	112.33%
Total	\$ 246,760.00	\$ 273,973.74	111.03%

	# of Families Processed for Eviction
Jul-09	25
June-09	35
May-09	11
April-09	34
March-09	36

D. Goals

- Implement New Uniform House Rules
- Implement Tenant Monitor Program
- Update Maintenance Charge List
- Update Maintenance Labor Rate
- Update Property Management Manual
- Implement general ledger reporting requirements

E. Updates from previous Board Meetings:

1. Request for Reason Maui Rent Collection was low:

During the last fiscal year the Maui office had several vacant office positions. For a majority of the time the Manager ran the office alone. Although there were staffing issues management continued to complete day to day activities, Annual Unit Inspections, monthly reports for the agency and HUD, applications and new tenant placement, resolution of problems of the project, coordination. PMMSB assisted the Maui AMP by sending Charlene Nakamoto (Oahu based staff) to perform annual recertifications over a period of 7 months. Ione Godsey, AMP 39 Manager, was able to submit 13 files to the Hearings Office for Eviction Action during fiscal year 2008-2009. Of the 13 referrals:

- 3 Evicted
- 3 Vacated prior to being heard for Eviction
- 2 Conditions (resident given last chance agreement)
- 5 Pending summary of findings

As of 7/21/09: TARS (tenant accounts receivables):	\$57,232.33
Less referred for Eviction:	<u>\$41,270.38</u>
	\$15,961.95
* Less	<u>\$12,303.22</u>
Total outstanding:	\$ 3,658.73

*There are 3 families who are in the process of being referred for Eviction and 1 family who needs to be vacated as expired.

I believe that Ms. Ione Godsey has been doing a spectacular job. She has a very good attitude and work ethic. Ms. Godsey has put in more than 40 hours per week, coming in on weekends unpaid, cleaned vacant units to place applicants and cut overgrown grass to make the properties presentable.

2. Occupancy Overtime

Please see attached charts for July 2009, fiscal year 2008-2009 and the Occupancy Overtime report from 2005-now.

3. Request for Resident Participation Funds – HPHA Budget

The percentage of the \$10 received by HPHA for resident participation has been placed into the AMP budgets as requested under Asset Management rules. PMMSB will coordinate training and ask AMPs to fund a portion of the resident participation funds for the training. It should be noted that the resident participation fund add on is also subject to proration.

4. AMP Meeting Schedule

Please see attached AMP Community Meeting schedule.

In addition to the scheduled AMP meetings the site Managers will be conducting their own meetings as follows:

AMP	Meeting Date	Meeting Date
30	November 23, 2009	January 19, 2010
31	November 25, 2009	January 13, 2010
32	November 17, 2009	January 20, 2010
33	November 18, 2009	January 21, 2010
34	November 24, 2009	April 13, 2010
37	November 23, 2009	April 13, 2010
40	July 29, 2009	August 31, 2009
	September 28, 2009	November 30, 2009
	December 30, 2009	
42		
Kamalu-Hoolulu	November 20, 2009	May 14, 2010
Laiola Elderly	June 17, 2009	January 13, 2010
Halia Hale	November 17, 2009	May 11, 2010
Hale Poai	August 5, 2009	November 11, 2009
43		
Kaimalino	September 24, 2009	April 29, 2010
Hale Hookipa	September 10, 2009	April 15, 2010
Ka Hale Kahaluu	September 10, 2009	April 22, 2010
Nani Olu	September 10, 2009	April 15, 2010
Kealakehe	September 17, 2009	April 22, 2010
AMP	Meeting Date	Meeting Date
45	September 9, 2009	January 6, 2010
49		
Wahiawa Terrace	August 19, 2009	
Kauhale Nani	September 16, 2009	
50	September 16, 2009	April 14, 2010

F. Property Sales

1. Sale of Wilikina Apartments: Requested second final offer from the three organizations who were finalists. A recommendation should be received in September.
2. Sale of Banyan Street Manor: Letter of Intent reviewed by AG's office and forwarded to consultant for transmittal to buyer. Buyer is reviewing.
3. Sale of Hana vacant parcel: No new offers.

**STATE and FEDERAL UNIT TURNOVER REPORT
Fiscal Year 2009-2010
July 2009**

GRAND TOTAL OF UNITS VACANT IN FY 2009-10	TOTAL REPAIRED AND OCCUPIED	TOTAL READY MOVE IN	TOTAL TO BE REPAIRED
452	83	61	308

Vacant Units	Current Vacant Units	Placements July, 2009	Rent Ready Units	Units Under Repair	Repair Aug-09	Repair Sep-09	Repair Oct-09	Future CMS	Future AMP
30P-Aiea	2	0	1	1	1	0	0	0	0
31P-KVH	48	24	8	40	4	5	5	23	3
32P-MWH	10	2	3	7	2	0	0	5	0
33P-Kamehameha/Kaahumanu	1	1	1	0	0	0	0	0	0
34P-Kalakaua	25	3	1	24	3	4	4	13	0
35P-Kalanihiuia	32	1	9	23	8	8	5	0	2
37P-Hilo	21	12	6	15	2	3	0	10	0
38P-Kauai	11	1	3	8	2	0	0	6	0
39P-Maui	63	1	2	61	4	4	4	47	2
40P-KPT	36	11	2	34	5	3	2	24	0
43P-Kona	7	1	3	4	1	0	0	3	0
44P-Leeward Oahu	37	2	6	31	5	5	5	11	5
45P-Windward Oahu	0	0	0	0	0	0	0	0	0
46P-Kamuela	15	1	8	7	1	1	0	5	0
49P-Central Oahu	15	1	1	14	2	1	0	11	0
50P-Palolo	5	0	0	5	0	0	5	0	0
State Family	40	12	6	34	0	4	2	26	2
State Elderly	1	10	1	0	0	0	0	0	0
Total	369	83	61	308	40	38	32	184	14

CMS	Units to be Repaired	Month & Year of Repair
30P-Aiea	0	
31P-KVH	23	
32P-MWH	5	
33P-Kamehameha/Kaahumanu	0	
34P-Kalakaua	13	
35P-Kalanihiuia	0	
37P-Hilo	10	
38P-Kauai	6	
39P-Maui	47	
40P-KPT	24	
43P-Kona	3	
44P-Leeward Oahu	11	
45P-Windward Oahu	0	
46P-Kamuela	5	
49P-Central Oahu	11	
50P-Palolo	0	
State Family	26	
State Elderly	0	
Total	184	

FISCAL YEAR 2008-2009 UNIT TURNOVER REPORT AS OF 6/30/09

GRAND TOTAL OF UNITS VACANT IN FY 2008-09	TOTAL REPAIRED AND OCCUPIED	TOTAL READY MOVE IN	TOTAL TO BE REPAIRED
1257	892	85	280

Vacant Units 7/1/08 -
6/30/09

	Units Vacated > 7/08	Units Occupied > 7/08:	Rent Ready Units	Units Under Repair	Repair July-09	Repair Aug-09	Repair Sep-09	Future CMS	Future AMP
30P-Aiea	46	46	0	0					
31P-KVH	41	27	0	14	2	3	9		
32P-MWH	31	25	0	6	5			1	
33P-Kamehameha/Kaahum	18	17	0	1	1				
34P-Kalakaua	36	27	2	7		3			4
35P-Kalanihiua	71	44	6	21	9	9	3		
37P-Hilo	57	27	10	20	3			17	
38P-Kauai	35	28	2	5	1	1	2	1	
39P-Maui	45	9	1	35	4	1	3	27	
40P-KPT	81	67	6	8		4		4	
43P-Kona	30	28	0	2	1			1	
44P-Leeward Oahu	40	16	9	15	5	5	2	3	
45P-Windward Oahu	17	16	1	0					
46P-Kamuela	11	2	6	3	1	1		1	
49P-Central Oahu	28	18	1	9		1		8	
50P-Palolo	4	0	0	4					4
State Family	27	16	3	8	1	1	1	5	
State Elderly	81	80	0	1	1				
Total	699	493	47	159	34	29	20	68	8

Vacant Units Prior to
7/1/08

	Units Vacated < 7/08	Units Occupied 7/08:	Ready Units	Units Under Repair	Repair June-09		Future Repairs CMS		
30P-Aiea	4	4	0	0					
31P-KVH	80	35	24	21			21		
32P-MWH	12	7	0	5	1		4		
33P-Kamehameha/Kaahum	16	16	0	0					
34P-Kalakaua	21	8	0	13			13		
35P-Kalanihiua	77	74	3	0					
37P-Hilo	42	40	1	1			1		
38P-Kauai	21	17	0	4			4		
39P-Maui	57	37	0	20			20		
40P-KPT	30	10	0	20			20		
43P-Kona	41	39	0	2		1	1		
44P-Leeward Oahu	39	20	6	13			2	11	
45P-Windward Oahu	21	21	0	0					
46P-Kamuela	20	13	3	4		1	1	2	
49P-Central Oahu	11	7	1	3				3	
50P-Palolo	3	2	0	1				1	
State Family	40	26	0	14				14	
State Elderly	23	23	0	0					
Total	558	399	38	121	1	2	3	115	0
Grand Total	1,257	892	85	280	35	31	23	183	8

CMS Units to be Repaired Month & Year of Repair

30P-Aiea	
31P-KVH	21
32P-MWH	5
33P-Kamehameha/Kaahumanu	0
34P-Kalakaua	13
35P-Kalanihiua	0
37P-Hilo	18
38P-Kauai	5
39P-Maui	47
40P-KPT	24
43P-Kona	2
44P-Leeward Oahu	14
45P-Windward Oahu	0
46P-Kamuela	3
49P-Central Oahu	11
50P-Palolo	1
State Family	19
State Elderly	0
TOTAL CMS:	183

Occupancy History - Fiscal Year 2005 to Now

Please notice that:

- 1) Occupancy is the count of Units with status = "ANTI-DRUG", "AREA OFFICE USE", "LAW AND REGULATIONS", "HOMEOWNERSHIP", "OCCUPIED", "OCCUPIED BY EMPLOYEE", "UNIT_ENTRY", "PUBLIC SAFETY", "RESIDENT ASSOCIATION" and
- 2) Vacancy is the count of Units with status = "AVAILABLE", "CAPITAL FUND", "CAPTIAL FUND", "CMS", "DEMOLISHED", "DEMOLITION", "MAINT. HOLD", "ON SCHEDULED MOD", "SCHED. FOR DEMO" and "TEAM"

8/3/2009

	Total Units	<u>FY05</u>		<u>FY06</u>		<u>FY07</u>		<u>FY08</u>		<u>FY09</u>		<u>Now</u>	
		<u>VAC</u>	<u>OCC</u>	<u>VAC</u>	<u>OCC</u>								
HI001000030	363	43	348	38	333	32	336	19	350	23	346	19	345
HI001000031	372	159	254	181	221	160	239	135	261	105	289	70	307
HI001000032	364	29	345	30	344	37	340	25	345	23	349	25	346
HI001000033	373	33	355	38	348	38	349	29	351	32	349	24	362
HI001000034	581	50	506	51	507	55	507	49	516	45	518	45	518
HI001000035	587	59	548	54	549	65	544	61	535	89	517	38	560
HI001000037	361	110	266	143	258	129	273	112	272	122	273	120	244
HI001000038	321	9	358	11	340	19	333	9	338	24	322	9	328
HI001000039	195	53	168	79	143	67	152	59	159	77	133	85	133
HI001000040	747	117	643	76	647	120	628	60	694	63	697	82	690
HI001000043	202	54	150	69	142	77	138	93	123	42	154	27	190
HI001000044	260	146	122	63	213	47	227	45	233	63	220	59	217
HI001000045	225	48	191	56	184	58	185	54	189	51	195	31	215
HI001000046	103	21	80	17	86	21	78	13	86	23	78	14	83
HI001000049	151	27	130	35	124	43	120	37	126	25	139	25	135
HI001000050	118	4	102	3	104	3	106	3	109	2	111	0	109
Total	5,323	962	4,566	944	4,543	971	4,555	803	4,687	809	4,690	673	4,782

Hawaii Public Housing Authority
Resident Community Meetings Schedule (August to November 2009)
Schedule is subject to change
6:00 to 7:30 pm (unless noted otherwise)

AMP	Date	Notes
30 (Puuwai Momi)	8/19/09 W	
31 (Kalihi Valley)	8/26/09 W	
32 (Mayor Wright Housing)	9/2/09 W	
33 (Kamehameha)	9/9/09 W	
34 (Kalakaua)	9/14/09 M	
35 (Kalanihulia)	9/24/09 Th	Meeting time: 3:00 to 4:30
37 (Hilo)	9/29/09 Tue	
38 (Kauai)	10/7/09 W	Kekaha – 12:00 & Koloa 3:30
39 (Maui)	10/14/09 W	
40 (Kuhio Park Terrace)	10/21/09 W	
43 (Kona)	10/1/09 Th	
44 (Waianae)	10/28/09 W	
45 (Windward)	11/4/09 W	
46 (Kamuela)	9/30/09 W	
49 (Wahiawa)	11/18/09 W	
50 (Palolo)	11/23/09 M	

Contact Elena.S.Murayama@hawaii.gov
Phone: 808 832 4696

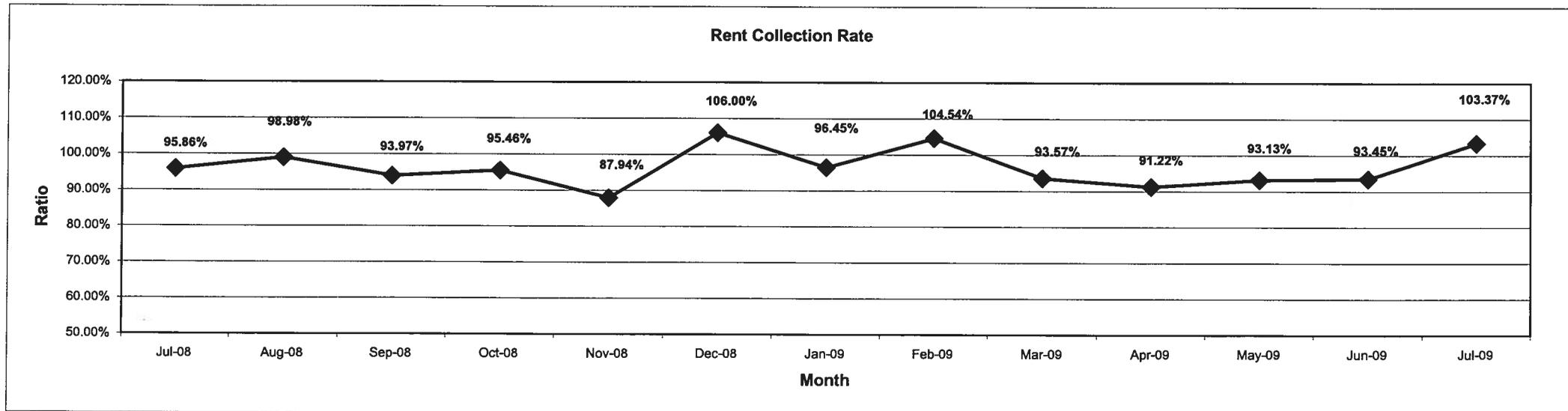
FEDERAL PUBLIC HOUSING

Rent Collection from 07/01/2008 to 7/31/2009

	Jul-08			Aug-08			Sep-08			Oct-08			Nov-08			Dec-08		
	Charges	Collected	Ratio															
Hawaii	\$ 116,470.00	119,587.73	102.68%	\$ 120,477.92	122,760.35	101.89%	\$ 125,439.00	118,355.06	94.35%	\$ 125,869.00	115,203.51	91.53%	\$ 131,048.00	112,866.00	86.13%	\$ 133,281.27	131,073.06	98.34%
Kauai	\$ 79,207.00	75,806.25	95.71%	\$ 79,485.00	75,502.50	94.99%	\$ 75,965.00	86,866.07	114.35%	\$ 78,673.00	80,746.73	102.64%	\$ 79,849.00	73,720.23	92.32%	\$ 80,041.00	93,170.62	116.40%
Maui	\$ 51,024.00	43,783.00	85.81%	\$ 49,455.00	45,634.62	92.28%	\$ 48,272.00	44,387.54	91.95%	\$ 46,012.00	46,125.48	100.25%	\$ 47,977.00	39,874.31	83.11%	\$ 46,632.00	46,921.77	100.62%
Oahu	\$ 1,197,434.34	1,145,116.97	95.63%	\$ 1,197,981.61	1,188,701.58	99.23%	\$ 1,200,629.45	1,113,188.62	92.72%	\$ 1,204,135.22	1,146,555.38	95.22%	\$ 1,214,272.36	1,068,968.52	88.03%	\$ 1,221,838.55	1,299,474.08	106.35%
Total	\$ 1,444,135.34	\$ 1,384,293.95	95.86%	\$ 1,447,399.53	\$ 1,432,599.05	98.98%	\$ 1,450,305.45	\$ 1,362,797.29	93.97%	\$ 1,454,689.22	\$ 1,388,631.10	95.46%	\$ 1,473,146.36	\$ 1,295,429.06	87.94%	\$ 1,481,792.82	\$ 1,570,639.53	106.00%

	Jan-09			Feb-09			Mar-09			Apr-09			May-09			Jun-09		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$ 133,656.78	\$ 115,217.46	86.20%	\$ 132,995.09	\$ 153,397.87	96.73%	\$ 132,936.86	\$ 128,036.71	96.31%	\$ 131,367.63	\$ 124,493.52	94.77%	\$ 130,607.50	\$ 119,245.42	91.30%	\$ 125,699.50	\$ 116,981.70	93.06%
Kauai	\$ 83,368.00	\$ 84,101.48	100.88%	\$ 84,625.00	\$ 83,524.26	88.16%	\$ 85,116.00	\$ 81,355.63	95.58%	\$ 84,094.00	\$ 80,050.21	95.19%	\$ 82,400.00	\$ 77,912.88	94.55%	\$ 82,065.00	\$ 75,445.23	91.93%
Maui	\$ 47,501.00	\$ 44,531.92	93.75%	\$ 46,918.00	\$ 42,249.03	75.04%	\$ 46,955.00	\$ 38,073.50	81.09%	\$ 49,002.00	\$ 49,710.83	101.45%	\$ 49,787.00	\$ 41,731.27	83.82%	\$ 49,901.00	\$ 42,621.61	85.41%
Oahu	\$ 1,225,392.10	\$ 1,193,203.47	97.37%	\$ 1,220,303.61	\$ 1,273,011.42	88.14%	\$ 1,223,417.21	\$ 1,145,321.53	93.62%	\$ 1,220,886.98	\$ 1,100,630.93	90.15%	\$ 1,220,353.50	\$ 1,142,362.65	93.61%	\$ 1,221,464.94	\$ 1,147,238.16	93.92%
Total	\$ 1,489,917.88	\$ 1,437,054.33	96.45%	\$ 1,484,841.70	\$ 1,552,182.58	104.54%	\$ 1,488,425.07	\$ 1,392,787.37	93.57%	\$ 1,485,350.61	\$ 1,354,885.49	91.22%	\$ 1,483,148.00	\$ 1,381,252.22	93.13%	\$ 1,479,130.44	\$ 1,382,286.70	93.45%

