

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

July 21, 2011

9:30 a.m.**

**1002 N. School Street, Bldg. E
Honolulu, Hawaii 96817**

AGENDA

I. CALL TO ORDER / ROLL CALL

II. 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.

III. ELECTION OF BOARD OFFICERS

- A. Election of the Chair
- B. Election of the Vice-Chair
- C. Election of the Secretary

IV. ADJOURNMENT

(The start time of 9:30 am is an approximate time. The HPHA Annual Board of Directors Meeting will convene immediately following the adjournment of the HHA Wilikina Apartments meeting.)

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
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING**

July 21, 2011

9:45 a.m. **

**1002 North School Street, Building E
Honolulu, Hawaii 96817**

AGENDA

I. CALL TO ORDER/ROLL CALL

II. APPROVAL OF MINUTES

- A. Regular Meeting Minutes, June 16, 2011
- B. Executive Session, May 19, 2011
- C. Executive Session, June 16, 2011
- D. Special Meeting Minutes, July 7, 2011

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. Motion: To Certify the Hawaii Public Housing Authority's Application for a Choice Neighborhoods Planning Grant and to Authorize the Executive Director to Take All Actions Necessary to Submit a Grant Application to the U.S. Department of Housing and Urban Development (Docket No. FR-5500-N-17)
- B. Motion: To Adopt Revisions to the Hawaii Public Housing Authority's ("HPHA") Policy on Communications, Communication No. 1

V. REPORTS

- A. Personnel Task Force: Report on the Performance Evaluation of the Executive Director and Executive Assistant

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(2) and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to personnel.

- B. Executive Director's Report
 - 1. Monthly Report on Accomplishment for the Month ended June 30, 2011
 - 2. Monthly Report on Planned Activities for the Month of July/August 2011

VI. FOR INFORMATION/DISCUSSION

- A. For Information: *Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise in her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795)*

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 *Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise in her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795)*
- B. For Discussion: Report on the HPHA's Corrective Action Plan in Response to the Legislative Audit and the HPHA's Single Audit Findings
- C. For Information: U.S. Department of Housing and Urban Development's (HUD) Section 8 Housing Choice Voucher Program and the Section 8 Management Assessment Program (SEMAP)
- D. For Information: U.S. Department of Housing and Urban Development's (HUD) Public Housing Program and the Public Housing Assessment System (PHAS)
- E. For Information: U.S. Department of Housing and Urban Development's (HUD) Annual Requirement to Submit Unaudited and Audited Financial Statements (FDS) to the Federal Audit Clearinghouse for the Fiscal Year Ended June 30
- F. For Information: Submission of the HPHA Capital Fund Program (CFP) Amendment No. 145 to the Consolidated Annual Contributions Contract (form HUD 53012) to the U.S. Department of Housing and Urban Development (HUD)

(** The 9:45 am start time is an approximate start time. The HPHA Board of Directors Monthly meeting will convene immediately following the Annual Meeting of the HPHA's Board of Directors.)

If any person requires special needs (i.e., large print, taped materials, sign language interpreter, etc.) please call Ms. Deesha Piohia at (808) 832-4690 by close of business two days prior to the meeting date. Meals will be served to the Board and support staff as an integral part of the meeting.

**MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BUILDING E,
ON THURSDAY, JUNE 16, 2011
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, June 16, 2011 at 9:09 a.m.

The meeting was called to order by Chairperson Travis Thompson and those present and excused were as follows:

| | | |
|-----------------------|-----------------------------|--|
| PRESENT: | Chairperson Travis Thompson | |
| | Director Sam Aiona | |
| | Director Sherrilee Dodson | |
| | Director Carol Ignacio | |
| | Director Patricia McManaman | |
| | Director Debbie Shimizu | |
| | Denise Wise | Executive Director |
| | Jennifer Sugita | Deputy Attorney General |
| EXCUSED: | Director Eric Beaver | |
| | Director Rene Berthiaume | |
| | Director Roger Godfrey | |
| | Director Matilda Yoshioka | |
| STAFF PRESENT: | Barbara Arashiro | Executive Assistant |
| | Clarence Allen | Fiscal Officer |
| | Nicholas Birck | Housing Planner |
| | Becky Choi | State Housing Development Administrator |
| | Stephanie Fo | Property Management and Maintenance Services Branch Chief |
| | Diane Johns | Property Management Specialist |
| | Kiriko Oishi | Compliance Officer |
| | Dionicia Piiohia | Acting Secretary to the Board |
| | Joanna Renken | Acting Public Housing Supervisor |
| | Rick Sogawa | Contacts and Procurement Officer |
| | Jarrett Waa | UPW Chief Steward |
| | Dennis Xiao | Public Housing Specialist |
| OTHERS: | Michi Chang | Kalakaua Homes resident |
| | Tim Garry | Private Resident |
| | Victor Geminiani | Lawyers for Equal Justice |

David Moakley
Roy Nakamura

Ameresco
Kalakaua Homes resident

Proceedings:

Chairperson Thompson declared a quorum present.

The business of the Board proceeded with a motion entered by Director Dodson to approve the minutes of the regular Board of Directors Meeting held on May 19, 2011 and it was seconded by Director Aiona.

The minutes were unanimously approved.

Public Testimony:

Ms. Michi Chang, Kalakaua Homes resident testified. Mr. Dennis Xiao of the Hawaii Public Housing Authority (HPHA), Public Housing Specialist assisted in providing translation services for Ms. Chang's testimony. Ms. Chang provided a list of requests to the Board members on Chinese Culture & Education Center letterhead. Ms. Chang's request included a request for keys to access the community hall and office for activities and meetings. It was stated that this request was given to site management approximately three months ago and she is still waiting for a response. She also requested that in the future, an effort should be made to translate tenant notifications.

Mr. Roy Nakamura, Kalakaua Homes resident, testified that two months ago a letter was given to the Board regarding the tenant above his unit. He met with Ms. Denise Wise, Executive Director, Stephanie Fo, Property Management and Maintenance Services Branch Chief, and Clarissa Hosino, Board of Director of the intense noise. He stated this has been occurring for over five years and has made a list of the dates and time he complained. He said that the security guard has a list of complaints. He spoke to the tenant's daughter with no result.

Mr. Tim Garry, neighbor of Puahala Homes, testified that he read the report by Marion Higa, State Auditor and said that the housing should be turned over to private management. He thanked all the Board members who are leaving. He said that the same problems are not followed through and complaints by tenants are the same for over four years. The property is not kept up, and the smelly dumpster by Hala Drive has been there for 11 days. He said that the property should be treated as a private property. An on site manager should walk around the property to solve the problems. Families come from different countries not understanding English and have their children run around screaming all day. Mr. Garry brought this complaint to the staff and hopes that the new Board will be successful.

Mr. Jarrett Waa, UPW Chief Steward, testified on the evaluation of HPHA's Executive Director, Denise Wise. Although there is a backlog of maintenance work, staff is willing to do the work.

He thanked the Board for their efforts and asked that the Board keep Ms. Wise as the Executive Director, so as not to disrupt the progress being made.

For Action:

Motion: To Adopt Board Resolution No. 48 Approving the Hawaii Public Housing Authority's Operating Budget for Fiscal Year 2011 – 2012 and to Authorize the Executive Director to Take All Actions Necessary to Implement and Submit Budget Certifications to the U.S. Department of Housing and Urban Development.

Director Dodson moved and Director Aiona seconded.

Chairperson Thompson reported that the task force recommended the proceeds of the sale of Kuhio Park Terrace (KPT) and Banyan Street Manor be invested immediately and that the Board review the allocation of the funds.

Ms. Wise presented a narrative of the budget's overview for FY 2010-2011 revenue and noted a 12 percent increase in expenses, due primarily to increased utility rates for sewer and water.

She also highlighted the operating deficit of the State properties by presenting a table that highlighted the shortfall from 2006 to 2010. In order for the State property portfolio to operate at breakeven the rents would have to be set at \$550 per month.