	Jul-09			Total		
	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$ 112,436.50	\$ 124,829.51	111.02%	\$ 1,652,285.05	\$ 1,602,047.90	96.96%
Kauai	\$ 72,695.00	\$ 83,795.34	115.27%	\$ 1,047,583.00	\$ 1,051,997.43	100.42%
Maui	\$ 46,854.00	\$ 46,508.59	99.26%	\$ 626,290.00	\$ 572,153.47	91.36%
Oahu	\$ 1,159,986.53	\$ 1,183,747.09	102.05%	\$ 15,728,096.40	\$ 15,147,520.40	96.31%
Total	\$ 1,391,972.03	\$ 1,438,880.53	103.37%	\$ 19,054,254.45	\$ 18,373,719.20	96.43%



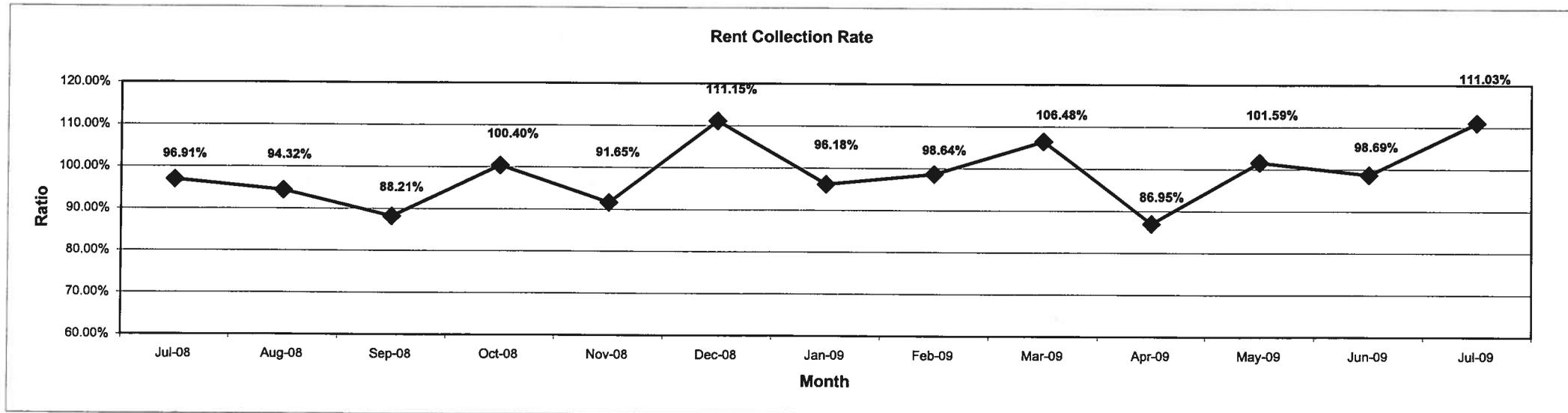
STATE PUBLIC HOUSING

Rent Collection from 07/01/2008 to 7/31/2009

	Jul-08			Aug-08			Sep-08			Oct-08			Nov-08			Dec-08		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio									
Hawaii	\$ 11,693.00	\$ 11,134.23	95.22%	\$ 11,028.00	\$ 8,885.00	80.57%	\$ 10,906.00	\$ 8,577.00	78.64%	\$ 10,906.00	\$ 9,454.00	86.69%	\$ 11,223.00	\$ 7,705.00	68.65%	\$ 11,620.00	\$ 9,200.00	79.17%
Kauai	\$ 5,861.00	\$ 5,247.05	89.52%	\$ 6,313.00	\$ 6,024.95	95.44%	\$ 6,444.00	\$ 5,153.00	79.97%	\$ 6,279.00	\$ 6,063.00	96.56%	\$ 6,854.00	\$ 5,551.00	80.99%	\$ 6,859.00	\$ 7,557.00	110.18%
Maui	\$ 4,477.00	\$ 3,571.00	79.76%	\$ 4,508.00	\$ 3,876.94	86.00%	\$ 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%
Oahu	\$ 210,603.00	\$ 205,492.82	97.57%	\$ 210,679.00	\$ 200,544.75	95.19%	\$ 213,530.00	\$ 189,272.21	88.64%	\$ 213,586.00	\$ 217,855.10	102.00%	\$ 214,258.00	\$ 200,666.89	93.66%	\$ 214,175.00	\$ 243,383.29	113.64%
Total	\$ 232,634.00	\$ 225,445.10	96.91%	\$ 232,528.00	\$ 219,331.64	94.32%	\$ 235,436.00	\$ 207,688.21	88.21%	\$ 235,151.00	\$ 236,094.10	100.40%	\$ 236,639.00	\$ 216,877.89	91.65%	\$ 236,857.00	\$ 263,264.29	111.15%

	Jan-09			Feb-09			Mar-09			Apr-09			May-09			Jun-09		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$ 11,429.00	\$ 8,152.00	71.33%	\$ 11,432.00	\$ 12,855.98	101.97%	\$ 11,266.00	\$ 9,539.04	84.67%	\$ 11,228.00	\$ 9,921.35	88.36%	\$ 10,637.00	\$ 10,317.00	96.99%	\$ 9,164.00	\$ 8,930.00	97.45%
Kauai	\$ 6,290.00	\$ 5,416.00	86.10%	\$ 6,334.00	\$ 6,130.00	76.68%	\$ 6,086.00	\$ 6,270.07	103.02%	\$ 6,102.00	\$ 5,516.00	90.40%	\$ 6,593.00	\$ 5,798.00	87.94%	\$ 6,687.00	\$ 7,217.00	107.93%
Maui	\$ 4,316.00	\$ 4,139.00	95.90%	\$ 4,409.00	\$ 3,845.00	87.21%	\$ 4,122.00	\$ 4,470.00	108.44%	\$ 4,766.00	\$ 4,547.00	95.40%	\$ 4,807.00	\$ 4,692.00	97.61%	\$ 4,806.00	\$ 4,752.00	98.88%
Oahu	\$ 218,982.00	\$ 214,103.49	97.77%	\$ 221,386.00	\$ 217,408.54	84.84%	\$ 221,295.00	\$ 238,215.48	107.65%	\$ 223,606.00	\$ 193,663.83	86.61%	\$ 222,008.00	\$ 227,110.62	102.30%	\$ 223,648.00	\$ 220,206.96	98.46%
Total	\$ 241,017.00	\$ 231,810.49	96.18%	\$ 243,561.00	\$ 240,239.52	98.64%	\$ 242,769.00	\$ 258,494.59	106.48%	\$ 245,702.00	\$ 213,648.18	86.95%	\$ 244,045.00	\$ 247,917.62	101.59%	\$ 244,305.00	\$ 241,105.96	98.69%

	Jul-09			Total		
	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$ 8,735.00	\$ 10,126.00	115.92%	\$ 141,267.00	\$ 124,796.60	88.34%
Kauai	\$ 6,755.00	\$ 5,955.63	88.17%	\$ 83,457.00	\$ 77,898.70	93.34%
Maui	\$ 4,806.00	\$ 5,626.00	117.06%	\$ 58,460.00	\$ 53,005.94	90.67%
Oahu	\$ 226,464.00	\$ 252,266.11	111.39%	\$ 2,834,220.00	\$ 2,820,190.09	99.50%
Total	\$ 246,760.00	\$ 273,973.74	111.03%	\$ 3,117,404.00	\$ 3,075,891.33	98.67%



**Federal Low Income Public Housing (LIPH)
HPHA Island Overview Report
July 2009**

Island	Occupancy					Monthly Activity				Federal Waiting List*			
	Total Available Units	Total Occupied Units	Occupancy Ratio	Total Vacant Units (includes rent ready)	Units Rent Ready	Units Vacated (includes transfers)	Units Filled (includes transfers)	Transfers	Evictions	Families	Elderly	Transf. to LIPH-Family	Transf. to LIPH-Elderly
Hawaii	602	549	91.20%	53	12	7	15	3	0	1,625	161	9	4
Kauai	319	307	96.24%	12	2	0	1	0	0	145	49	1	0
Maui	196	134	68.37%	62	0	7	1	0	3	187	82	1	0
Oahu	4,121	3,892	94.44%	229	33	39	45	12	7	5,642	1,375	30	4
Total	5,238	4,882	93.20%	356	47	53	62	15	10	7,444	1,636	41	8

Island	Non Vacated Delinquencies**				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
Hawaii	61	\$ 31,633.12	31	\$ 76,660.18	\$ 112,436.50	\$ 124,829.51	111.02%
Kauai	29	\$ 12,438.26	18	\$ 16,017.86	\$ 72,695.00	\$ 83,795.34	115.27%
Maui	14	\$ 9,063.00	10	\$ 22,212.65	\$ 46,854.00	\$ 46,508.59	99.26%
Oahu	422	\$ 220,380.23	133	\$ 412,725.97	\$ 1,159,986.53	\$ 1,183,747.09	102.05%
Total	526	\$ 273,514.61	192	\$ 527,616.66	\$ 1,391,972.03	\$ 1,438,880.53	103.37%

* - Please notice waitlist count does not sum up as applicants may apply on more than 1 listing.

** - Delinquencies and Collections reflect only Rents and Payment Agreements (Bill Code 0001 and 0006).

The collection charges reflect only the dwelling rental collections including prepays and Rent Payment Agreements. Excluded are Work Orders, Pet Fees, Monthly Pet Fees, Misc Charges, etc.

Collections Rate uses the same month for calculations. Example: 11-2008 charges are compared against 11-2008 collected.

**Federal Low Income Public Housing (LIPH)
 HPHA Project Overview Report
 July 2009**

AMP	Occupancy					Monthly Activity				Federal Waiting List*			
	Total Available Units	Total Occupied Units	Occupancy Ratio	Total Vacant Units (includes rent ready)	Units Rent Ready	Units Vacated (includes transfers)	Units Filled (includes transfers)	Transfers	Evictions	Family	Elderly	Transf. to LIPH-Family	Transf. to LIPH-Elderly
30P-Aiea	362	360	99.45%	2	1	0	0	0	0	4217	0	29	0
31P-KVH	372	324	87.10%	48	6	9	23	9	0	4217	0	29	0
32P-MWH	363	353	97.25%	10	3	0	2	0	0	4217	0	29	0
33P-Kam/Kaamanu	371	370	99.73%	1	1	1	1	0	0	4217	0	29	0
34P-Kalakaua	581	556	95.70%	25	1	5	3	0	1	0	1328	0	4
35P-Kalanihiua	585	550	94.02%	35	9	4	1	0	0	4217	1328	29	4
37P-Hilo	301	271	90.03%	30	6	3	12	3	0	782	118	6	4
38P-Kauai	319	307	96.24%	12	2	0	1	0	0	145	49	1	0
39P-Maui	196	134	68.37%	62	0	7	1	0	3	187	82	1	1
40P-KPT	740	700	94.59%	40	4	7	11	1	5	4217	0	29	0
43P-Kona	200	192	96.00%	8	4	4	2	0	0	982	56	3	0
44P-Leeward Oahu	258	216	83.72%	42	5	7	2	1	0	1915	0	0	0
45P-Windward Oahu	225	222	98.67%	3	0	3	1	0	0	1343	0	1	0
46P-Kamuela	101	86	85.15%	15	2	0	1	0	0	982	56	0	0
49P-Central Oahu	150	134	89.33%	16	3	2	1	1	1	1070	159	0	0
50P-Palolo	14	107	93.86%	7	0	1	0	0	0	4217	0	29	0
Total	5,238	4,882	93.20%	356	47	53	62	15	10	7,444	1,636	41	8

AMP	Non Vacated Delinquencies**				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
30P-Aiea	33	14,616.19	3	1,789.76	\$ 149,064.00	143,280.16	96.12%
31P-KVH	48	26,275.91	18	159,001.54	\$ 96,026.00	91,280.04	95.06%
32P-MWH	29	16,831.67	7	20,604.44	\$ 105,430.71	109,358.02	103.73%
33P-Kam/Kaamanu	31	13,688.85	10	29,411.71	\$ 96,908.73	103,250.53	106.54%
34P-Kalakaua	4	2,158.59	0	0.00	\$ 127,241.45	141,736.52	111.39%
35P-Kalanihiua	31	11,496.66	15	50,030.52	\$ 137,709.64	148,903.88	108.13%
37P-Hilo	19	7,206.72	6	10,043.70	\$ 55,817.50	67,521.44	120.97%
38P-Kauai	29	12,438.26	18	16,017.86	\$ 72,695.00	83,795.34	115.27%
39P-Maui	14	9,063.00	10	22,212.65	\$ 46,854.00	46,508.59	99.26%
40P-KPT	123	73,393.74	21	26,486.95	\$ 259,233.00	255,579.68	98.59%
43P-Kona	20	14,186.40	10	29,804.15	\$ 40,385.00	40,866.00	101.19%
44P-Leeward Oahu	63	27,887.92	36	94,527.70	\$ 48,169.00	46,122.36	95.75%
45P-Windward Oahu	33	19,648.33	10	15,106.54	\$ 73,517.00	75,060.60	102.10%
46P-Kamuela	22	10,240.00	15	36,812.33	\$ 16,234.00	16,442.07	101.28%
49P-Central Oahu	18	10,260.39	6	6,668.38	\$ 42,897.00	45,026.12	104.96%
50P-Palolo	9	4,121.98	7	9,098.43	\$ 23,790.00	24,149.18	101.51%
Total	526	\$ 273,514.61	192	\$ 527,616.66	\$ 1,391,972.03	\$ 1,438,880.53	103.37%

* - Please notice waitlist count does not sum up as applicants may apply on more than 1 listing.

** - Delinquencies and Collections reflect only Rents and Payment Agreements (Bill Code 0001 and 0006).

The collection charges reflect only the dwelling rental collections including prepays and Rent Payment Agreements. Excluded are Work Orders, Pet Fees, Monthly Pet Fees, Misc Charges, etc. Collections Rate uses the same month for calculations. Example: 11-2008 charges are compared against 11-2008 collected.

**State Low Income Public Housing (LIPH)
HPHA Island Overview Report
July 2009**

Island	Occupancy					Monthly Activity				State Waiting List*			
	Total Available Units	Total Occupied Units	Occupancy Ratio	Total Vacant Units (includes rent ready)	Units Rent Ready	Units Vacated (includes transfers)	Units Filled (includes transfers)	Transfers	Evictions	Family	Elderly	Transf. to LIPH-Family	Transf. to LIPH-Elderly
Hawaii	56	24	42.86%	32	3	0	0	0	0	1,347	0	0	0
Kauai	26	25	96.15%	1	0	1	0	0	0	59	0	0	0
Maui	32	29	90.63%	3	1	0	2	0	0	38	0	2	0
Oahu	750	723	96.40%	27	6	1	11	5	0	4,847	491	1	10
Total	864	801	92.71%	63	10	2	13	5	0	6,217	491	3	10

Island	Non Vacated Delinquencies**				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
Hawaii	7	\$ 3,198.61	10	\$ 16,876.17	\$ 8,735.00	\$ 10,126.00	115.92%
Kauai	3	\$ 2,000.00	3	\$ 496.39	\$ 6,755.00	\$ 5,955.63	88.17%
Maui	3	\$ 1,071.00	17	\$ 19,002.37	\$ 4,806.00	\$ 5,626.00	117.06%
Oahu	39	\$ 22,593.11	63	\$ 334,034.64	\$ 226,464.00	\$ 252,266.11	111.39%
Total	52	\$ 28,862.72	93	\$ 370,409.57	\$ 246,760.00	\$ 273,973.74	111.03%

* - Please notice waitlist count does not sum up as applicants may apply on more than 1 listing.

** - Delinquencies and Collections reflect only Rents and Payment Agreements (Bill Code 0001 and 0006).

The collection charges reflect only the dwelling rental collections including prepays and Rent Payment Agreements. Excluded are Work Orders, Pet Fees, Monthly Pet Fees, Misc Charges, etc. Collections Rate uses the same month for calculations. Example: 11-2008 charges are compared against 11-2008 collected.

**State Low Income Public Housing (LIPH)
 HPHA Project Overview Report
 July 2009**

Island	Occupancy *					Monthly Activity				State Waiting List*			
	Total Available Units	Total Occupied Units	Occupancy Ratio	Total Vacant Units (includes rent ready)	Units Rent Ready	Units Vacated (includes transfers)	Units Filled (includes transfers)	Transfers	Evictions	Family	Elderly	Transf. to LIPH-Family	Transf. to LIPH Elderly
2201-Hauiki	46	44	95.65%	2	0	0	0	0	0	4774	0	1	0
2202-Puahala Homes	128	109	85.16%	19	2	0	1	0	0	224	0	0	0
2204-Kawaillehua	26	25	96.15%	1	0	1	0	0	0	59	0	0	0
2205-Kahale Mua	32	29	90.63%	3	1	0	2	0	0	38	0	2	0
2206-Lokahi	30	14	46.67%	16	0	0	0	0	0	736	0	0	0
2207-Ke Kumu Elua	26	10	38.46%	16	3	0	0	0	0	685	0	0	0
2401-Hale Po'ai	206	205	99.51%	1	0	0	2	1	0	0	313	0	3
2402-La'iola	108	107	99.07%	1	0	0	4	1	0	0	82	0	4
2403-Kamalu-Ho'olulu	221	218	98.64%	3	3	1	3	3	0	0	127	0	3
2404-Halia Hale	41	40	97.56%	1	1	0	1	0	0	0	127	0	0
Total	864	801	92.71%	63	10	2	13	5	0	6,217	491	3	10

Island	Non Vacated Delinquencies**				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
2201-Hauiki	12	\$ 8,674.84	19	\$ 141,253.39	\$ 19,839.00	19,201.60	96.79%
2202-Puahala Homes	23	\$ 12,512.27	30	\$ 187,916.96	\$ 41,839.00	41,675.51	99.61%
2204-Kawaillehua	3	\$ 2,000.00	3	\$ 496.39	\$ 6,755.00	5,955.63	88.17%
2205-Kahale Mua	3	\$ 1,071.00	17	\$ 19,002.37	\$ 4,806.00	5,626.00	117.06%
2206-Lokahi	3	\$ 1,234.61	2	\$ 12,591.50	\$ 6,482.00	6,881.00	106.16%
2207-Ke Kumu Elua	4	\$ 1,964.00	8	\$ 4,284.67	\$ 2,253.00	3,245.00	144.03%
2401-Hale Po'ai	0	\$ -	5	\$ 2,284.00	\$ 57,188.00	70,803.00	123.81%
2402-La'iola	2	\$ 658.00	7	\$ 2,002.89	\$ 33,869.00	37,492.00	110.70%
2403-Kamalu-Ho'olulu	1	\$ 366.00	1	\$ 4.40	\$ 61,756.00	69,645.00	112.77%
2404-Halia Hale	1	\$ 382.00	1	\$ 573.00	\$ 11,973.00	13,449.00	112.33%
Total	52	\$ 28,862.72	93	\$ 370,409.57	\$ 246,760.00	\$ 273,973.74	111.03%

* - Please notice WL count does not sum up as applicants may apply on more than 1 listing.