Staff recommended the following:

- The HPHA is preparing to work with the legislature to secure some subsidy to assist with the shortfall. Unlike Federal public housing units there is no regular/permanent subsidy received from the State to operate the low income housing units.
- Work with the legislature to change the HPHA's governing statute. However, this would not resolve the shortfall.
- The HPHA is evaluating the ability to use project based Section 8 vouchers at State housing units. This requires working with HUD to seek approval.
- The HPHA is also seeking and applying for grants that assist in providing supportive services to assist residents in increasing their income.
- Realistically, these activities will not produce results immediately however, the HPHA is undertaking these efforts to bridge the shortfall.

Chairperson Thompson commented that the new Board will have to explore this policy and the Legislature needs to be informed of this issue. Director McManaman requested that staff research other housing authorities that have state housing units in their portfolio and how they operate and/or receive subsidy.

Ms. Wise explained that staff is preparing to work with the Legislature regarding Capital Improvement Program (CIP) funds to assist in covering state project management costs. The

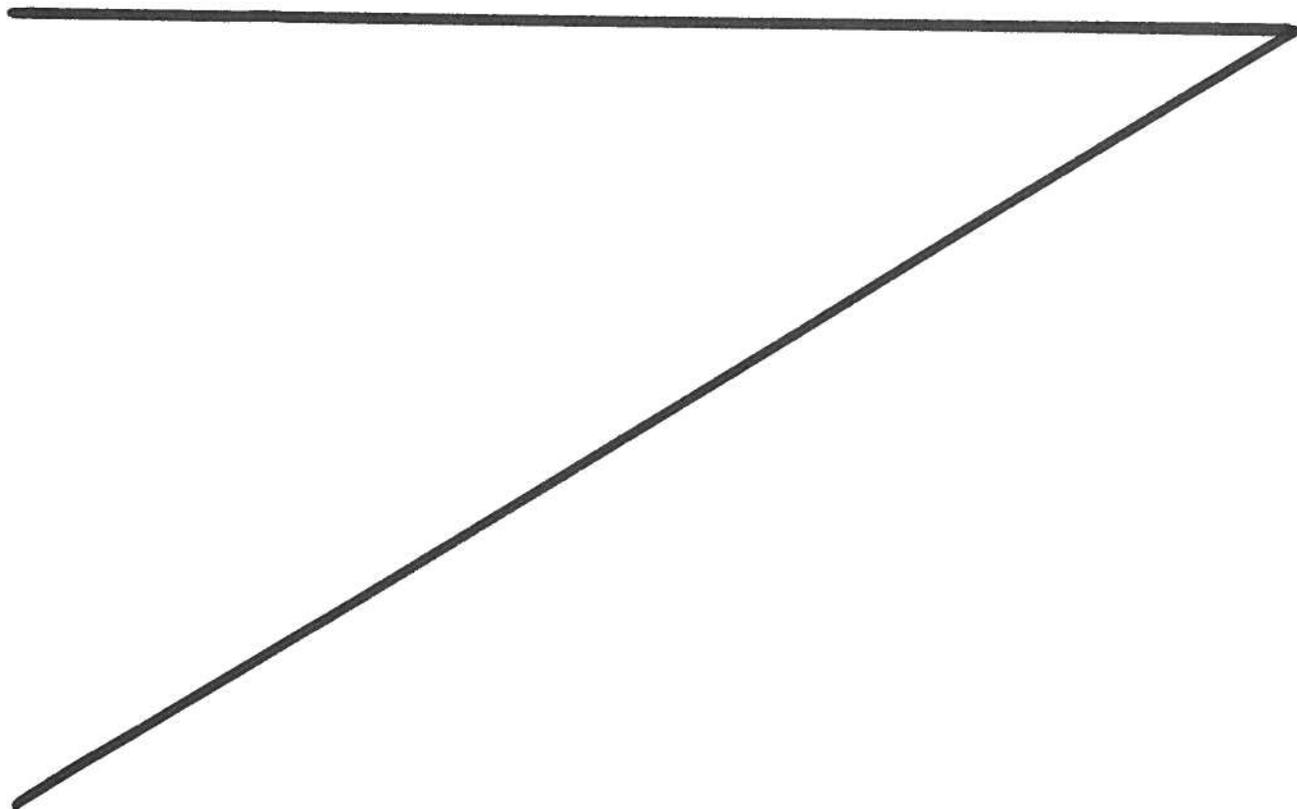
Capital Funds received from HUD allow for 10% of the funds received to cover project oversight costs, e.g., project management; financial oversight, etc.. Staff will work with appropriate divisions and to get clarification if State CIP can be used for administrative costs to cover the time and management of the projects, as currently it is not allowed.