** - Delinquencies and Collections reflect only Rents, Prepays and Payment Agreements (Bill Code 0001 and 0006).

*** - Occupancy also counts Scheduled for Modernization Units.

Elevator Repair Report: Hawaii Public Housing Authority Elevators reported as of 8/3/09

Name	Type	Elevator No.	Repair	No. and duration of Repairs to Elevator for month of July			No. and duration of Repairs to Elevator between 7/1/07 to 7/31/09			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		2			34	4	2			\$ 116,060.93
		2		4	1		48	6	2			\$ 70,238.12
		3					2					\$ 2,612.56
Kuhio Park Terrace B	Family	4	Parts used to repair #5	Cannot be repaired.					1	06/29/07	Cannot be repaired.	
		5					25	1	2			\$ 140,359.14
		6					47					\$ 8,937.25
Paoakalani	Elderly	1		3			11					\$ 1,100.00
		2					1		1			\$ 17,038.90
Kalakaua Home	Elderly	1					16	1	1			
		2					12	1				\$ 14,538.60
Ho'olulu Elderly	Elderly	1							1			\$ 12,140.20
		2					3					
Kalanihuia	Elderly	1		1			36	1	1			\$ 27,763.75
		2		2			22					\$ 275.00
Kamalu Elderly	Elderly	1					6	2	1			\$ 9,467.50
		2					4					\$ 137.50
Makamae	Elderly	1					5		1			\$ 2,722.51
		2					2					
Makua Alii	Elderly	1					17	2	1			\$ 137.50
		2		1			11					
Punchbowl Homes	Elderly	1					12	2				\$ 23,350.78
		2					7	1	1			\$ 137.50
Banyan St Manor	Family	1					5					\$ 20,692.75
Hale Poai	Elderly	1					12	2				\$ 206.00
		2		1			9					\$ 329.80
Halia Hale	Elderly	1					4					\$ 3,460.52
Kulaokahua	Homeless	1					10					\$ 378.75
Laiola	Elderly	1					1					\$ 412.00
		2					4					
Pumehana	Elderly	1		1			10	2				\$ 17,726.24
		2					9					\$ 240.63
Salt Lake Apts	Family	1		1			5					\$ 23,350.78
Wilikina Apts	Family	1					7	1				\$ 3,323.02
		2					9					\$ 17,038.90
Total		34		16	1	0	406	26	15			
Total Cost for Repairs to date											\$ 534,177.13	

Elevator Modernization Report: Hawaii Public Housing Authority Elevators reported as of 8/3/09

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	Six elevators funded w/ FY08 Elevator CIP	Sep-07	Oct-09	Nov-10		
		2	1964	44							Sep-07	May-10	May-11		
		3	1981	27							Sep-07	Apr-09	Apr-10		
Kuhio Park Terrace B	Family	4	1964	44	298	16	3				Notice to proceed date 3/19/09 for six elevators		Sep-07	Apr-09	Apr-10
		5	1964	44									Sep-07	Oct-09	Nov-10
		6	1981	27									Sep-07	May-10	May-11
Kalanihulia	Elderly	1	1968	40	151	15	2		\$900,000	To be funded w/ FY09 Elevator CIP			Aug-08	Mar-10	Aug-10
		2	1968	40									Aug-08	Aug-10	Dec-10
Kalakaua Home	Elderly	1	1983	25	221	10	2		\$900,000	To be funded w/ FY09 Elevator CIP			Aug-08	Jul-12	Sep-12
		2	1983	25							Aug-08	Oct-12	Dec-12		
Punchbowl Homes	Elderly	1	1961	47	144	7	2		\$700,000	To be funded w/ FY09 Elevator CIP	Aug-08	Dec-10	Apr-11		
		2	1961	47							Aug-08	Apr-11	Jul-11		
Paoakalani	Elderly	1	1970	38	151	17	2		\$780,000	To be funded w/ FY09 Elevator CIP	Aug-08	Aug-11	Dec-11		
		2	1970	38							Aug-08	Dec-11	Apr-12		
Pumehana	Elderly	1	1972	36	139	21	2		\$760,000	To be funded w/ FY09 Elevator CIP	Aug-08	Mar-10	Aug-10		
		2	1972	36							Aug-08	Aug-10	Dec-10		
Makua Alii	Elderly	1	1967	41	211	20	2		\$900,000	To be funded w/ FY09 Elevator CIP	Aug-08	Aug-11	Dec-11		
		2	1967	41							Aug-08	Dec-11	Apr-12		
Salt Lake Apts	Family	1	1970	38	28	8	1		\$450,000	To be funded w/ FY09 Elevator CIP	Aug-08	Apr-12	Jul-12		

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Elevator Modernization Report: Hawaii Public Housing Authority Elevators reported as of 8/3/09

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		\$350,000	To be funded w/ FY09 Elevator CIP	Aug-08	Jul-12	Sep-12
		2	1971	37							Aug-08	Oct-12	Dec-12
Wilikina Apts	Family	1	1977	31	119	9	2		\$700,000	To be funded w/ Wilikina Funds	Aug-08	Apr-12	Aug-12
		2	1977	31							Aug-08	Aug-12	Nov-12
Hale Poi	Elderly	1	1989	19	206	7		2	\$320,000	Full Modernization not required, only installation of safety related items. Funding dependent on bids for major modernization listed above.			
		2	1989	19									
Halia Hale	Elderly	1	1995	13	41	5		1	\$255,000				
Laiola	Elderly	1	1991	17	108	6		2	\$220,000				
		2	1991	17									
Kulaokahua	Homeless	1	1992	16	30	3		1	\$60,000				
Ho`olulu Elderly	Elderly	1	1994	14	112	7		2	\$245,000				
		2	1994	14									
Kamalu Elderly	Elderly	1	1993	15	109	7		2	\$240,000				
		2	1993	15									
Banyan St Manor	Family	1	1977	31	55	3							
	TOTAL	34			2,518	181	23	10	\$11,932,919				

Average age of elevators

31

08

ELEVATOR MODERNIZATION SCHEDULE

ID	Task Name	Start	Finish	2009		Qtr 2, 2009			Qtr 3, 2009			Qtr 4, 2009			Qtr 1, 2010			Qtr 2, 2010			Qtr 3, 2010			Qtr 4, 2010			Qtr 1, 2011			Qtr 2, 2011		
				Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1	Kuhio Park Terrace	Thu 3/19/09	Tue 5/31/11	[Task Summary Bar]																												
2	Prepare Shop Drawings	Thu 3/19/09	Thu 4/30/09	[Task Bar]																												
3	Building A Elevator 3	Thu 4/30/09	Wed 4/14/10	[Task Summary Bar]																												
4	Eng/Mfg/Delivery	Thu 4/30/09	Fri 9/25/09	[Task Bar]																												
5	On Site Construction	Fri 9/25/09	Wed 4/14/10	[Task Bar]																												
6	Building A Elevator 1	Fri 10/23/09	Thu 11/4/10	[Task Summary Bar]																												
7	Eng/Mfg/Delivery	Fri 10/23/09	Tue 3/23/10	[Task Bar]																												
8	On Site Construction	Wed 4/14/10	Thu 11/4/10	[Task Bar]																												
9	Building A Elevator 2	Wed 5/12/10	Thu 5/26/11	[Task Summary Bar]																												
10	Eng/Mfg/Delivery	Wed 5/12/10	Thu 10/7/10	[Task Bar]																												
11	On Site Construction	Thu 11/4/10	Thu 5/26/11	[Task Bar]																												
12	Building B Elevator 4	Wed 4/22/09	Fri 4/9/10	[Task Summary Bar]																												
13	Eng/Mfg/Delivery	Wed 4/22/09	Thu 9/17/09	[Task Bar]																												
14	On Site Construction	Thu 9/17/09	Fri 4/9/10	[Task Bar]																												
15	Building B Elevator 5	Thu 10/15/09	Tue 11/9/10	[Task Summary Bar]																												
16	Eng/Mfg/Delivery	Thu 10/15/09	Mon 4/19/10	[Task Bar]																												
17	On Site Construction	Mon 4/19/10	Tue 11/9/10	[Task Bar]																												
18	Building B Elevator 6	Mon 5/17/10	Tue 5/31/11	[Task Summary Bar]																												
19	Eng/Mfg/Delivery	Mon 5/17/10	Tue 10/12/10	[Task Bar]																												
20	On Site Construction	Tue 11/9/10	Tue 5/31/11	[Task Bar]																												

Project: Aug 2009
Date: Thu 8/13/09

Task

Completed

Elevator Summary

Project Summary



Energy Audit Status Report

Hawaii Public Housing Authority

Date: July 27, 2009

General Overview

The energy audit is currently in progress for HPHA. Current projected delivery date of audit is September 28, 2009. No delays are anticipated at this time. Below is a status of major tasks critical to the development of the energy audit.

Field Auditing

All field data collection is substantially complete. We have just completed engineering site work at nearly 30 sites with respect to the solar hot water and high rise central heating plant measures. This work included some sampling of existing water heater power draw and water temperatures to characterize water heating loads.

Most site work planned for the month of August will involve contractor site visits to develop primarily labor pricing for the proposed measures.

Utility Baseline Development

Development of utility baseline data for 69 developments is substantially complete. We are currently awaiting occupancy projections two years out from HPHA to adjust and normalize the baselines.

As part of the solar hot water analysis, we are looking at potential deficiency of service at some sites where HPHA can apply for an adjustment (i.e. increase in the baseline) to capture additional energy savings.

Measure Development

Currently Ameresco is working to finalize various measure scopes of work for contractor pricing. Refinement of savings projections is still ongoing.

Based on our further analysis, we have altered which sites are currently being considered for renewable measures. Here is a summary of the alternatives we are considering:

- **Solar Photovoltaic Arrays:** We originally were considering Kalanihuia for this measure, but after further field investigation, determined that there was too great of a building shading factor at this location, limiting the installation capacity and viability of solar PV. Instead, we are considering Makamae as an alternate site with an unobstructed solar exposure, a new roof, and plenty of roof area.

- Wind Turbines: Piilani Homes was originally considered, but after review of island wind charts we determined this development is in a poor wind zone. Alternatively, we are considering one of the high rise sites such as Kalanihuia or Pumehana; Honolulu in general is in a good wind zone and these two buildings have the proper architectural configuration for roof mounted wind-turbines (parapets), good elevation and the fewest obstructions nearby.

Activities – Next Month (Aug-08)

- Solicit subcontractor costing
- Finalize savings calculations
- Begin examining utility rebate opportunities

RESULTS OF EVICTION REFERRALS

July 2007 – July 2009

MONTH	REFERRALS			RESULT OF EVICTION REFERRAL					
	TOTAL	REASON FOR REFERRAL		Evict	Evict with Cond	10-day Cure	Dismiss	Continued	Completed
		Rent	Other						
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
Jan 09	5	4	1	3	0	1	0	1	4
Feb 09	39	32	7	16	13	0	0	10	29
March 09	31	27	4	12	11	3	0	5	26
Apr 09	31	29	2	14	9	0	0	8	23
May 09	22	18	4	7	6	0	4	5	17
June 09	30	28	2	12	9	0	0	9	21
July 09	27	24	3	8	7	0	0	12	27
TOTALS	404	326	78	158	109	13	16	108	308

**Total # of Cases Heard for the Month of July 2009: 27
(Oahu & Neighbor Island)**

Decisions Rendered:	Rent Violations	Other Violations
Eviction	7	1
Evict w/cond	7	0
10-day cure	0	0
Dismissal	0	0
Continued	10	2
TOTAL	24	3

Delinquent balances for rent cases ordered evicted for month of July 2009:

AMP 37 East Hawaii	\$ 4,801.00
AMP 38 Kauai Management	\$ 4,505.80
AMP 39 Maui Management	\$ 9,468.00
AMP 40 Kuhio Park Terrace	\$ 642.00
AMP 43 Kona Management	\$ 2,884.50
AMP 49 Wahiawa Terrace	\$ 4,313.47
Total:	\$ 26,614.77

**Contract & Procurement Office
Monthly Status Report for July 2009**

Solicitations Issued in July 2009:

Solicitation No.	Title	Due Date
n/a	Request for Qualifications for State Capital Improvement and Federal Capital Fund Program – Program Management	August 13, 2009

Contracts Executed in July 2009:

Contract No.	Contractor & Project	Supp. Amount	Total Amount
CMS 09-10	Pacific Power Products Company, LLC Provide Generator Maintenance Services at Various State and Federal AMPs on the Island of Oahu July 16, 2009 to October 16, 2012		\$118,108.32
CMS 09-11	DCN Contracting, Inc. Provide labor, materials and equipment to repair 10 vacant units at AMP 34 (Paoakalani) July 20, 2009 to October 31, 2009		\$283,898.41
CMS 09-12	Sandwich Isle Termite & Pest Control Provide Tent Fumigation and Soil Treatment for 15 Buildings at AMP 34 (Kahekili Terrace) July 30, 2009 to January 30, 2010		\$138,547.02
CMS 09-13	Stan's Contracting, Inc. Provide Construction Services for Reroofing and Miscellaneous Repairs at AMP 43 (Nani Olu, Hale Hookipa) June 27, 2009 to March 27, 2010		\$2,211,300.00
HPB 08-20-SA01	Office for Social Ministry Provide Supportive Services Under the State Homeless Emergency Grants Program; (12-month no-cost extension August 1, 2009 to July 31, 2010	n/a	\$180,000.00
HPB 09-05-SA01	Catholic Charities Hawaii Provide Supportive Services Under the HUD Supportive Housing Program February 1, 2009 to January 31, 2010 <i>Note: Contract executed in February to avoid break in service; HUD grant agreement received in July 2009.</i>	\$41,788.00	\$41,788.00
HPB 09-07-SA01	Women Helping Women Provide Supportive Services Under the HUD Supportive Housing Program February 1, 2009 to January 31, 2010 <i>Note: Contract executed in February to avoid break in service; HUD grant agreement received in July 2009.</i>	\$77,036.00	\$77,036.00
HPB 09-11	Kalihi-Palama Health Center Provide Outreach Services Under the State Homeless Outreach Program August 1, 2009 to July 31, 2010		\$427,500.00
HPB 09-12	Family Life Center Provide Outreach Services Under the State Homeless Outreach Program August 1, 2009 to July 31, 2010		\$114,000.00
HPB 09-13	Office for Social Ministry Provide Outreach Services Under the State Homeless Outreach Program August 1, 2009 to July 31, 2010		\$712,500.00

Contract No.	Contractor & Project	Supp. Amount	Total Amount
HPB 09-20	Holumua Na Ohana Provide Transitional Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$699,600.00
HPB 09-21	Office for Social Ministry Provide Transitional Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$493,050.00
HPB 09-22	Women In Need Provide Transitional Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$82,080.00
HPB 09-23	Family Life Center Provide Emergency Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$73,150.00
HPB 09-24	Hawaii Island Home for Recovery Provide Transitional Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$129,960.00
HPB 09-25	Office for Social Ministry Provide Transitional Shelter and Supportive Services for Exiting Offenders Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$414,960.00
HPB 09-26	Family Promise of Hawaii Provide Emergency Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$76,000.00
HPB 09-27	Kauai Economic Opportunity, Inc. Provide Emergency and Transitional Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$278,749.00
HPB 09-29	Waikiki Health Center Provide Outreach Services Under the State Homeless Outreach Program August 1, 2009 to July 31, 2010		\$380,000.00
HPB 09-30	Kauai Economic Opportunity, Inc. Provide Outreach Services Under the State Homeless Outreach Program August 1, 2009 to July 31, 2010		\$76,000.00
HPB 09-31	The Salvation Army Provide Outreach Services Under the State Homeless Outreach Program August 1, 2009 to July 31, 2010		\$323,00.00
HPB 09-32	Waianae Coast Comprehensive Health Center Provide Outreach Services Under the State Homeless Outreach Program August 1, 2009 to July 31, 2010		\$87,306.00

Contract No.	Contractor & Project	Supp. Amount	Total Amount
HPB 09-33	River of Life Mission, Inc. Provide Emergency Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$383,159.00
HPB 09-34	Kahikolu Ohana Hale O Waianae Provide Transitional Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$122,650.00
HPB 09-35	H5: Hawaii Helping the Hungry Have Hope Provide Emergency and Transitional Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$894,140.00
HPB 09-36	Honolulu Community Action Program Provide Transitional Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$329,175.00
HPB 09-37	Waianae Community Outreach Provide Emergency Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$676,875.00
HPB 09-38	Waianae Community Outreach Provide Outreach Services Under the State Homeless Outreach Program August 1, 2009 to July 31, 2010		\$275,255.00
HPB 09-39	United States Veterans Initiative Provide Transitional Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$2,042,500.00
HPB 09-40	The Salvation Army Provide Supportive Services Under the State Homeless Emergency Grants Program August 1, 2009 to July 31, 2010		\$345,000.00
HPB 09-41	Housing Solutions, Inc. Provide Transitional Shelter and Supportive Services Under the State Homeless Shelter Stipend Program August 1, 2009 to July 31, 2010		\$798,000.00
PMB 08-09-SA02	Alvarez & Marsal Real Estate Advisory Services, LLC Real Estate Consultant Services for the Sale of Banyan Street Manor; 6-month extension August 1 2009 to January 27, 2010	n/a	\$202,750.00
PMB 08-17-SA01	Realty Laua, LLC Property Management, Maintenance and Resident Services for AMP 49 (Wahiawa Terrace, Kauhale Nani, Kupuna Home O Waialua); 12-month extension July 31, 2009 to July 31, 2010	\$309,272.00	\$629,272.00

Contract No.	Contractor & Project	Supp. Amount	Total Amount
PMB 08-18-SA01	Realty Laua, LLC Property Management, Maintenance and Resident Services for AMP 45 (Koolau Village, Ka Hale Kahaluu, Kaneohe Apartments, Kauhale Ohana, Waimanalo Homes); 12-month extension July 31, 2009 to July 31, 2010	\$539,808.00	\$1,024,200.00

Status Reports:

1. Revitalize and redevelop Kuhio Park Terrace/Kuhio Homes
 - a. Issued Addendum No. 9 to inform Priority Listed Offerors of the cancellation of the Kuhio Park Terrace/Kuhio Homes community presentation.
 - b. Step 2: Technical Submissions received from the Priority Listed Offerors by the required due date and time of 2:00 p.m., July 13, 2009.
 - c. Evaluation Committee met on July 22, 2009 to review and discuss the proposals received.
 - d. Informed Priority Listed Offerors of the oral presentation schedule set for August 4, 2009.

Section 8 Subsidy Programs Branch
Program Report
As of July 31, 2009

Federal Housing Choice Voucher (Section 8) Program

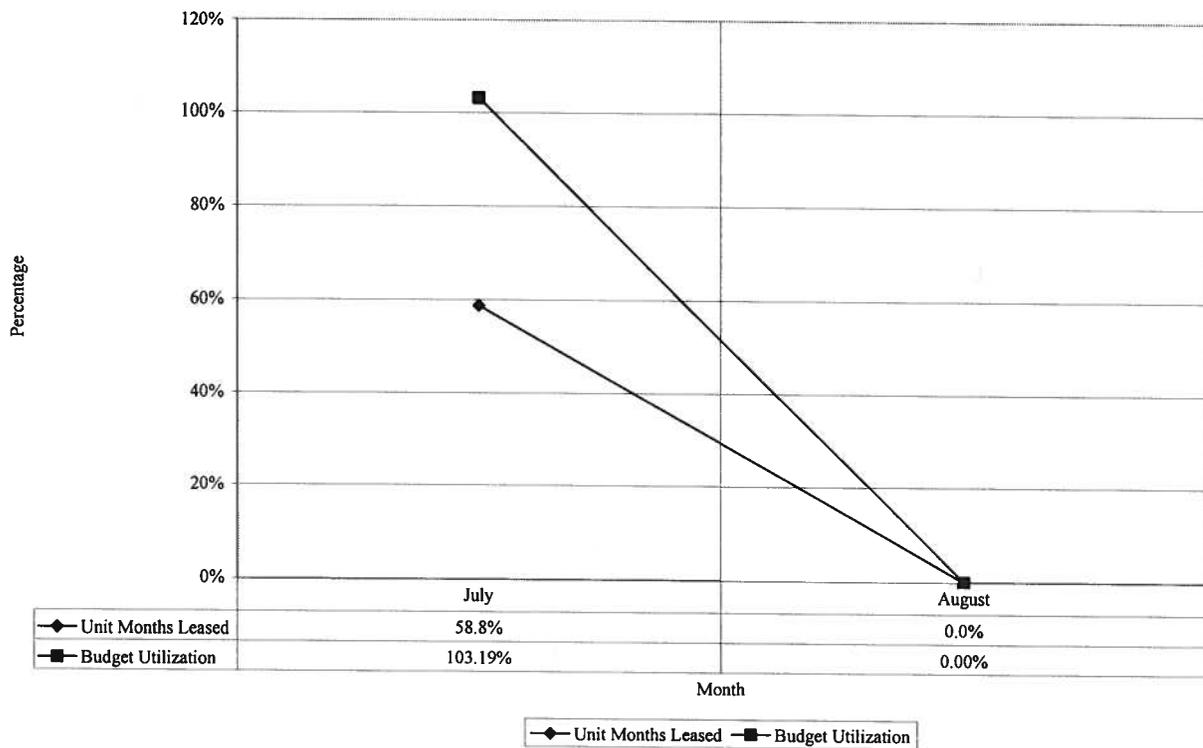
2010 Fiscal Year Report (Cumulative Trend)

- The Housing Assistance Payments (HAP) unadjusted average annual budget utilization is 103.19% of the total annual allocated budget of \$18,741,816 or \$1,561,818 per month.
- For FY 2009, unadjusted average monthly voucher lease up is 1,798 or 58.80% of the total 3,058 baseline vouchers; 1,825 participants were assisted during the month. Administrative fees are earned for each participant that leased up on the first of the month. The low number of vouchers utilized is because of high rents in Hawaii. Therefore, it is unlikely Hawaii will ever utilize all vouchers because the limiting factor is the funding provided.
- July 2009 subsidy payments show a 0.6% monthly increase in subsidy expenditures from the previous month due in part to an increase in rents and voucher holders' success in securing rental contracts.

Monthly Report (Monthly Snapshots)

Current average budget utilization is **103.19%**.
HPHA will attain 15 points for Indicator 13 in SEMAP.

FY 2010 Section 8 Budget Utilization and Unit Months Leased

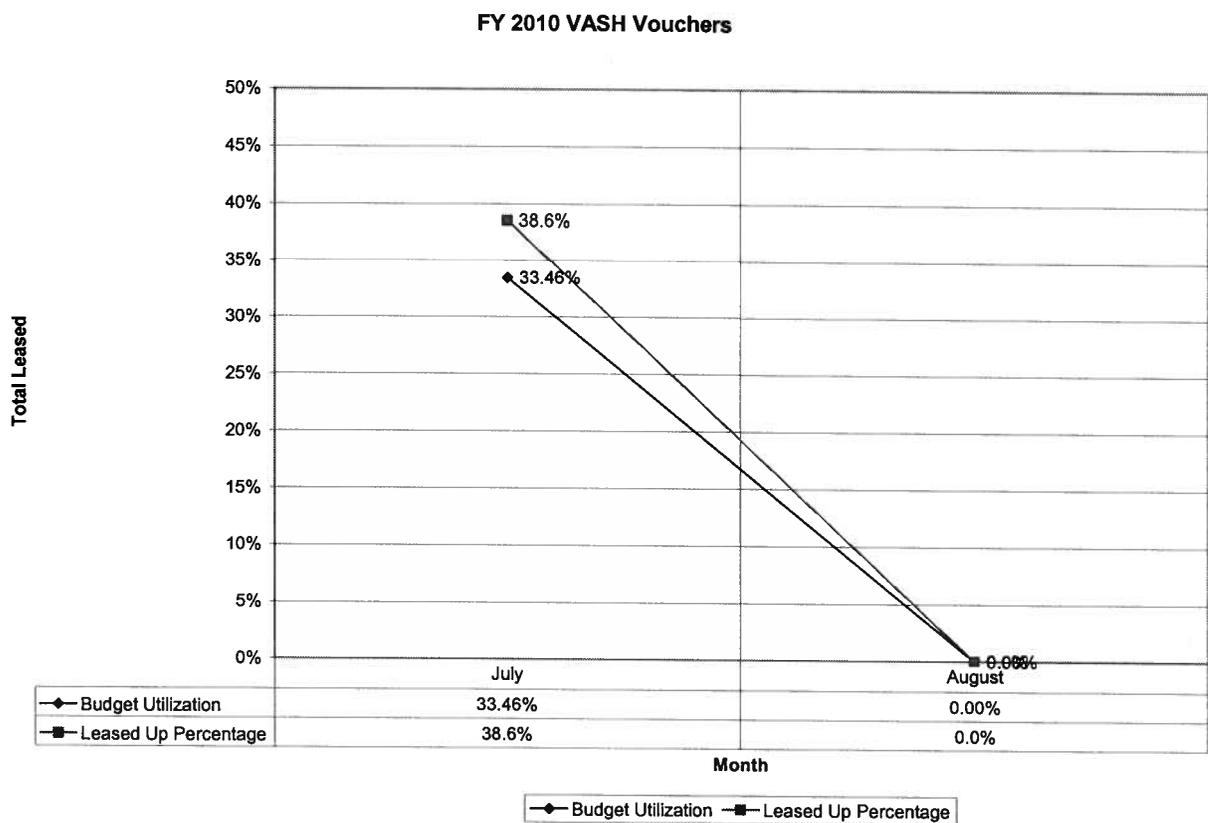


- The monthly average per unit cost subsidy is \$908.00 per month. The amount reflects the difference between what the family pays towards rent and the approved payment standard. Payment standards vary among bedroom sizes.
- No new Housing Choice Vouchers were issued for July 2009 due to an effort to curb over-utilization of funds. The total FY 2010 of new HCV issuances is 0.
- The Department of Housing and Urban Development, Financial Management Center has allotted the HAP budget authority for CY 2009. As of 7/31/09 the branch is operating at 103.19% of the budget authority. The branch will concentrate its efforts in bringing this rate down to between 95% and 98% to ensure that the program is sustainable by the allotted amount. The branch will closely monitor the attrition rate, suspend voucher issuance, and to limit new placements. The branch has begun to administer all incoming portable vouchers effective May 14, 2009.

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

- HPHA was awarded 70 Veterans Affairs Supportive Housing (VASH) Vouchers to assist Veterans with housing assistance. HPHA has also applied for an additional 35 VASH vouchers.
- Eligible applicants under this program are referred to HPHA from the Department of Veteran Affairs.
- For the month of July 2009, a total of 36 vouchers were issued. To date, a total of 27 veteran families are leased up under VASH assistance.
- VASH voucher holders reside on Oahu, Maui and Kauai.

Monthly VASH Report (Monthly Snapshots)



**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 Assessment 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)	Wait List Selection Policies & procedures in place and being followed	15	15	0	The Hawaii Administrative Rules Chapter 15-185 stated that applicants must be pulled from the waitlist in order of preference and date and time of application. Due to the Emphasys system inability to re-sequence the Section 8 waitlist in February 2009, selection were made from different preference categories.
2 Reasonable Rent (>98% = 20; 80-97% = 15)	Procedure in place and being followed to document that rents are comparable to other units in census tract at initial lease up and annual recertification	20	15	15	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: 93.3% of files containing no errors. EmPHAsys (ECS) Elite contains a rent comparable module to assist the Housing Quality Standards (HQS) Inspectors when making this determination and improving on this indicator.
3 Adjusted Income (>90% = 20; 80-89% = 15)	Rent computations to determine adjusted income being done accurately	20	15	15	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 accuracy rate is at 87%, however, the full quarter has not been reviewed as there is a time lag of two months to review tenant files. The Branch continues to address file errors and corrective actions.
4 Utility Allowance	Maintain and utilize current utility allowance rates (for each county)	5	5	5	All utility allowance schedules have been made current.
5 Housing Quality Standards (HQS) Control	Perform management inspection on 10% of units as quality control.	5	5	5	All the required inspections have been completed. For each month, 2% of initial inspections are reviewed.
6 HQS Enforcement	Enforce that landlords correct any emergency situations found during HQS inspections within 24 hours, non-emergency within 30 days	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. The HQS clerk contacts the owner/landlord for any deficiencies that have not been corrected within 15 days to check if corrections have been made or not. If corrections are not made after 30 days, the housing assistance payment (HAP) will be abated.

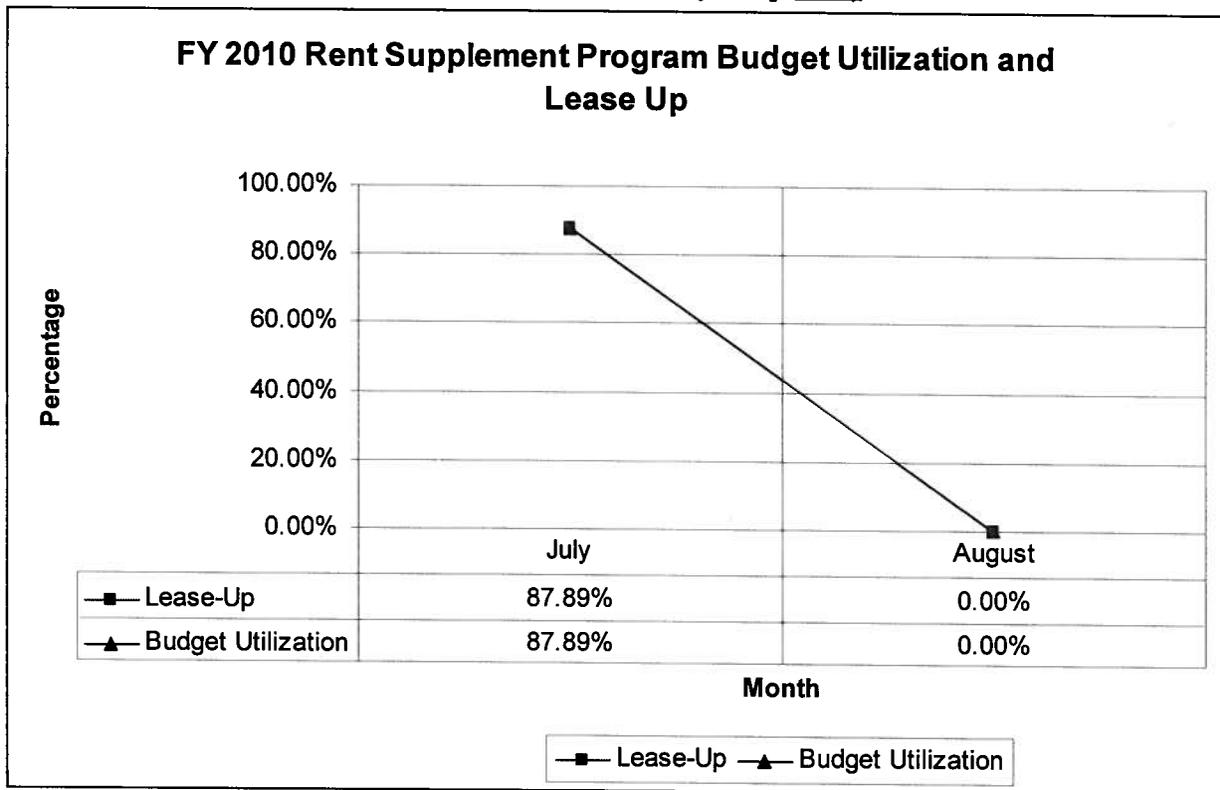
Indicator		Requirement	Max Score	07-08 Score	08-09 Anticipated Score	Status
7	Expand Housing Opportunities	Encourage landlord participation in low poverty areas to participate through outreach strategies	5	5	5	HPHA and the City & County of Honolulu co-sponsored a Landlord Outreach Seminar on May 29, 2009. This seminar is for current and prospective 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	PIH Information Center (PIC) SEMAP indicator shows 100% of 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 quality control (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 within 12 months. QC audits will back up data.
13	Lease Up (>98% = 20; 95-97% = 15)	Maximize lease up and utilization of Section 8 budget allocation.	20	0	20	As of 07/31/2009: Adjusted Voucher Lease-Up Analysis: Mainstream (175 / 175 or 100%) Section 8 (2,883 / 1,623 or 56.3%) VASH (70/27 or 39.0%) Lease-Up (3,128/1,825 or 58.3%) Maintenance strategies <ul style="list-style-type: none"> • Decrease payment standard to 90% of FMR. This will decrease PUC, therefore balancing the over-utilization rate • Monitor attrition rate and limit lease-ups to maintain 95% to 98% lease-up rate • Administer incoming portable vouchers to recoup 80% of porting PHAs administrative fees
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	10	The Family Self Sufficiency (FSS) coordinator has been receiving newly leased up referrals to increase the FSS program participants. It is anticipated to have 86 families under contract. There are 80 families under contract as of July 31, 2009.
			145	103	120	
15	Deconcentration Bonus (Oahu)	Utilize Section 8 Vouchers to deconcentrate urban areas of poverty	5	0	0	PIC information not available.
TOTAL SCORE PLUS BONUS POINTS			150	103	120	

State Rent Supplement Program

2010 Fiscal Year Report (Cumulative Trend)

- For FY 2010, unadjusted average monthly lease up is 346 families or 87.90% of the total 394 possible families when based on the average subsidy payments.
- The Rent Supplement unadjusted average annual budget utilization is 87.90% of the total annual allocated budget of \$924,720 or \$77,060 per month.
- The monthly average per unit cost subsidy is \$196.00 per month. The amount reflects the difference between what the family pays towards rent and the maximum subsidy amount of \$230.00 per month.
- July 2009 Rent Supplement Subsidy payments show a 0.8% monthly decrease from the previous month (\$68,263 in June to \$67,725 in July) because of a decrease in the number of families on assistance. Per unit cost increased from \$195 to \$196 which is attributed to an increase in subsidy payments.
- The values for previous reports may not be the same as the current report due to retroactive adjustments in lease up and subsidy payments.

Monthly Report (Monthly Snapshots)



HOMELESS PROGRAMS BRANCH

August 20, 2009

I. ACCOMPLISHMENTS

A. Shelter Occupancy Report

Information from this report is updated weekly and available on line at

www.homeless.hpha.hawaii.gov This report identifies the number of people served in June. July information is updated on August 15th. The wait list information is effective as of August 6, 2009, because of the internal deadline for Board items. Note: Singles may be served in a family shelter when a female is in the third trimester of pregnancy.

The shelters with an asterisk are leased or owned by HPHA.

Shelter Name(s)	Total Number of units	Total # of People Served	Wait List
*Weinberg Village Waimanalo (Waimanalo, Oahu) Family Shelter	30 units	30 families 128 total indiv.	(202 individuals) 49 families
*Nakolea (McCully, Oahu) Working singles	64 units	66 singles 66 total indiv.	0 single
*Kulaokahua (Makiki, Oahu) Trans. shelter for single seniors	29 units	33 single 33 total indiv.	29 singles
*Next Step Shelter (Kakaako, Oahu) Emergency shelter for singles & families	160 units	154 singles 21 families 232 total indiv.	n/a
Puahala – H5 (Kalihi, Oahu) Transitional shelter for families	14 units	13 families 49 total indiv.	n/a
*Onelau'ena (Kalaeloa, Oahu) Emergency shelter for singles & families	56 units 4 dorms	32 singles 26 families 133 total indiv.	202 singles 86 families
*Onemalu (Kalaeloa, Oahu) Transitional shelter for singles & families	46 units	18 singles 31 families 173 total indiv.	156 singles 51 families
*Hale Ulu Pono (Kalaeloa, Oahu) Transitional shelter for singles w/mental illness	28 units	21 singles 21 total indiv.	24 singles
*Paiolu Kaiaulu (Leeward Oahu) Emergency shelter for singles & families	125 units	60 singles 51 families 260 total indiv.	0
*Kumuhonua (Kalaeloa, Oahu) Transitional shelter for adults Currently taking applications	69 units	33 singles 0 families 33 total indiv.	0
*Ulu Ke Kukui (Leeward Oahu) Transitional shelter for families Currently taking applications	80 units	4 singles 67 families 304 total indiv.	0
Kawaihae (Big Island, Hawaii) Transitional for families	24 units	23 families 105 total indiv.	(25 individuals) 7 families
Maililand (Waianae, Oahu) Transitional for families	44 units	2 singles 42 families 169 total indiv.	(88 individuals) 25 families

Shelter Name(s)	Total Number of units	Total # of People Served	Wait List
Hawaii Island Home for Recovery (formerly) Faith Against Drugs (Hilo, Hawaii) Transitional for singles	19 units	18 singles 18 total indiv.	16 singles
Ho'olanani (Kahului, Maui) Emergency for singles & families	18 beds	22 singles 1 families 25 total indiv.	0
Honolulu Family Center (Oahu) Emergency for singles & Families	14 beds	0 singles 8 families 26 total indiv.	454 singles 109 families
Windward Family Center (Kailua, Oahu) Emergency for singles & families	14 beds	1 family 4 total	155 singles 37 families
Gregory House (Honolulu, Oahu) Transitional for singles w/HIV	11 beds	11 singles 11 total indiv.	52 singles
Community Residential Prog.(Waipahu, Oahu) Transitional for singles	13 beds	11 singles 11 total indiv.	52 singles
TLP Young Men's Keeaumoku (Honolulu, Oahu) Transitional for young men	4 units	4 singles 4 total indiv.	0
TLP Young Men's Maka'aloa (Ewa Beach, Oahu) Transitional for young men	4 units	4 singles 4 total indiv.	0
TLP Young Women Aapa (Ewa Beach, Oahu) Transitional for young women	6 units	3 singles 3 total indiv.	0
Loliana (Honolulu, Oahu) Transitional for families	43 units	44 families 157 total indiv.	10 families
Vancouver House (Honolulu, Oahu) Transitional for students with or without families	33 units	35 families 107 total indiv.	19 families
IHS Ka'aahi Street (Honolulu, Oahu) Emergency for women & children	190 beds	130 singles 26 families 208 total indiv.	0
IHS Sumner Street (Honolulu, Oahu) Emergency for men	200 beds	364 singles 364 total indiv.	0
Kahikolu Ohana Hale O Waianae (Oahu) Transitional for singles & families	2 dorms & 72 units	8 singles 27 families 115 total indiv.	0
Mana'olana (Lihue, Kauai) Emergency for families/singles	20 beds	63 singles 5 families 85 total indiv.	0
Mana'olana (Lihue, Kauai) Transitional for families/singles	13 units	0 singles 3 families 7 total indiv.	0
Komohana Group Home (Lihue, Kauai) Transitional for singles	6 beds	2 singles 2 total indiv.	0
Lihue Court (Lihue, Kauai) Transitional for families	24 units	5 families 19 total indiv.	0

Shelter Name(s)	Total Number of units	Total # of People Served	Wait List
Ka Hale A Ke Ola Homeless Resource Ctr. (Wailuku, Maui) Emergency/Transitional for singles & families	72 units	71 singles 57 families 278 total indiv.	133 singles 33 families
Na Hale O Wainee Resource Center (Lahaina, Maui) Emergency/Transitional for singles & families	72 units	56 singles 30 families 150 total indiv.	11 singles 1 families
Safe Haven (Honolulu, Oahu) Transitional for singles w/mental illness	25 units	29 singles 29 total indiv.	20 singles
Beyond Shelter (Hilo, Hawaii) Transitional for singles & families	8 units	9 families 39 total indiv.	2 families
Kiheipua Emergency Shelter (Hilo, Hawaii) Emergency for singles & families	72 beds	15 singles 13 families 61 total indiv.	2 singles 3 families
Wilder House (Hilo, Hawaii) Transitional for families	1 unit	1 family 9 total indiv.	0
Kuleana House (Hilo, Hawaii) Transitional for families	1 unit	1 family 4 total indiv.	2 families
Lighthouse Outreach Center (Waipahu, Oahu) Emergency for singles & families	100 beds	73 singles 58 families 262 total indiv.	n/a
Veteran's in Progress (Kalaeloa, Oahu) Transitional for veterans	98 beds	100 singles 100 total indiv.	0
Bridge to Success (Domestic Violence)(Oahu) Transitional for woman & children	8 units	11 singles 1 family 13 total indiv.	7 families
Family House (Domestic Violence)(Oahu) Transitional for women & children	15 units	2 singles 5 families 14 total indiv.	0
Ohana Ola O Kahumana (Waianae, Oahu) Transitional for families	48 units	50 families 192 total indiv.	35 families
TOTAL	1217 Units 753 Beds 6 Dorms	1420 singles 684 families 4027 total indiv	1621 singles 476 families

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

1. Thirty two contracts for the State stipend, outreach and grant programs were finalized and executed for an August 1 start date.
2. Homeless Programs Branch (HPB) kicked off the FY 2010 contract year on July 24 with an informational meeting for all contracted providers, under State and Federal funded contracts.