Ms. Wise also provided an Asset Management Project (AMP) budget review for each property's projected revenues, expenses, and net income/loss for FY 2011-2012 and FY 2010-2011. This will serve as a key component for AMPs to monitor their budget and activities. Ms. Wise will provide to the new Board Members clarifications on the Public Housing Assessment System (PHAS) financial budgets and upgrade of the software.

Mr. Clarence Allen, Fiscal Officer added that the U.S. Department of Housing and Urban Developments (HUD) concern is the actual versus budget when reviewing AMP budgets. In July, representatives from Emphasys Computer Systems will begin the conversion to the HPHA's financial accounting system to the Elite system. The conversion may take six months. Once completed, the AMP managers will have access to their budgets and related expenditures. This is a marked improvement as currently with the accounting software used, the AMPs are dependent on receiving reports from FMO. The current DOS based software is not flexible nor is the report writer.

Chairperson Thompson asked if there were any questions. There being no further questions,

The motion unanimously carried.



RESOLUTION NO. 48

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION APPROVING THE HAWAII PUBLIC HOUSING AUTHORITY'S OPERATING BUDGET FOR FISCAL YEAR 2011 – 2012 AND TO AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT AND SUBMIT BUDGET CERTIFICATIONS TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, all statutory and regulatory requirements have been met;

WHEREAS, the HPHA has sufficient operating reserves to meet the working capital needs of its developments;

WHEREAS, proposed budget expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;

WHEREAS, the budget indicates a source of funds adequate to cover all proposed expenditures;

WHEREAS, the HPHA will comply with the wage rate requirement under 24 CFR 968.11(c) and (f);

WHEREAS, the HPHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i); and

WHEREAS, this joint Resolution is intended to apply to all Asset Management Projects (AMPs) and Programs under the HPHA's jurisdiction.

NOW THEREFORE, BE IT RESOLVED, that the HPHA Board of Directors do hereby adopt this Resolution No. 48 Approving the Hawaii Public Housing Authority's Operating Budget for Fiscal Year 2011-2012.

The UNDERSIGNED, hereby certifies that the foregoing resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on June 16, 2011 in Honolulu, Hawaii.



Travis O. Thompson, Chairperson

Chairperson Thompson called a recess at 10:20 a.m. and reconvened at 10:34 a.m.

Motion: To Adopt Board Resolution No. 49 Expressing Appreciation to Director Sam Aiona

Director McManaman moved and Director Shimizu seconded.

The motion unanimously carried.

Motion: To Adopt Board Resolution No. 50 Expressing Appreciation to Director Rene Berthiaume

Director McManaman moved and Director Shimizu seconded.

The motion unanimously carried.

Motion: To Adopt Board Resolution No. 51 Expressing Appreciation to Director Sherrilee Dodson

Director McManaman moved and Director Shimizu seconded.

The motion unanimously carried.

Motion: To Adopt Board Resolution No. 52 Expressing Appreciation to Director Carol Ignacio

Director McManaman moved and Director Shimizu seconded.

The motion unanimously carried.

Chairperson Thompson commended Directors Aiona, Berthiaume, Dodson, Ignacio and ongoing Board members. Chairperson Thompson gave a recap of the HPHA's history from July 1, 2006 to present and how the Board had to deal with potential disasters, financing concerns, aging facilities, funding shortages, having five different executive directors, staff vacancies, uncollected rents, improved maintenance, resident concerns, the sale of projects, lawsuits, curfews, the Corrective Action Order, and making major decisions. All of these events and more have happened on the Board's watch. He sincerely thanked the Board members for their efforts in serving the HPHA and navigating all the challenges and opportunities presented to them.

Chairperson Thompson read the Resolutions and called to question to approve the resolutions.

The motion was unanimously carried.