3. Kahikolu Ohana Hale O Waianae. Hawaii Public Housing Authority (HPHA) executed a three month contract with Kahikolu under the State Stipend Program under stipulation that corrective action continue within the guidance of an interim executive director. A monitoring team will be sent for a site visit in late August to monitor the execution of corrective actions initiated thus far.

C. Federal Programs

1. Five Year Consolidated Plan for 2010-2014 – Completed the homeless portion of the Five Year Plan and sent it the rural counties so that they can use the information in completing their county five year plans. HPHA is also working with the counties to produce a gap analysis for housing and services within the three rural counties which must be included in the five year plan. The plan is specifically for the use of Housing and Urban Development (HUD) funds provided through Housing Opportunities for Persons with AIDS (HOPWA) and Emergency Shelter Grant (ESG) Programs over the next five years. The first draft must be completed by Sept. 2009, for a 30-day public comment period. The Consolidated Plan will be submitted to HUD by Dec. 1, 2009, for approval by Jan. 15, 2010.
2. Completed the homeless portion of the Consolidated Annual Performance and Evaluation Report (CAPER) for program year 2008 and submitted it for public comment pursuant to HUD requirements.
3. ESG and HOPWA agreements were executed between (HPHA) and Housing and Urban Development (HUD). All provider contracts for the two programs have also been executed.
4. The HUD contract for Homeless Prevention and Rapid Re-housing Program (HPRP) was received by HPHA and is pending execution by the Executive Director. Provider contracts for HPRP are being drafted for execution by Sept 1, 2009.
5. A Request for Information for funding proposals to be included in the 2009 competitive Continuum of Care Notice of Funding Availability has been posted. HUD is expected to post their notice of the competition in late August, and HPHA will apply on behalf of the rural counties.
6. Draft contracts are being developed for Shelter Plus Care programs: Office for Social Ministry – new contract for New Direction; Family Life Center – new contract; and Gregory House Programs – renewal contract.
7. A draft Memorandum of Agreement between Dept. of Health and HPHA has been developed and will be followed by a contract between HPHA and Hybrid International to develop an XML data link between the Homeless Management Information System (HMIS) and provider agency databases to simplify data input procedures. Funding is being provided for the project from the Dept. of Health's Mental Health Transformation State Incentive Grant.

D. Other Projects

1. Investigating a problem with power outages at Onelauena and Onemalu. Staff is consulting Navy Public Works and HECO to isolate the problem and come up with an appropriate remedy .

2. Preconstruction meeting on the re-roofing of the office building at Weinberg Village Waimanalo was held and the work should be completed by August 21.
3. Nakolea – Executed a contract with CC Engineering for renovation work at Nakolea which consists of bathroom and sewer line repairs. The landscaping design required by the City has also been completed. A draft contract has also been developed for MKE Associates to do an assessment to determine if the crack in the building at Nakolea is structural or if it can be repaired.
4. Working with the Homeless Management Information System (HMIS) consultant to complete the new field of data elements required to implement record keeping for the stimulus funds under the American Revitalization and Recovery Act. Once the new program is activated in HMIS, staff will need to schedule training session for the providers under contract with the State and the City and County of Honolulu.
5. Kaloko Project – Received a copy of the response to the request to allot and expend funds appropriated for the Kaloko housing project in Kona. The request was returned without action from the Director of Finance, because the 2009 Legislature slated the project for early lapsing, indicating the Legislature's intention that the project not be partially funded with State G.O. Bonds. Additionally, the letter cited that the State's support represented only 10% of the funding, so losing the G.O Bond funding should not impede implementation of the Kaloko Project.
6. Awaiting a response on a request to the Governor to allot funds from Act 222, SLH 2007, to supplement stipend program funds for FY 2010. HPB is also awaiting response to a request to the Governor to allot 90% of State homeless program funds to the first quarter of FY 2010, to enable HPHA to encumber the contracts for homeless shelter and services.
7. Continuing to work with the University of Hawaii Center on the Family to complete the HMIS data analysis for FY 2008 and 2009. The FY 2008 report is nearly complete and the FY 2009 report will be completed in November.
8. Met with The Resort Group to begin planning and construction of a playground being donated for the Kalaeloa shelters.
9. Drafting a memorandum of agreement with Kapaalana Traveling Preschool for the construction of two yurts at Kalaeloa to support employment training and pre school services for the families at Onemalu and Onelauena.

HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES

August 5, 2009

Pos. No.	CS EX TA	Funding Source	Type of Pos. P/T	Authorized Position Title	SR	Status
OFFICE OF THE EXECUTIVE DIRECTOR						
COMPLIANCE OFFICE						
103020	EX	N	T	Chief Compliance Officer	SRNA	Pending start date.
42104	CS	W	P	Secretary I	SR12	No action; cost savings.
FISCAL MANAGEMENT OFFICE						
118550	EX	N	T	Chief Financial Management Advisor	SRNA	Interviews completed and pending recommendation
41041	CS	N	P	Fiscal Officer I	SR26	Employee resigned 08/03/09.
41253	CS	N	P	Secretary II	SR14	Position description in review at DHS Office.
98903K	CS	N	P	Office Assistant III	SR08	No action; cost savings.
ACCOUNTING SECTION						
41252	CS	N	P	Accountant IV	SR22	Interviews completed; pending recommendation.
46278	CS	N	P	Accountant II	SR18	Per DHRD memo unable to recruit as of 7/15/09
22265	CS	W	P	Account Clerk III	SR11	Unable to fill; state funded.
5854	CS	W	P	Accountant II	SR28	Unable to fill; state funded.
ASSET MANAGEMENT OFFICE						
96908K	T	N	P	Office Assistant III	SR10	No action; cost savings.
HOUSING INFORMATION OFFICE						
102041	EX	W	T	Housing Information Officer	SRNA	No action; cost savings.
PROCUREMENT OFFICE						
117691	EX	N	T	Contract Specialist	SRNA	Interviews scheduled for 8/17 - 8/21/09
117689	EX	N	T	Housing Contract Specialist	SRNA	Interviews scheduled for 8/17 - 8/21/09
100882	EX	N	T	Contracts & Procurement Officer	SRNA	Continuous recruitment.
31664	CS	W	P	Procurement & Supply Specialist II	SR20	No action; cost savings.
CONSTRUCTION MANAGEMENT BRANCH						
25649	CS	N	P	State Housing Dev Administrator	EM07	Interviews completed and pending recommendation.
2800	CS	W	P	Secretary II	SR14	No action; cost savings.
102205	SH	N	T	Student Helper II	NA	No action; cost savings.
CONSTRUCTION MANAGEMENT SECTION						
5857	CS	N	P	Secretary II	SR14	Position description in review at DHS Office.
48707	CS	N	T	Office Assistant III	SR08	89 day appointment.
CONSTRUCTION MGMT UNIT 1						
105633	EX	W	T	Housing Warranty & Inspection Supr.	SRNA	State funded unable to fill.
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.
CONSTRUCTION MGMT UNIT 2						
102676	EX	W	T	Engineer (Building) IV	SRNA	State funded unable to fill.
DEVELOPMENT SUPPORT SECTION						
100886	EX	W	T	Housing Development Specialist I	SRNA	State funded unable to fill.
INFORMATION TECHNOLOGY OFFICE						
51820	CS	N	T	Office Assistant III	SR08	No action cost savings.
100388	EX	N	T	HPHA Systems Analyst	SRNA	No action cost savings.
106429	EX	N	T	HPHA Systems Analyst	SRNA	No action cost savings.
PERSONNEL OFFICE						
6627	CS	N	P	Personnel Clerk IV	SR11	Per DHRD memo unable to recruit as of 7/15/09.
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	SR08	No action; cost savings.
PROPERTY MANAGEMENT AND MAINTENANCE SERVICES BRANCH						

HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES

August 5, 2009

Pos. No.	CS EX TA	Funding Source	Type of Pos. P/T	Authorized Position Title	SR	Status
8751	CS	N	P	Public Hsg Mgr VI	SR26	Per DHRD memo unable to recruit as of 7/15/09.
96904K	EX	N	T	Hsg Maintenance Manager	SR26	No action; cost savings.
6182	CS	N	P	Secretary III	SR16	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.
PMMSB-APPLICATION SERVICES UNIT						
117850	CS	N	T	Public Hsg Spclt II	SR18	Per DHRD memo unable to recruit as of 7/15/09.
ASSET MANAGEMENT PROJECT 30 (MU 1)						
2802	CS	N	P	Public Housing Supervisor V	SR24	Ee start date 07/13/09.
6307	CS	N	P	Public Housing supervisor IV	SR22	Per DHRD memo unable to recruit as of 7/15/09.
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.
6791	CS	N	P	General Laborer II	BC03	No action; cost savings.
4940	CS	N	P	General Laborer I	BC02	No action; cost savings.
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	Interviews completed; no recommendation.
10376	CS	N	P	Building Maintenance Worker I	BC09	Per DHRD memo unable to recruit as of 7/15/09.
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.
6642	CS	N	P	Truck Driver	BC06	No action; cost savings.
101119	TA	N	T	General Laborer I	BC02	Applicant declined.
101135	TA	N	T	Office Assistant I	SRNA	No action; cost savings.
101137	TA	N	T	Janitor II	BC02	Applicant declined.
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 Supvr IV	SR22	Per DHRD memo unable to recruit as of 7/15/09.
9619	CS	N	P	Secretary I	SR12	Recommendation made and pending start date.
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 supervisor.
8834	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 (MU 4)						
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.
6792	CS	W	P	Building Maint. Helper	BC05	State funded unable to fill.
8842	CS	N	P	Painter I	BC09	Pending start date.
101127	TA	N	T	Social Service Aide I	SRNA	No action; cost savings.
6565	CS	N	P	General Laborer I	BC02	Recommendation made and pending start date.
ASSET MANAGEMENT PROJECT 35 (MU 5)						
41258	CS	N	P	Bldg. Maint. Wkr II	WS09	Per DHRD memo unable to recruit as of 7/15/09.
23574	CS	N	P	Bldg. Maint Wkr I	BC09	Per DHRD memo unable to recruit as of 7/15/09.
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.
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	Per DHRD memo unable to recruit as of 7/15/09.
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)						
8719	CS	N	P	Secretary I	SR12	No action; cost savings.

HAWAII PUBLIC HOUSING AUTHORITY (HPHA) VACANCIES

August 5, 2009

Pos. No.	CS EX TA	Funding Source	Type of Pos. P/T	Authorized Position Title	SR	Status
15721	CS	N	P	Building Maint Worker I	BC09	Per DHRD memo unable to recruit as of 7/15/09.
ASSET MANAGEMENT PROJECT 38 (MU 8)						
41349	CS	N	P	Public Housing Supervisor IV	SR20	Per DHRD memo unable to recruit as of 7/15/09.
119285	CS	N	T	Public Housing Specialist III	SR 19	Position description in review at DHS Office.
119260	CS	N	P	Public Housing Specialist II	SR18	Pending eligible listing from DHS.
8756	CS	N	P	Bldg Maint Wkr I	BC09	Pending eligible listing from DHS.
17576	CS	N	P	Bldg Maint Wkr I	BC09	Pending eligible listing from DHS.
10541	CS	N	P	Bldg Maint Helper	BC05	Pending eligible listing from DHS.
43948	CS	N	P	General Laborer II	BC03	89day hire started 07/15/09.
102241	TA	N	T	General Laborer I	SRNA	Pending start date.
102242	TA	N	T	General Laborer I	SRNA	Continuous recruitment
ASSET MANAGEMENT PROJECT 39 (MU 9)						
23050	CS	N	P	Public Hsg Spvr IV	SR20	No action; cost savings.
6352	CS	N	P	Secretary I	SR12	Recommendation made and pending start date.
4938	CS	N	P	Bldg. Maint. Wkr I	BC09	Per DHRD memo unable to recruit as of 7/15/09.
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.
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	SRNA	No action; cost savings.
111874	EX	N	T	Resident Services Pgm Specialist	SRNA	No action; cost savings.
103043	TA	N	T	Social Service Aide I	SR05	Pending recommendation.
SECTION 8 - INSPECTION UNIT						
101214	EX	N	T	Lead Housing Inspector	SRNA	No action; cost savings.
119190	CS	N	T	Housing Quality Standards Inspector II	SR15	No action; cost savings.
119199	CS	N	T	Housing Quality Standards Inspector II	SR15	No action; cost savings.
101130	TA	N	T	Office Assistant II	SR04	No action; cost savings.
RENT SUBSIDY PROGRAMS BRANCH (S8S)						
41280	CS	N	P	Public Hsg Supervisor V	SR24	Per DHRD memo unable to recruit as of 7/15/09.
RENT SUBSIDYSECTION 1						
40643	CS	N	T	Office Assistant IV	SR10	Per DHRD memo unable to recruit as of 7/15/09.
29009	CS	N	P	Office Assistant III	SR08	No action; cost savings.
9647	CS	N	P	Public Hsg Spclt II	SR18	Ee retired as of 07/31/09.
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						
111419	CS	N	P	Office Assistant IV	SR10	Per DHRD memo unable to recruit as of 7/15/09.
35416	CS	N	T	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	Applicant Declined

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

Branch	Section	Total Full Time Positions			% Vacant			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%	0	2
		1	3	4	2	2	50.00%	0	2
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%	1	1
	Acctg Sec	10	0	10	6	4	40.00%	2	2
	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%	3	4
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	3	2	40.00%	0	2
		4	1	5	3	2	40.00%	0	2
Procurement Office		5	4	9	5	4	44.44%	2	2
		5	4	9	5	4	44.44%	2	2
Construction Mgt. Branch		2	0	2	0	2	100.00%	1	1
	CMS	3	0	3	1	2	66.67%	2	0
	CMS I	2	7	9	7	2	22.22%	0	2
	CMS 2	5	3	8	6	2	25.00%	0	2
	DSS	1	2	3	2	1	33.33%	0	1
		13	12	25	16	9	36.00%	3	6
Homeless Branch	Homeless	1	9	10	10	0	0.00%	0	0
		1	9	10	10	0	0.00%	0	0
Section 8 Branch	Sec 8 Office	2	0	2	1	1	50.00%	1	0
	Insp Unit	1	7	8	5	3	37.50%	0	3
	Rent Sub Sec 1	14	0	14	9	5	35.71%	0	5
	Rent Sub Sec 2	12	0	12	5	7	58.33%	0	7
		29	7	36	20	16	44.44%	1	15
Property Management & Maint. Services Branch	PMMSB	3	1	4	1	3	75.00%	1	2
	MGT SEC	2	0	2	1	1	50.00%	1	0
	APP	7	0	7	6	1	14.29%	0	1
	RSS	3	8	11	7	4	36.36%	0	4
	PMCS	1	4	5	3	2	40.00%	0	2
	CMSS	20	0	20	19	1	5.00%	0	1
	Puuwai Momi - AMP 30	25	0	25	21	4	16.00%	0	4
	Kalihi Valley - AMP 31	28	0	28	21	7	25.00%	2	5
	Mayor Wright - AMP 32/33	34	0	34	29	5	14.71%	2	3
	Kalakaua - AMP 34	28	0	28	25	3	10.71%	0	3
	Kalanihuaia - AMP 35	29	0	29	22	7	24.14%	3	4
	Hilo - AMP 37	15	0	15	13	2	13.33%	1	1
	Kauai - AMP 38	16	0	16	9	7	43.75%	7	0
	Maui - AMP 39	13	0	13	10	3	23.08%	2	1
		224	13	237	187	50	21.10%	19	31
TOTAL		305	64	369	273	96	26.02%	28	68

FOR INFORMATION

SUBJECT: Hawaii Public Housing Authority 2009 Annual Compliance Review Report for Performance Based Contract Administration

I. FACTS

- A. In November 2000, the Housing and Community Development Corporation of Hawaii (HCDCH) began administering Hawaii Section 8 New Construction Housing Assistance Payments contracts for the U. S. Department of Housing and Urban Development (HUD). The program is known as Performance Based Contract Administration (PBCA).
- B. On May 1, 2004, the Housing Authority of the City of Bremerton, now known as Contract Management Services (CMS), became the HCDCH's subcontractor for the PBCA work. CMS performs 14 of the 16 Incentive Based Performance Standards Tasks required by HUD. These tasks include processing monthly subsidy payments, approving contract rent increases, processing contract renewals, acting as liaison between Managers/Owners and HUD and conducting annual Management and Occupancy Reviews to ensure that subsidized properties comply with HUD regulations.
- C. In addition to monitoring monthly reports prepared by HPHA and CMS, HUD conducts an Annual Compliance Review (ACR) of the work. The ACR involves site visits and reviews of project files as well as reviews of contract administrator's files by HUD staff from the San Francisco and Honolulu offices. The ACR is to assess the degree to which the PBCA Contractor is performing in accordance with the contract.

II. DISCUSSION

- A. In April and May, 2009 HUD conducted its ACR of HPHA's contract performance for the period May, 2008 through April, 2009.
- B. On July 7, 2009 HPHA received the ACR report from HUD which reported that the Compliance Review Team gave HPHA an excellent rating for its performance. The high ratings are due in large part to the expertise and customer service orientation of CMS.

Attachment

Prepared by: Michael J. Hee, Chief, Private Management Contracts Section *[Signature]*

Reviewed by: Stephanie L. Fo, Property Management and Maintenance Services Branch Chief *[Signature]*



09 JUL 10 08:57

U.S. Department of Housing and Urban Development

San Francisco Regional Office - Region IX

600 Harrison Street, 3rd Floor

San Francisco, California 94107-1387

www.hud.gov

espanol.hud.gov

JUL 07 2009

Chad K. Taniguchi, Executive Director
Hawaii Public Housing Authority
1002 North School Street
Honolulu, HI 96817

Dear Mr. Taniguchi:

Subject: Hawaii Public Housing Authority 2009 Annual Compliance Review Report

The Compliance Review Team (CRT) has completed its report for HPHA's 2009 Annual Compliance Review (ACR). The performance period evaluated during the ACR was from May 2008 through April 2009.