RESOLUTION NO. 49

EXPRESSING APPRECIATION TO DIRECTOR SAM AIONA

WHEREAS, Director Sam Aiona is a member on the Hawaii Public Housing Authority (HPHA) Board of Directors; and

WHEREAS, when appointed to the HPHA Board, Director Aiona was the Executive Director of the Office of Community Services and he brought with him a wealth of experience managing programs and services for low income families;

WHEREAS, Director Aiona worked tirelessly to improve services and programs for the families in the HPHA's programs;

WHEREAS, Director Aiona maintained effective communication regarding the needs of low income families with the HPHA's Board of Directors, the Office of the Executive Director, the Hawaii State Legislature, and the U.S. Department of Housing and Urban Development; and

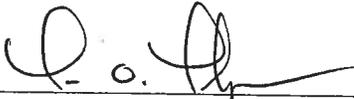
WHEREAS, Director Aiona has been instrumental in resolving policy issues serving on numerous task force committees for the Board; and

WHEREAS, in his role as a Board member, Director Aiona was particularly interested in resolving conflicts between HPHA staff and tenants, and actively encouraged the formation of resident associations; and

WHEREAS, the HPHA's Board of Directors hold Director Aiona in the highest personal regard.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority adopt Resolution No. 49 Expressing Appreciation to Director Sam Aiona on this 16th day of June 2011;

AND, BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to Director Sam Aiona reflecting sincere appreciation of the Board for his contributions to the Hawaii Public Housing Authority, and the citizens of the State of Hawaii.



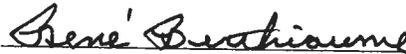
Travis O. Thompson, Chairperson



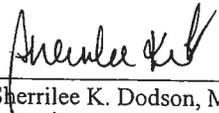
R. Eric H. Beaver, Vice Chair



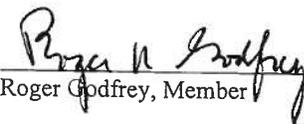
Matilda A. Yoshioka, Secretary



Rene Berthiaume, Member



Sherrilee K. Dodson, Member



Roger Godfrey, Member



Carol R. Ignacio, Member



Patricia McManaman, Member



Debbie Shimizu, Member



RESOLUTION NO. 50

EXPRESSING APPRECIATION TO DIRECTOR RENE BERTHIAUME

WHEREAS, Director Rene Berthiaume is a member on the Hawaii Public Housing Authority (HPHA) Board of Directors; and

WHEREAS, Director Berthiaume worked tirelessly to improve services and programs for the families in the HPHA's programs; and

WHEREAS, Director Berthiaume maintained effective communication regarding the needs of low income families with the HPHA's Board of Directors, the Office of the Executive Director, the Hawaii State Legislature, and the U.S. Department of Housing and Urban Development; and

WHEREAS, Director Berthiaume has been instrumental in resolving policy issues serving on numerous task force committees for the Board; and

WHEREAS, in his role as a Board member, Director Berthiaume was particularly interested in supportive service and employment training efforts, and actively encouraged the formation of resident associations; and

WHEREAS, the HPHA's Board of Directors hold Director Berthiaume in the highest personal regard.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority adopt Resolution No. 50 Expressing Appreciation to Director Rene Berthiaume on this 16th day of June 2011;

AND, BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to Director Rene Berthiaume reflecting sincere appreciation of the Board for his contributions to the Hawaii Public Housing Authority, and the citizens of the State of Hawaii.



Travis O. Thompson, Chairperson



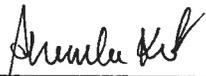
R. Eric H. Beaver, Vice Chair



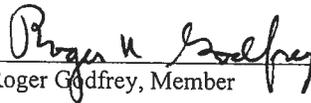
Matilda A. Yoshicka, Secretary



Sam Aiona, Member



Sherrilee K. Dodson, Member



Roger Godfrey, Member



Carol R. Ignacio, Member



Patricia McManaman, Member



Debbie Shimizu, Member



RESOLUTION NO. 51

EXPRESSING APPRECIATION TO DIRECTOR SHERRILEE DODSON

WHEREAS, Director Sherrilee Dodson is a member on the Hawaii Public Housing Authority (HPHA) Board of Directors; and