Five projects were randomly selected for this year's on site reviews. These projects are Keola Hoonanea, Arc of Hawaii #7, HARC III, Makalapa Manor, and Hale O Hauoli Elderly. The purpose of an Annual Compliance Review is for HUD to assess the degree to which Performance Based Contract Administrators (PBCAs) perform in accordance with the PB-ACC, in general, and the Acceptable Quality Levels (AQLs) for each of sixteen Incentive-Based Performance Standards (IBPS), in particular.

PBCAs must complete all tasks described in Exhibit A of the PB-ACC, including both requirements specifically designated as Incentive-Based Performance Standards and all other requirements. PBCAs are also required to keep certain data systems, such as HUD's Integrated Real Estate Management System (iREMS), current.

Issues, problems, or concerns in each of the scheduled core IBPS task areas are identified and analyzed, to determine whether the PBCA has met the AQLs. Where appropriate, findings are made and required corrective actions are prescribed. Other deficiencies not classified as findings and do not require corrective actions, are noted on this report as observations. If, during the course of the review, the CRT determines that the PBCA has not complied with its obligations a disincentive, among other sanctions, may be applied.

The CRT evaluated HPHA's performance relative to the sixteen Incentive Based Performance Standards (IBPSs) and management of the initiative governed by the Annual Contributions Contract (ACC) for the review period. The CRT evaluated HPHA's general operations, financial management, systems, management capacity, on-site reviews of project records, monthly invoices, REMS, TRACS, LOCCS, SPM and PM reports. Much of the ACR was conducted remotely during April 2009. The CRT for the ACR consisted of:

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Annual Compliance Review Report

- Frank Castro, Supervisory Project Manager, Las Vegas and Hawaii HUD Offices
- Carole Horiuchi, Project Manager, Hawaii Office
- Rod Dickson, Project Manager, Hawaii Office
- Ray Yamate, Program Assistant, Hawaii Office
- Danilo A. Dadios, CAOM, San Francisco Multifamily Hub
- Gwen Kelleher, Project Manager, San Francisco Office
- Rita Lee, Project Manager, San Francisco Office

Due to the Hawaii Build & Buy Green Conference and Expo, in which your staff provided valuable assistance in making the conference a success, a formal entrance conference was not held. However, an exit conference was held on May 21, 2009 at the HPHA office to discuss the ACR process, findings, observations, and to address questions and concerns. The CRT has given HPHA an excellent rating for its performance for the period of May 2008 through April 2009. HPHA's performance exceeded the ACC requirements; this is largely due to the experience, customer service orientation and excellence of your sub-contractor, CMS, and Mike Hee's overall management of the ACC. The below bullets provide a few examples of this.

- HPHA continues to provide a high level of customer service to HUD, business partners and program participants; one example of this is HPHA's participation in HUD, HI Office industry meetings and the Hawaii Build & Buy Green Conference.
- The CMS PBCA website continues to bring helpful tools, program guidance and keeps industry partners and program participants informed.
- To ensure a high level of performance, HPHA continues to implement its comprehensive quality assurance for IBPS 1, far exceeding ACC requirements. HPHA has heeded HUD's message in last year's ACR of carefully distinguishing material and significant issues as findings. This helps to cultivate better working relationship with HUD's industry partners in Hawaii.
- Contract renewals and Rent Adjustments are completed in an accurate and timely manner.
- IBPS 6: HPHA generally processes and pays vouchers on time even when owners and agents submit them late, ensuring properties have the operating funds they need to function properly.
- HUD Honolulu staff appreciated HPHA-CMS' presentation on its voucher review, processing, and reconciliation of monthly vouchers. This presentation helped HUD staff to understand and appreciate the complexity and importance of each step in the voucher review process.
- IBPS 7: HPHA continues to reconcile monthly vouchers with tenant eligibility certifications to insure that the right subsidies go to the right people.

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Annual Compliance Review Report

- IBPS 9 & 10: HPHA consistently exceeds the time-frame requirements; for example, instead of responding to non-life-threatening complaints within two business days, HPHA generally responds immediately.
- For IBPS 16: HPHA requires not only certifications but back up documentation, such as work orders and/or invoices, to verify EH&S compliance.

HPHA's commitment to excellence better enables HUD to achieve its mission of delivering effective, high quality programs and services. We appreciate HPHA's cooperation, professionalism and customer service, during the ACR and throughout the year, and look forward to the continuing success of our partnership.

This year's CRT only reported observations in the MOR reports they reviewed, which do not require corrective actions. I am including with this letter a summary of the CRT's reports. If you have any comments, please send them to me, in writing, within 30 days of the date of this letter. Should you have any questions or require additional information, please contact Danilo A. Dadios, CAOM, at (415) 489-6609 or by email danilo.a.dadios@hud.gov.

Sincerely,



Angela Corcoran
Director of Operations
San Francisco Multifamily Hub

Enclosure

RESOLUTION NO. 20

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

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

WHEREAS, the Board of Directors of the Hawaii Public Housing Authority, in compliance with the U.S. Department of Housing and Urban Development (HUD) management performance requirements for Fiscal Year 2009, has reviewed the Section 8 Management Assessment Program (SEMAP) Certification, herein attached, and

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

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

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority hereby approves the SEMAP Certification for FY ending June 30, 2009.

The UNDERSIGNED, hereby certifies that the foregoing Resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on August 20, 2009.

Travis Thompson, Chairperson

CFP - CIP
Summary of Repair/Renovation
Projects

Hawaii Public Housing Authority
Summary of Capital Repair/Renovation Projects
Report for the Month of June 2009



American Recovery and Reinvestment Act funds
identified above as "CFP ARRA"

FEDERAL: Capital Fund Program (CFP) (Operations, Admin, Mgt Improv)

	Total CFP Appropriation	Construction Activities (BLI 1411-1470)	Budget Operations (BLI 1406)	Budget Management Improvements (BLI 1408)	Budget Administration (BLI 1410)	CFP Actuals: Encumbered/ Obligated	% Obligated	Balance	Obligation Date	Notes
CFP 717	\$12,892,393	\$10,037,537	\$2,089,017	\$265,839	\$500,000	\$12,273,252	95.19%	\$619,141	9/1/09	The \$12,273,252.00 represents obligations of \$2,089,017 for Operations, and \$500,000 for Administration and \$9,418,396.00 for 13 construction contracts. The Management Improvement funding of \$265,839.32 budgeted for 717 will be used for the Emphasys Elite Upgrade.
CFP 718	\$12,613,733	\$7,879,000	\$2,522,747	\$1,000,000	\$1,211,986	\$4,618,732	36.61%	\$7,995,001	9/1/10	Consultant selection in progress
CFP ARRA	\$16,245,443	\$15,745,443	\$0	\$0	\$500,000	\$0	0.00%	\$16,245,443	3/1/10	One contract award pending review of bid offer for responsiveness; 5 bid openings scheduled prior to 12/1/09; \$1.0M for long term vacant units.
CFP 719*	\$12,613,733	\$7,879,000	\$2,522,747	\$1,000,000	\$1,211,986	\$0	0.00%	\$12,613,733	9/1/11	These funds are not yet available to PHA's. Anticipated date of allotment is 10/1/09
Totals	\$54,365,302		\$7,134,510	\$2,650,000	\$2,923,971	\$16,891,984		\$37,473,318		

FEDERAL: Capital Fund Program (CFP)

	1411 - 1470 CFP Appropriation	Encumbered/ Obligated	% Expended	Balance	Obligation Date	Notes
CFP 717	\$10,037,537	\$9,418,396	20.00%	\$619,141	9/1/09	13 contracts totalling \$9,413,396.00 pending execution; Bid for KPT cameras is \$660,000.00.
CFP 718	\$7,879,000	\$884,000	11.22%	\$6,995,000	9/1/10	Negotiating Design contracts (est. \$1.8M); Remaining budget pending bid opening within next 6 months
CFP ARRA	\$15,745,443	\$0	0.00%	\$15,745,443	3/1/10	All funds are budgeted for construction. Final amounts are pending bid offers.
CFP 719*	\$7,879,000	\$0	0.00%	\$7,879,000	9/1/11	These funds are not yet available to the HPHA's. Anticipated date of allotment is 10/1/09*
Totals	\$41,540,980	\$10,302,396		\$31,238,584		

STATE: Capital Improvement Program (CIP)

	State GO Bond Appropriation	Encumbered/ Obligated	% Expended	Balance	Obligation Date	Notes
07-'08 Lump Sum CIP	\$19,910,000	\$1,713,805	8.61%	\$18,196,195	6/30/10	Up to \$1.0M in design to be encumbered by 9/1/09; Remaining construction to be encumbered by 3/1/10
08-'09 Lump Sum CIP	\$10,000,000	\$0	0.00%	\$10,000,000	6/30/10	
07-'08 Elevator	\$5,000,000	\$4,465,281	89.31%	\$534,719	6/30/10	Pending bid offer for modernization of Phase II: 17 elevators
08-'09 Elevator	\$6,410,000	\$0	0.00%	\$6,410,000	6/30/10	Pending bid offer for modernization of Phase II: 17 elevators
Totals	\$41,320,000	\$6,179,086		\$35,140,914		

Grand Total All CFP/CIP \$95,685,302

K E Y	1411 - Audit Costs
	1430 - Fees & Costs
	1450 - Site Improvement
	1460 - Dwelling Structures
	1465 - Dwelling Equipment
	1470 - Non-Dwelling Structures

PROJECT TITLE	Contractor	D/C/B	S/F/O	Engineer	Start	End	Status	Notes	Planning Budget	OTHER FUNDS		FEDERAL CFP FUNDS Obligation Deadline 9-12-2009	FEDERAL CFP FUNDS Obligation Deadline 6-12-2010	 Deadline 3/1/10 ARRA	FEDERAL CFP FUNDS Available 10/1/09	FEDERAL CFP FUNDS Available 10/1/10
										Mis. Funds	Project Fund					
2008 Physical Needs Assessment (PNA) Federal Projects (Design)	Architects Hawaii, Ltd.	D	F	Marcel Audant	10/29/2008	12/31/2008	Open			391,031						
ADA Compliance for Various Federal Projects (Const)	For Planning Purposes Only	C	F				Open		9,500,000							2,000,000
ADA Compliance for Various Federal Projects (Design)	For Planning Purposes Only	D	S				Open									
ADA Compliance to Various Projects in Maui County and West Hawaii (1) (Design)	Pacific Architects Inc.	D	S	Richard Speer	7/1/2002	7/11/2003	Open									
ADA/UFAS Compliance (6 projects) Puuwai Momi, Waimaha, Kauaiokalani (Const)	For Planning Purposes Only	C		Richard Speer			Open									
ADA/UFAS Compliance (6 projects) Puuwai Momi, Waimaha, Kauaiokalani (Design)	Durrant Media Five	D	S	Richard Speer			Open									
ADA/UFAS Compliance (9 projects) (Const)	For Planning Purposes Only	C		Richard Speer			Open									
ADA/UFAS Compliance (9 projects) (Design)	Richard Matsunaga & Associates Architecture, I	D	S	Richard Speer			Open									
Barbers Point Transitional Shelter (Const)	Metcalf Construction Company,inc.	C	S	Richard Speer	4/25/2007	7/31/2009	Open									
David Malo Circle Exterior Improvements Paint, Roofing, Site Work (Const)	For Planning Purposes Only	C	F	Richard Speer	12/1/2009	3/31/2010	Open					600,000			200,000	
David Malo Circle Exterior Improvements Paint, Roofing, Site Work (Design)	For Planning Purposes Only	D	F	Richard Speer	7/13/2009	3/31/2010	Open					100,000				
Elevator Maintenance Service for Various Federal-Funded Projects (Const)	Kone, Inc.	C	O	Glenn Sunakoda	7/1/2007	6/30/2008	Open			166,218						
Elevator Maintenance Service for Various Federal-Funded Projects (Const)	Kone, Inc.	C	O	Glenn Sunakoda	7/1/2008	6/30/2009	Open									
Elevator Maintenance Service for Various Federal-Funded Projects (Const)	Kone, Inc.	C	O	Glenn Sunakoda	7/1/2008	6/30/2009	Open									
Elevator Maintenance Service for Various State-Funded Projects (Const)	Kone, Inc.	C	O	Glenn Sunakoda	7/1/2007	6/30/2008	Open			12,540					24,265	
Elevator Maintenance Service for Various State-Funded Projects (Const)	Kone, Inc.	C	O	Glenn Sunakoda	7/1/2008	6/30/2009	Open			6,534					25,287	
Elevator Maintenance Service for Various State-Funded Projects (Const)	Kone, Inc.	C	O	Glenn Sunakoda	7/1/2008	6/30/2009	Open			6,795					26,298	
Elevator Modernization of 17 at Various Oahu Locations (Const)	For Planning Purposes Only	C	S	Glenn Sunakoda			Open									
Elevator Modernization of 17 at Various Oahu Locations (Design)	Elevator Consulting Services	D	S	Glenn Sunakoda	6/2/2008	1/3/2015	Open								13,585	
Environmental, Historical, Flood Plain, Archeological, Cultural Review (All Facilities)	For Planning Purposes Only	D	F				Open		250,000							
Generator Maintenance Services at Various Oahu Projects (Const)	Pacific Power Products	C	S/F	Sahar Ibrahim	8/3/2009	8/2/2012	Open			75,160						
Haleaula & Ka'u Teacher's Cottages and Lokahi LCCC (Const)	Willocks Construction Corp.	C	S	M. Kawamura	1/7/2008	12/31/2008	Open									
Hale Aloha O'Puna ADA Units & Roof (Const)	For Planning Purposes Only	C	S/F	M. Kawamura			Open									1,000,000
Hale Aloha O'Puna ADA Units & Roof (Design)	For Planning Purposes Only	D	S	M. Kawamura			Open	Contr in negotiations								
Hale Hauoli at Honokaa, Hawaii Painting, Re Roofing and Renovation (Const)	For Planning Purposes Only	C	F	Sahar Ibrahim			Open	9/09 Bid Opening							2,800,000	
Hale Hauoli at Honokaa, Hawaii Painting, Re Roofing and Renovation (Design)	Koa Architects, LLC	D	S	Sahar Ibrahim	5/26/2008	5/11/2010	Open									
Hale Hookipa Physical Improvements to Exterior Repairs and Interior Modernization (Const)	For Planning Purposes Only	C	F				Open									
Hale Hookipa Physical Improvements to Exterior Repairs and Interior Modernization (Design)	For Planning Purposes Only	D	F				Open									
Hale Hookipa, Kaimalino, Nani Olu, Noelani, and Paoakalani Reroofing (Design)	Ushijima Architects, Inc.	D	F	Miles Okimura	6/29/2006	3/11/2010	Open					4,762				
Hale Hookipa, Nani Olu, Noelani, and Paoakalani Reroofing (Const)	Stan's Contracting Inc.	C	F				Open	Signed by Ctrctr				2,211,300				
Hale Hoolulu Repaint, ReRoof, Emergency Call System Prepare Tank Enclosure (Const)	For Planning Purposes Only	C	S				Open									
Hale Hoolulu Repaint, ReRoof, Emergency Call System Prepare Tank Enclosure (Design)	For Planning Purposes Only	D	S				Open									
Hale Laulima Major Mod (Const)	For Planning Purposes Only	C	F				Open		4,500,000							
Hale Laulima Major Mod (Design)	For Planning Purposes Only	D	F				Open									
Hale Nana Kai O'Kea Physical Improvement (Const)	For Planning Purposes Only	C	S				Open									
Hale Nana Kai O'Kea Physical Improvement (Design)	For Planning Purposes Only	D	S				Open	Contr in negotiations								
Hale Po'ai Building Improvements (Const)	For Planning Purposes Only	C	S	Ed Morimoto			Open									
Hale Po'ai Building Improvements (Design)	Architects Pacific, Inc.	D	S	Ed Morimoto	5/26/2008	10/7/2009	Open									
Honokaa Teacher's Cottages, Hale Hauoli, Hale Hookipa & Nani Olu LCCC (Const)	Willocks Construction Corp.	C	S	Sahar Ibrahim/Miles Okir	6/2/2008	11/25/2008	Open									
Hoolulu and Kamalu Emergency Call System Repair (Const)	For Planning Purposes Only	C	S	Miles Okimura			Open									
Hoolulu and Kamalu Emergency Call System Repair (Design)	Nakamura, Oyama and Associates	D	S	Miles Okimura	5/6/2008	3/2/2011	Open									
Hui O Hanamaulu Physical Improvements (Const)	For Planning Purposes Only	C	S	Richard Speer	12/1/2009	5/1/2010	Open									
Hui O Hanamaulu Physical Improvements (Design)	Marc Ventura AIA LLC	D	S	Richard Speer	7/15/2009	5/1/2010	Open	Contr in negotiations								
Kaahumanu Homes, Reroofing (Const)	For Planning Purposes Only	C	F				Open									
Kahale Mua Federal Site & Reroof (Const)	For Planning Purposes Only	C	S	Richard Speer	12/1/2009	5/31/2010	Open					1,150,000				
Kahale Mua Federal Site & Reroof (Design)	Riecke Sunnland Kona Architects, LTD	D	S	Richard Speer	7/15/2009	5/31/2010	Open	Contr in negotiations								
Kahale Mua State Site & Bldg Mod (Const)	For Planning Purposes Only	C	S	Richard Speer	12/1/2009	5/31/2010	Open									
Kahale Mua State Site & Bldg Mod (Design)	Riecke Sunnland Kona Architects, LTD	D	S	Richard Speer	7/15/2009	5/31/2010	Open	Contr in negotiations								
Kahekili Terrace Improvements (Const)	For Planning Purposes Only	C	F	Richard Speer	11/1/2009	12/1/2010	Open	12/09 Bid Opening							3,448,000	
Kahekili Terrace Physical Improvements (Design)	Allana, Buick and Bers Inc.	D	S	Richard Speer	6/25/2008	12/1/2010	Open									
Kahekili Terrace Tent Fumigation and Soil Treatment (Const)	Sandwich Isle Pest Solutions	C	S	Richard Speer			Open									
Kahekili Terrace, David Malo Circle, Makani Hale and Piilani Homes vacant unit renovation	Artistic Builders Corporation	C	S	Richard Speer	6/29/2009		Open									
Kaimalino and Kealakehe Reroofing (Const)	For Planning Purposes Only	C	F	Miles Okimura			Open	7/16 Bid Opening							1,831,483	
Kaimalino LCCC (Const)	Koga Engineering & Construction	C	F	Miles Okimura	12/17/2008	2/2/2009	Open					20,694				
Kalaheo Homes Physical Improvements (Const)	For Planning Purposes Only	C	S	Richard Speer	12/1/2009	12/1/2010	Open									
Kalaheo Homes Physical Improvements (Design)	Group 70	D	S	Richard Speer	7/15/2009	12/1/2010	Open	Contr in negotiations								
Kalakaua Homes Roof Improvements (Const)	For Planning Purposes Only	C	S	Sahar Ibrahim			Open									
Kalakaua Homes Roof Improvements (Design)	For Planning Purposes Only	D	S	Sahar Ibrahim	8/1/2009	8/1/2011	Open	Contr in negotiations								
Kalanihua Reroofing and Elevator Lobby Improvements (Const)	For Planning Purposes Only	C	F				Open								340,000	
Kalanihua Reroofing and Elevator Lobby Improvements (Design)	For Planning Purposes Only	D	S				Open	Contr in negotiations								
Kalihi Valley Homes Office Roof, Office Asbestos Abatement (Const)	For Planning Purposes Only	C	F				Open									
Kalihi Valley Homes Office Roof, Office Asbestos Abatement (Design)	For Planning Purposes Only	D	F				Open									
Kalihi Valley Homes Phase IIb Site and Dwelling Improvements (Const)	Index Builders Inc.	C	S/F	Glenn Sunakoda	6/18/2008	2/25/2009	Open					405,627				
Kalihi Valley Homes Reconstruct Kalena Drive (Const)	For Planning Purposes Only	C	F				Open									
Kalihi Valley Homes Site and Dwelling Improvement Phase IVa (Const)	Rainforest G. Construction LLC	C	F	Glenn Sunakoda	8/1/2009	8/1/2010	Open	Bid Opened in review				3,464,102			1,169,947	
Kalihi Valley Homes Site and Dwelling Improvement Phase IVa (Design)	GVA Architects, Inc.	D	S	Glenn Sunakoda	9/26/2008	1/3/2011	Open									
Kalihi Valley Homes Site and Dwelling Improvement Phase IVb (Const)	For Planning Purposes Only	C	F				Open									
Kalihi Valley Homes Site and Dwelling Improvement Phase IVb (Design)	For Planning Purposes Only	D	F				Open								600,000	
Kalihi Valley Homes Site and Dwelling Improvements Phase III (Design)	GVA Architects, Inc.	D	F	Glenn Sunakoda	11/5/2003	8/31/2009	Open					13,156				
Kauaiokalani Reroof, Paint, Interior Repairs Including Termites (Const)	For Planning Purposes Only	C					Open		3,500,000							
Kauaiokalani Reroof, Paint, Interior Repairs Including Termites (Design)	For Planning Purposes Only	D					Open		350,000							
Kauaiokalani, Reroofing (Const)	For Planning Purposes Only	C	F	Kelbert Yoshida			Open								22,000	
Kauaiokalani, Type "C" Repairs (Const)	For Planning Purposes Only	C	S				Open									
Kawaiehua (Federal) Exterior Improvements (Const)	For Planning Purposes Only	C	S	Richard Speer	12/1/2009	5/1/2010	Open									
Kawaiehua (Federal) Exterior Improvements (Design)	Richard Matsunaga & Associates Architecture, I	D	S	Richard Speer	7/15/2009	5/1/2010	Open	Contr in negotiations								
Kawaiehua (State) Improvements (Const)	For Planning Purposes Only	C	S	Richard Speer	12/1/2009	5/1/2010	Open									

PROJECT TITLE	Contractor	D/C/B	S/F/O	Engineer	Start	End	Status	Notes	Planning Budget	OTHER FUNDS		FEDERAL CFP FUNDS	FEDERAL CFP FUNDS	ARRA	FEDERAL CFP FUNDS	FEDERAL CFP FUNDS
										Obligation Deadline 9-12-2009	Obligation Deadline 6-12-2010	Available 10/1/09	Available 10/1/10		717	718
Project Title	Contractor	D/C/B	S/F/O	Engineer	Start	End	Status	Notes	Planning Budget	Mis. Funds	Project Fund	717	718	ARRA	719	720
Kawalehua (State) Improvements (Design)	Richard Matsunaga & Associates Architecture, Inc.	D	S	Richard Speer	7/15/2009	5/1/2010	Open	Contr in negotiations								
Ke Kumu Ekolu and Noelani Repair of Vacant Units (Const)	For Planning Purposes Only	C	S	Sahar Ibrahim			Open		318,800							
Ke Kumu Ekolu Painting of Vacant Units (Const)	For Planning Purposes Only	C	S	Sahar Ibrahim			Open		75,000							
Ke Kumu Ekolu Roofing & Interior Repairs (Const)	For Planning Purposes Only	C	S	Sahar Ibrahim			Open									
Ke Kumu Ekolu Roofing & Interior Repairs (Design)	For Planning Purposes Only	D	S	Sahar Ibrahim			Open									
KPT, Bathrooms ADA Compliant (Const)	For Planning Purposes Only	C	F	Miles Okimura			Open		100,000							
KPT, Bathrooms ADA Compliant (Const)	For Planning Purposes Only	D	F	Miles Okimura			Open		20,000							
KPT, Dry Standpipe Improvements (Const)	For Planning Purposes Only	C	F	Miles Okimura			Open		600,000							
KPT, Elevator, Modernization of Six Elevators (Const)	Kone, Inc.	C	S	Glenn Sunakoda	3/19/2009	3/18/2011	Open									
KPT, Fire Alarm System (Both)	American Electric Co.	B	F	Miles Okimura	7/9/2008	11/30/2009	Open					283,949				
KPT, Fire Alarm System Design (Both)	American Electric Co.	B	F	Miles Okimura	5/8/2007	4/15/2010	Open									
KPT, Install New Telephone Cabinets and Conduits in Building "B" (Const)	Bivens's Electric dba West Coast Construction	C	F	Marcel Audant	2/9/2007		Open									
KPT, Installation of New Security Camera System for Elevators (Const)	Security System Hawaii, Inc.	C	S	Glenn Sunakoda			Open									
KPT, Modernization of 6 elevators & Assessment of Elevators at Various State Sites (Design)	Elevator Consulting Services	D	S/F	Glenn Sunakoda	9/3/2008	4/10/2017	Open									
KPT, Renovation to Air Conditioning System at Elevator Machine Rooms (Const)	HBM Acquisitions, LLC dba Hawaiian Building	C	S	Sahar Ibrahim	4/23/2009	6/17/2009	Open									
KPT, Reroofing (Const)	For Planning Purposes Only	C	F	Kelbert Yoshida			Open						924,000			
KPT, Rezoning and Subdivision (Design)	For Planning Purposes Only	D					Open		200,000							
KPT, Security Cameras (Not Elevator Cams) (Const)	Diebold	C	F	Miles Okimura	6/30/2009		Open	July Bid Opening				660,000				
KPT, Sewer Repair (Phase I) (Const)	For Planning Purposes Only	C	S	Kelbert Yoshida			Open									
KPT, Sewer Repair (Phase II) (Const)	For Planning Purposes Only	C	S/F	Kelbert Yoshida			Open		3,000,000							
KPT, Sewer Repairs (Design)	Okahara & Associates	D	S	Marcel Audant	6/6/2008	12/20/2010	Open									
KPT, Type "C" Units Renovation/Repair	For Planning Purposes Only	C	S				Open									
KPT, UFAS/ADAAG Renovations to Parking Lot (Design)	For Planning Purposes Only	D					Open									
KPT, Upgrade Trash Chutes (Const)	Ikaika Builders, Inc.	C	F	Richard Speer	4/30/2009	5/15/2010	Open					159,071	884,444			
Kupuna Home O'Waialua, Sewage Operational and Preventive Maintenance (Const)	O&M Enterprises	C	F	M. Kawamura	6/8/2007	6/14/2010	Open									
Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Const)	For Planning Purposes Only	C	S	M. Kawamura	10/1/2009	4/1/2010	Open									
Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Const)	For Planning Purposes Only	C	S	M. Kawamura	10/1/2009	4/1/2010	Open									
Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Design)	The Limtiaco Consulting Group	D	S	M. Kawamura	6/3/2008	4/1/2011	Open									
Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Design)	The Limtiaco Consulting Group	D	S	M. Kawamura	6/3/2008	4/1/2011	Open									
La'ioia Upgrade Fire Alarm System (Const)	Electech Hawaii, Inc.	C	S	M. Kawamura	7/1/2009	10/1/2009	Open									
La'ioia Upgrade Fire Alarm System (Design)	Electech Hawaii, Inc.	D	S	M. Kawamura	1/28/2008	5/23/2010	Open									
La'ioia Upgrade Fire Alarm System (Design)	Electech Hawaii, Inc.	D	S	M. Kawamura	1/28/2008	5/23/2010	Open									
Lailani and Kealahou LCCC (Const)	Willocks Construction Corp.	C	S	HHFDC	6/28/2006	4/30/2008	Open									
Lanakila Homes - Phase II, III & IV (Design)	INK ARCH, LLC	D	F	M. Kawamura	10/15/2001	12/31/2012	Open					50,000	376,689			
Lanakila Homes - Renovation of Existing Buildings (Const)	For Planning Purposes Only	C					Open		7,500,000							
Lanakila Homes - Renovation of Existing Buildings (Design)	For Planning Purposes Only	D					Open		750,000							
Lanakila Homes Demo Phase III & IV (Const)	Constructors Hawaii, Inc.	C	S/F	M. Kawamura	11/11/2008	3/10/2009	Open									
Lanakila Homes Fair Housing Renovations (Const)	For Planning Purposes Only	C	S	M. Kawamura			Open									
Lanakila Homes Fair Housing Renovations (Design)	INK ARCH, LLC	D	S	M. Kawamura	6/6/2008	1/26/2011	Open									
Lanakila Homes Physical Improvements Phase IIIa (Const)	Stan's Contracting Inc.	C	S/F	M. Kawamura	6/16/2008	9/30/2008	Open									
LCCC for Federal and State Projects on the Islands of Kauai (Const)	For Planning Purposes Only	C	S	Richard Speer			Open		2,000,000	700,000						
LCCC for Federal and State Projects on the Islands of Maui (Const)	First Quality Building & Design, Inc.	C	S	Richard Speer	6/18/2009	9/15/2009	Open									
LCCC for Federal and State Projects on the Islands of Maui and Kauai (Design)	M&E Pacific Inc.	D	S	Richard Speer	6/2/2008	12/21/2009	Open									
LCCC, Pahala Elderly, Nani O Puna, Kaimalino, Kealahou, Lailani, Noelani I and II, Halaula Teacher Cottages, Kau Teah	Okahara & Associates	D	S	M. Kawamura			Open									
Lokahi HazMat Abatement and Interior Renovation (Const)	Heartwood Pacific, LLC	C	S	M. Kawamura	8/1/2009	7/31/2010	Open									
Lokahi HazMat Abatement and Interior Renovation (Design)	CDS International	D	S	M. Kawamura	6/2/2008	2/26/2011	Open									
Lokahi HazMat Abatement and Interior Renovation (Design)	CDS International	D	S	M. Kawamura	6/2/2008	2/26/2011	Open									
Maui II Type "C" Unit Repairs (Const)	For Planning Purposes Only	C	S				Open									
Makamae Investigation and Repairs (Const)	Wilson Okamoto Corp	C	F	Ed Morimoto	12/29/2003	3/13/2009	Open					30,388				
Makani Kai Hale Physical Improvements (Const)	For Planning Purposes Only	C	F				Open	10/09 Bid Opening								2,200,000
Makani Kai Hale Physical Improvements (Design)	GYA Architects, Inc.	D	S	Richard Speer	6/17/2008	1/31/2010	Open									
Makua Alii Structural and Spall Repairs (Const)	For Planning Purposes Only	C	F	Sahar Ibrahim	10/1/2009	4/1/2011	Open						1,146,867	1,734,587	4,118,546	
Makua Alii Structural Investigation and Repairs (Design)	SSFMI International, Inc.	D	F	Sahar Ibrahim	12/18/2008	11/22/2011	Open					423,315				
Makua Alii Upgrade and Replace Existing Booster Pump System (Const)	Doorwood Engineering, Inc.	C	S	Sahar Ibrahim			Open									
Mayor Wright Building 11, 20, 22, 23, 24 Structural Repairs (Const)	For Planning Purposes Only	C					Open		350,000							
Mayor Wright Building 11, 20, 22, 23, 24 Structural Repairs (Design)	For Planning Purposes Only	D	S/F				Open						135,000			
Mayor Wright Homes Physical Improvements to Reroofing (Const)	For Planning Purposes Only	C	F	Kelbert Yoshida			Open	9/09 Bid opening								100,000
Mayor Wright Homes, Wahiawa Terrace, Kuhio Park Terrace, Kaahumanu Homes and Kuiuokalani (Design)	Mitsunaga & Associates, Inc.	D	S	Kelbert Yoshida	2/9/2009	2/8/2010	Open									
Mayor Wright Modernization - Ph 1 & 2 (Design)	For Planning Purposes Only	D	F				Open									
Mayor Wright Modernization - Ph 1 (Const)	For Planning Purposes Only	C					Open		6,000,000							
Mayor Wright Modernization - Ph 2 (Const)	For Planning Purposes Only	C					Open		6,000,000							
Mayor Wright Replacement of Solar Hot Water System (Const)	For Planning Purposes Only	C		Richard Speer			Open		7,500,000							
Mayor Wright Replacement of Solar Hot Water System (Design)	Paul Louie & Associates, Inc.	D	S	Richard Speer	6/2/2008	11/28/2009	Open									
Nakolea (Homeless Shelter) Design-Build Renovation (Both)	CC Engineering and Construction Inc.	B	S	Richard Speer	6/21/2007	12/30/2007	Open									
Nakolea and Weinberg Village Various Physical Improvements For Homeless (Const)	For Planning Purposes Only	C					Open		200,000							
Nani O'Puna & Hale O'Puna LCCC (Const)	Site Engineering, Inc.	C	S	M. Kawamura	6/9/2008	3/5/2009	Open									
Nani O'Puna & Hale O'Puna LCCC (Const)	Site Engineering, Inc.	C	S	M. Kawamura	5/20/2008	3/5/2009	Open									
Nani O'Puna & Hale O'Puna LCCC (Const)	Site Engineering, Inc.	C	S	M. Kawamura		6/3/2009	Open									
Nani Olu Additional Parking (Const)	For Planning Purposes Only	C					Open		1,000,000							
Nani Olu Additional Parking (Design)	For Planning Purposes Only	D	F				Open									
Noelani I & Noelani II Make 9 Vacant Units Ready For Tenants Relocating From Ka Hale Kahalu (Const)	Society Contracting, LLC	C	F	Ed Morimoto	5/17/2006	11/28/2006	Open									
Pahala ADA Units and Modernization (Const)	For Planning Purposes Only	C	F	M. Kawamura			Open									1,000,000
Pahala ADA Units and Modernization (Design)	For Planning Purposes Only	D	S	M. Kawamura			Open									
Pahala Elderly Housing LCCC (Const)	Site Engineering, Inc.	C	S	M. Kawamura	9/11/2006	6/12/2007	Open									
Palolo Valley Homes Physical Improvements (Design)	For Planning Purposes Only	D	F				Open						1,000,000			
Palolo Valley Homes Physical Improvements Ph1 (Const)	For Planning Purposes Only	C	F				Open								1,000,000	2,250,000

PROJECT TITLE	Contractor	D/C/B	S/F/O	Engineer	Start	End	Status	Notes	Planning Budget	OTHER FUNDS		FEDERAL CFP FUNDS	FEDERAL CFP FUNDS	 Deadline 3/1/10 ARRA	FEDERAL CFP FUNDS	FEDERAL CFP FUNDS
										Obligation Deadline 9-12-2009	Obligation Deadline 6-12-2010	Available 10/1/09	Available 10/1/10		717	718
Project Title	Contractor	D/C/B	S/F/O	Engineer	Start	End	Status	Notes	Planning Budget	Mis. Funds	Project Fund	717	718	ARRA	719	720
Palolo Valley Homes Physical Improvements Ph2 (Const)	For Planning Purposes Only	C	F				Open									
Palolo Valley Homes Physical Improvements Ph3 (Const)	For Planning Purposes Only	C	F				Open									
Palolo Valley Homes Physical Improvements Ph4 (Const)	For Planning Purposes Only	C	F				Open									
Palolo Valley Homes Trash Enclosure Modification (Const)	For Planning Purposes Only	C	S				Open									
Palolo Valley Homes Trash Enclosure Modification and Drainage Evaluation (Design)	For Planning Purposes Only	D	S				Open									
Paoakalani Interior Repairs 17th Floor Units (Const)	DCN Contracting Inc.	C	F	Sahar Ibrahim	6/15/2009	7/20/2009	Open						285,990			
Paoakalani Re-roof and Mis Repairs (Const)	Allied Pacific Builders, Inc.	C	F	Sahar Ibrahim	12/17/2008	1/30/2009	Open					51,341				
PHA Wide Type C Units (Const)	For Planning Purposes Only	C	F				Open							1,000,000		
Physical Needs Assessment (PNA) of State-Owned Projects (25 total) (Design)	Architects Hawaii, Ltd.	D	S	Marcel Audant	6/28/2006		Open									
Piilani Homes Physical Improvements (Const)	For Planning Purposes Only	C	F	Richard Speer			Open									
Piilani Homes Physical Improvements (Design)	For Planning Purposes Only	D	S	Richard Speer			Open									
Pomaikai ADA Units and Modernization (Const)	For Planning Purposes Only	C	F	M. Kawamura			Open								2,000,000	
Pomaikai ADA Units and Modernization (Design)	Durrant Media Five	D	S	M. Kawamura			Open	Contr in negotiations								
Puahala Homes Ib Abatement and Modernization (Const)	For Planning Purposes Only	C	S	Miles Okimura			Open									
Puahala Homes Ib Abatement and Modernization (Design)	Paul Louie & Associates, Inc.	D	S	Miles Okimura			Open	Contr in negotiations								
Puahala Homes II, III & IV Abatement and Modernization (Const)	For Planning Purposes Only	C					Open		6,000,000							
Puahala Homes II, III & IV Abatement and Modernization (Design)	For Planning Purposes Only	D	S				Open									
Puahala Homes Site Improvements (Const)	For Planning Purposes Only	C	S				Open									
Puahala Homes Site Improvements (Design)	Kim & Shiroma Engineers	D	S	Ed Morimoto	4/10/2008	4/5/2010	Open									
Pumehana, Replace Existing Booster Pump System and Provide Three Years Preventative Maintenance (Const)	Doonwood Engineering, Inc.	C	F	Sahar Ibrahim	9/20/2006	1/17/2010	Open									
Punchbowl Homes (CFP LIST) (Const)	For Planning Purposes Only	C					Open									
Punchbowl Homes (CFP LIST) (Design)	For Planning Purposes Only	D					Open									
Puuwai Momi W. Heater & Roof Impr. (Const)	For Planning Purposes Only	C					Open		4,000,000							
Puuwai Momi W. Heater & Roof Impr. (Design)	For Planning Purposes Only	D					Open		400,000							
Puuwai Momi, Electrical System Repairs (Const) I & II	Integrated Construction	C	F	Miles Okimura			Open	AG review contrt				2,300,000				
Puuwai Momi, Electrical System Repairs (Design)	Ronald N. S. Ho & Associates	D	S	Miles Okimura	5/26/2008	10/5/2010	Open									
Salt Lake Apartments Bldg Improvements (Const)	For Planning Purposes Only	C	F				Open									
Salt Lake Apartments Bldg Improvements (Design)	For Planning Purposes Only	D	S				Open									
School St Bldg A Hazmat Abatement (Const)	For Planning Purposes Only	C	S	Glenn Sunakoda			Open									
School St Bldg A Hazmat Abatement (Design)	Lou Chan & Associates	D	S	Glenn Sunakoda			Open	Contr in negotiations								
School Street Renovations, Building M (Both)	William Scotsman, Inc.	B	S	Miles Okimura	10/14/2008	4/13/2009	Open									
Tree Trimming at Various Sites Statewide (Const)							Open		100,000							
Wahiawa Terrace, Electrical (Const)	For Planning Purposes Only	C	F	Keibert Yoshida			Open		100,000							
Wahiawa Terrace, Re-roof (Const)	For Planning Purposes Only	C	F	Keibert Yoshida			Open						600,000			
Wahiawa Terrace, Sewage Lift Station (Const)	O&M Enterprises	C	F	M. Kawamura	6/8/2007	6/14/2010	Open									
Wahiawa Terrace, Upgrade and Replace Heat Pumps and Gas Water Heaters (Const)	Doonwood Engineering, Inc.	C	S	M. Kawamura	5/22/2009		Open									
Wahiawa Terrace, Weatherproofing, Painting (Const)	For Planning Purposes Only	C	F	Keibert Yoshida			Open									
Wahiawa Terrace, Weatherproofing, Painting (Design)	For Planning Purposes Only	D	F	Keibert Yoshida			Open									
Transfer Funds from B-08-403-K to B-08-402-K Con to Des	For Planning Purposes Only	B	S				Open									
Transfer Funds from B-07-416-K to B-07-415-K Con to Des	For Planning Purposes Only	B	S				Open									
APPROPRIATION												10,034,161.00	7,879,000.00	16,245,443.00	7,879,000.00	7,879,000.00
ALLOTMENT																
EXPENDED/BUDGET									64,465,236.00	1,437,228.82	89,434.82	10,077,704.39	7,824,990.00	14,624,017.00	7,318,546.00	6,250,000.00
BALANCES									(64,465,236.00)	(1,437,228.82)	(89,434.82)	(43,543.39)	54,010.00	1,621,426.00	560,454.00	1,629,000.00

PLANNED CFP PROJECTS (Included in HPHA's Five Year Plan)					Elevator Improvements				L/S CIP-Non-Routine				LS CIP Non-Routine				Totals	PROJECT TITLE
721	722	723	724	725	B-07-413-K	B-07-414-K	B-07-415-K	B-07-416-K	B-08-400-K	B-08-401-K	B-08-402-K	B-08-403-K	3-09-xxx-K de	B-09-xxx-K con	B-10-xxx-K des	B-10-xxx-K con		Project Title
2,000,000			2,500,000														391,031	2008 Physical Needs Assessment (Design)
											1,700,000						8,500,000	ADA Compliance for Various Federal Projects (Const)
																	1,700,000	ADA Compliance for Various Federal Projects (Design)
																	258,758	ADA Compliance to Various Projects in Maui County and West Hawaii (1) (Design)
																	0	ADA/UFAS Compliance (6 projects) Puuwai Momi, Waimaha, Kauioakalani
																	0	ADA/UFAS Compliance (6 projects) Puuwai Momi, Waimaha, Kauioakalani
																	0	ADA/UFAS Compliance (9 projects)
																	0	ADA/UFAS Compliance (9 projects)
																	2,968,493	Barbers Point Transitional Shelter (Const)
																	800,000	David Malo Circle Exterior Improvements Paint, Roofing, Site Work (Const)
																	100,000	David Malo Circle Exterior Improvements Paint, Roofing, Site Work (Design)
																	166,218	Elevator Maintenance Service for Various Federal-Funded Projects (Const)
																	173,217	Elevator Maintenance Service for Various Federal-Funded Projects (Const)
																	135,191	Elevator Maintenance Service for Various Federal-Funded Projects (Const)
																	109,600	Elevator Maintenance Service for Various State-Funded Projects (Const)
																	107,681	Elevator Maintenance Service for Various State-Funded Projects (Const)
																	111,988	Elevator Maintenance Service for Various State-Funded Projects (Const)
									6,000,000								6,000,000	Elevator Modernization of 17 at Various Oahu Locations (Const)
						352,383											365,968	Elevator Modernization of 17 at Various Oahu Locations (Design)
																	0	Environmental, Historical, Flood Plain, Archeological, Cultural Review (All Facilities)
																	118,108	Generator Maintenance Services at Various Oahu Projects
																	752,949	Halaula & Ka'u Teacher's Cottages and Lokahi LCCC (Const)
														1,400,000			2,400,000	Hale Aloha O'Puna ADA Units & Roof (Const)
																	140,000	Hale Aloha O'Puna ADA Units & Roof (Design)
																	2,800,000	Hale Hauoli at Honokaa, Hawaii Painting, Re Roofing and Renovation (Const)
																	255,932	Hale Hauoli at Honokaa, Hawaii Painting, Re Roofing and Renovation (Design)
																	3,000,000	Hale Hookipa Physical Improvements to Exterior Repairs and Interior Modernization
																	300,000	Hale Hookipa Physical Improvements to Exterior Repairs and Interior Modernization
																	666,185	Hale Hookipa, Kaimalino, Nani Olu, Noelani, and Paoakalani Reroofing (Design)
																	2,211,300	Hale Hookipa, Nani Olu, Noelani, and Paoakalani Reroofing (Const)
												300,000					300,000	Hale Hoolulu Repaint, ReRoof, Emergency Call System Prepare Tank Enclosure (C
																	40,000	Hale Hoolulu Repaint, ReRoof, Emergency Call System Prepare Tank Enclosure (D
																	4,500,000	Hale Laulima Major Mod (Const)
																	900,000	Hale Laulima Major Mod (Design)
																	2,000,000	Hale Nana Kai O'Kea Physical Improvement (Const)
																	200,000	Hale Nana Kai O'Kea Physical Improvement (Design)
																	3,000,000	Hale Po'ai Building Improvements (Const)
																	229,060	Hale Po'ai Building Improvements (Design)
																	838,592	Honokaa Teacher's Cottages, Hale Hauoli, Hale Hookipa & Nani Olu LCCC (Const)
																	565,313	Hoolulu and Kamalu Emergency Call System Repair (Const)
																	72,040	Hoolulu and Kamalu Emergency Call System Repair (Design)
																	700,000	Hui O Hanamaulu Physical Improvements (Const)
																	80,000	Hui O Hanamaulu Physical Improvements (Design)
																	1,150,000	Kaahumanu Homes, Reroofing (Const)
																	300,000	Kahale Mua Federal Site & Reroof (Const)
																	50,000	Kahale Mua Federal Site & Reroof (Design)
																	2,000,000	Kahale Mua State Site & Bldg Mod (Const)
																	250,000	Kahale Mua State Site & Bldg Mod (Design)
																	3,448,000	Kahekili Terrace Improvements (Const)
																	365,445	Kahekili Terrace Physical Improvements (Design)
																	138,547	Kahekili Terrace Tent Fumigation and Soil Treatment
																	1,052,127	Kahekili Terrace, David Malo Circle, Mekaniki Hale and Piilani Homes
																	1,831,483	Kaimalino and Kealakehe Reroofing (Const)
																	522,894	Kaimalino LCCC (Const)
																	720,000	Kalaheo Homes Physical improvements (Const)
																	95,000	Kalaheo Homes Physical improvements (Design)
																	400,000	Kalakaua Homes Roof Improvements (Const)
																	50,000	Kalakaua Homes Roof Improvements (Design)
																	340,000	Kalaniihulia Physical Improvements to Elevator Security (Const)
																	35,000	Kalaniihulia Physical Improvements to Elevator Security (Design)
																	200,000	Kalihi Valley Homes Office Roof, Office Asbestos Abatement (Const)
																	50,000	Kalihi Valley Homes Office Roof, Office Asbestos Abatement (Design)
																	5,920,515	Kalihi Valley Homes Phase IIIb Site and Dwelling Improvements (Const)
																	1,000,000	Kalihi Valley Homes Reconstruct Kalena Drive (Const)
																	4,634,049	Kalihi Valley Homes Site and Dwelling Improvement Phase IVa (Const)
																	651,971	Kalihi Valley Homes Site and Dwelling Improvement Phase IVa (Design)
																	7,000,000	Kalihi Valley Homes Site and Dwelling Improvement Phase IVb (Const)
																	600,000	Kalihi Valley Homes Site and Dwelling Improvement Phase IVb (Design)
																	870,297	Kalihi Valley Homes Site and Dwelling Improvements Phase III (Design)
																	0	Kauioakalani Reroof, Paint, Interior Repairs Including Termites (Const)
																	0	Kauioakalani Reroof, Paint, Interior Repairs Including Termites (Design)
																	22,000	Kauioakalani, Reroofing (Const)
																	120,000	Kauioakalani, Type "C" Repairs (Const)
																	800,000	Kawaiaehua (Federal) Exterior Improvements (Const)
																	125,000	Kawaiaehua (Federal) Exterior Improvements (Design)
																	1,500,000	Kawaiaehua (State) Improvements (Const)

PLANNED CFP PROJECTS (Included in HPHA's Five Year Plan)															PROJECT TITLE			
721	722	723	724	725	Elevator Improvements S/W-Des	Elevator Improvements S/W-Con	L/S CIP-Non-Routine R&M/Renov, S/W-Des	L/S CIP-Non-Routine R&M/Renov, S/W-Con	Elevator Improvements S/W-Des	Elevator Improvements S/W-Con	L/S CIP-Non-Routine R&M/Renov, S/W-Des	L/S CIP-Non-Routine R&M/Renov, S/W-Con	LS CIP Non-Routine R&M/Reno, S/W Des	LS CIP Non-Routine R&M/Reno, S/W Con	LS CIP Non-Routine R&M/Reno, S/W Des	LS CIP Non-Routine R&M/Reno, S/W Con	Totals	Project Title
							125,000										125,000	Kawaiaehua (State) Improvements (Design)
																	0	Ke Kumu Ekolu and Noelani Repair of Vacant Units
																	0	Ke Kumu Elua Painting of Vacant Units
																1,200,000	1,200,000	Ke Kumu Ekolu: Roofing & Interior Repairs (Const)
															130,000		130,000	Ke Kumu Ekolu: Roofing & Interior Repairs (Design)
																	0	KPT, Bathrooms ADA Compliant (Const)
																	0	KPT, Bathrooms ADA Compliant (Const)
																	0	KPT, Dry Standpipe Improvements (Const)
																	3,970,469	KPT, Elevator, Modernization of Six Elevators (Const)
																	1,578,918	KPT, Fire Alarm System (Both)
																	19,400	KPT, Fire Alarm System Design (Both)
																	207,227	KPT, Install New Telephone Cabinets and Conduits in Building "B" (Const)
																	35,305	KPT, Installation of New Security Camera System for Elevators
						247,979											964,221	KPT, Modernization of 6 elevators & Assessment of Elevators at Various State Sites
																	52,396	KPT, Renovation to Air Conditioning System at Elevator Machine Rooms
																	924,000	KPT, Reroofing (Const)
																	0	KPT, Rezoning and Subdivision (Design)
																	660,000	KPT, Security Cameras (not elevator cams)
																	1,000,000	KPT, Sewer Repair (Phase I) (Const)
																	4,000,000	5,000,000 KPT, Sewer Repair (Phase II) (Const)
																	329,983	KPT, Sewer Repairs (Design)
																	12,000	KPT, Type "C" Units Renovation/Repair
																	0	KPT, UFAS/ADAAG renovations to parking lot
																	1,043,515	KPT, Trash Chutes (Const)
																	108,646	Kupuna Home O'Waialua, Sewage Operational and Preventive Maintenance (Const)
																	500,000	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Const)
																	140,000	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Const)
																	15,000	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Design)
																	66,521	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Design)
																	185,723	La'iola Upgrade Fire Alarm System (Const)
																	36,307	La'iola Upgrade Fire Alarm System (Design)
																	0	La'iola Upgrade Fire Alarm System (Design)
																	2,904,302	Lailani and Kealakehe LCCC (Const)
																	426,689	Lanakila Homes - Phase II, III & IV (Design)
																	0	Lanakila Homes - Renovation of Existing Buildings (Const)
																	0	Lanakila Homes - Renovation of Existing Buildings (Design)
																	37,453	Lanakila Homes Demo Phase III & IV (Const)
																	3,000,000	Lanakila Homes Fair Housing Renovations (Const)
																	273,349	Lanakila Homes Fair Housing Renovations (Design)
																	5,873,395	Lanakila Homes Physical Improvements Phase IIIa (Const)
																	1,513,000	LCCC for Federal and State Projects on the Islands of Kauai (Const)
																	219,000	LCCC for Federal and State Projects on the Islands of Maui (Const)
																	284,750	LCCC for Federal and State Projects on the Islands of Maui and Kauai (Design)
																	628,108	LCCC, Pahala Elderly, Nani O Puna, Kaimalino, Kealahou, Lailani, Noelani I and II
																	2,783,408	Lokahi HazMat Abatement and Interior Renovation (Const)
																	372,896	Lokahi HazMat Abatement and Interior Renovation (Design)
																	25,511	Lokahi HazMat Abatement and Interior Renovation (Design)
																	11,000	Mali II Type "C" Unit Repairs
																	2,200,000	Makani Kai Hale Physical Improvements (Const)
																	4,000	Makani Kai Hale Physical Improvements (Design)
																	159,037	Makani Kai Hale Physical Improvements (Design)
																	7,000,000	Makua Aii Structural and Spall Repairs (Const)
																	423,315	Makua Aii Structural Investigation and Repairs (Design)
																	43,141	Makua Aii, Replace Existing Booster Pump System and Provide Three Years Preve
																	0	Mayor Wright Building 11, 20, 22, 23, 24 Structural Repairs (Const)
																	135,000	Mayor Wright Building 11, 20, 22, 23, 24 Structural Repairs (Design)
																	100,000	Mayor Wright Homes Physical Improvements to Reroofing (Const)
																	214,781	Mayor Wright Homes, Wahiawa Terrace, Kuhio Park Terrace, Kaahumanu Homes a
																	1,200,000	Mayor Wright Modernization - Ph 1 & 2 (Design)
																	0	Mayor Wright Modernization - Ph 1 (Const)
																	0	Mayor Wright Modernization - Ph 2 (Const)
																	0	Mayor Wright Replacement of Solar Hot Water System (Const)
																	380,758	Mayor Wright Replacement of Solar Hot Water System (Design)
																	1,493,510	Nakolea (Homeless Shelter) Design-Build Renovation (Both)
																	0	Nakolea and Weinberg Village Various Physical Improvements For Homeless (Cons
																	880,768	Nani O'Puna & Hale O'Puna LCCC (Const)
																	0	Nani O'Puna & Hale O'Puna LCCC (Const)
																	0	Nani O'Puna & Hale O'Puna LCCC (Const)
																	0	Nani Olu Additional Parking (Const)
																	100,000	Nani Olu Additional Parking (Design)
																	70,323	Noelani I & Noelani II Make 9 Vacant Units Ready For Tenants Relocating From Ka
																	546,361	Pahala ADA Units and Modernization (Const)
																	1,000,000	Pahala ADA Units and Modernization (Const)
																	100,000	Pahala ADA Units and Modernization (Design)
																	375,362	Pahala Elderly Housing LCCC (Const)
																	1,000,000	Palolo Valley Homes Physical Improvements (Design)
																	3,250,000	Palolo Valley Homes Physical Improvements Ph1 (Const)

PLANNED CFP PROJECTS (Included in HPHA's Five Year Plan)																	PROJECT TITLE		
721	722	723	724	725	Elevator Improvements, S/W-Des	Elevator Improvements, S/W-Con	L/S CIP-Non-Routine R&M/Renov, S/W-Des	L/S CIP-Non-Routine R&M/Renov, S/W-Con	Elevator Improvements, S/W-Des	Elevator Improvements, S/W-Con	L/S CIP-Non-Routine R&M/Renov, S/W-Des	L/S CIP-Non-Routine R&M/Renov, S/W-Con	LS CIP Non-Routine R&M/Renov, S/W Des	LS CIP Non-Routine R&M/Renov, S/W Con	LS CIP Non-Routine R&M/Renov, S/W Des	LS CIP Non-Routine R&M/Renov, S/W Con	Totals	Project Title	
2,228,874	1,021,126	1,750,000																3,250,000	Palolo Valley Homes Physical Improvements Ph2 (Const)
	1,500,000	1,580,124	1,669,876															3,250,000	Palolo Valley Homes Physical Improvements Ph3 (Const)
																		3,250,000	Palolo Valley Homes Physical Improvements Ph4 (Const)
																		150,000	Palolo Valley Homes Trash Enclosure Modification (Const)
																		50,000	Palolo Valley Homes Trash Enclosure Modification and Drainage Evaluation (Design)
																		285,990	Paoakalani Interior Repairs 17th Floor Units (Const)
																		667,048	Paoakalani Re-roof and Mis Repairs (Const)
1,000,000																		2,000,000	PHA Wide Type C Units (Const)
																		280,000	Physical Needs Assessment (PNA) of State-Owned Projects (25 total) (Design)
	1,400,000																	1,400,000	Piilani Homes Physical Improvements (Const)
																		140,000	Piilani Homes Physical Improvements (Design)
																		2,000,000	Pomaikai ADA Units and Modernization (Const)
																		400,000	Pomaikai ADA Units and Modernization (Design)
																		800,000	Puahala Homes Ib Abatement and Modernization (Const)
																		60,000	Puahala Homes Ib Abatement and Modernization (Design)
																		0	Puahala Homes II, III & IV Abatement and Modernization (Const)
																		600,000	Puahala Homes II, III & IV Abatement and Modernization (Design)
																		2,600,000	Puahala Homes Site Improvements (Const)
																		155,420	Puahala Homes Site Improvements (Design)
																		48,291	Pumehana, Replace Existing Booster Pump System and Provide Three Years Preve
																		0	Punchbowl Homes (CFP LIST) (Const)
																		0	Punchbowl Homes (CFP LIST) (Design)
																		0	Puuwai Momi W. Heater & Roof Impr. (Const)
																		0	Puuwai Momi W. Heater & Roof Impr. (Design)
																		2,300,000	Puuwai Momi, Electrical System Repairs (Const) I & II
																		179,813	Puuwai Momi, Electrical System Repairs (Design)
																		2,500,000	Salt Lake Apartments Bldg Improvements (Const)
																		300,000	Salt Lake Apartments Bldg Improvements (Design)
																		2,000,000	School St Bldg A Hazmat Abatement (Const)
																		200,000	School St Bldg A Hazmat Abatement (Design)
																		621,202	School Street Renovations, Building M (Both)
																		0	Tree Trimming at Various Sites Statewide
																		0	Wahiawa Terrace, Electrical (Const)
																		600,000	Wahiawa Terrace, Re-roof (Const)
																		39,626	Wahiawa Terrace, Sewage Lift Station (Const)
																		69,403	Wahiawa Terrace, Upgrade and Replace Heat Pumps and Gas Water Heaters
																		0	Wahiawa Terrace, Weatherproofing, Painting (Const)
																		0	Wahiawa Terrace, Weatherproofing, Painting (Design)
																		0	Transfer Funds from B-08-403-K to B-08-402-K Con to Des
																		0	Transfer Funds from B-07-416-K to B-07-415-K Con to Des
7,879,000.00	7,879,000.00	7,879,000.00	7,879,000.00	7,879,000.00	750,000.00	4,250,000.00	2,000,000.00	17,910,000.00	410,000.00	6,000,000.00	1,000,000.00	9,000,000.00	500,000.00	7,413,000.00	500,000.00	4,000,000.00	218,640,683.07	APPROPRIATION	
																			ALLOTMENT
5,228,874.34	8,375,624.78	8,375,624.78	8,819,876.10	7,600,000.00	600,361.46	3,864,919.92	2,171,376.37	13,507,412.30	0.00	6,076,613.49	1,215,000.00	8,190,322.52	700,000.00	7,100,000.00	570,000.00	9,200,000.00	228,437,365.15	EXPENDED/BUDGET	
2,650,125.66	(496,624.78)	(496,624.78)	(940,876.10)	279,000.00	149,638.54	385,080.08	(171,376.37)	4,402,587.70	410,000.00	(76,613.49)	(215,000.00)	809,677.48	(200,000.00)	313,000.00	(70,000.00)	(5,200,000.00)	(9,796,682.08)	BALANCES	