WHEREAS, as the Executive Director for Habitat for Humanity on Maui and a lawyer by education, Director Dodson brought with her a wealth of housing and construction experience which was reflected in her thoughtful inquiries, discussions and decisions at the Board level; and

WHEREAS, Director Dodson worked tirelessly to improve services and programs for the families in the HPHA's programs; and

WHEREAS, Director Dodson has been instrumental in resolving policy issues, serving on numerous task force committees and volunteering to coordinate Board training; and

WHEREAS, in her role as a Board member, Director Dodson was particularly interested in increased accountability; and

WHEREAS, the HPHA's Board of Directors hold Director Dodson in the highest personal regard.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority adopt Resolution No. 51 Expressing Appreciation to Director Sherrilee Dodson on this 16th day of June 2011;

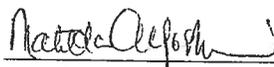
AND, BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to Director Sherrilee Dodson reflecting sincere appreciation of the Board for her contributions to the Hawaii Public Housing Authority, and the citizens of the State of Hawaii.



Travis O. Thompson, Chairperson



R. Eric H. Beaver, Vice Chair



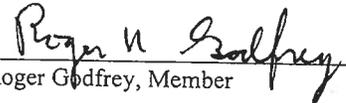
Matilda A. Yoshioka, Secretary



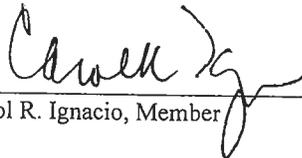
Sam Aiona, Member



Rene Berthiaume, Member



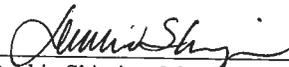
Roger Godfrey, Member



Carol R. Ignacio, Member



Patricia McManaman, Member



Debbie Shimizu, Member

RESOLUTION NO. 51

EXPRESSING APPRECIATION TO DIRECTOR SHERRILEE DODSON

WHEREAS, Director Sherrilee Dodson is a member on the Hawaii Public Housing Authority (HPHA) Board of Directors; and

WHEREAS, as the Executive Director for Habitat for Humanity on Maui and a lawyer by education, Director Dodson brought with her a wealth of housing and construction experience which was reflected in her thoughtful inquiries, discussions and decisions at the Board level; and

WHEREAS, Director Dodson worked tirelessly to improve services and programs for the families in the HPHA's programs; and

WHEREAS, Director Dodson has been instrumental in resolving policy issues, serving on numerous task force committees and volunteering to coordinate Board training; and

WHEREAS, in her role as a Board member, Director Dodson was particularly interested in increased accountability; and

WHEREAS, the HPHA's Board of Directors hold Director Dodson in the highest personal regard.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority adopt Resolution No. 51 Expressing Appreciation to Director Sherrilee Dodson on this 16th day of June 2011;

AND, BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to Director Sherrilee Dodson reflecting sincere appreciation of the Board for her contributions to the Hawaii Public Housing Authority, and the citizens of the State of Hawaii.



Travis O. Thompson, Chairperson



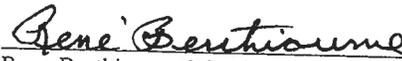
R. Eric H. Beaver, Vice Chair



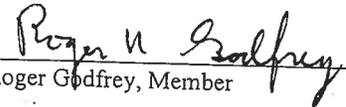
Matilda A. Yoshioka, Secretary



Sam Aiona, Member



Rene Berthiaume, Member



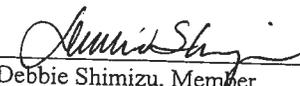
Roger Godfrey, Member



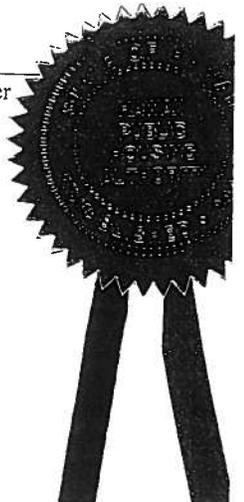
Carol R. Ignacio, Member



Patricia McManaman, Member



Debbie Shimizu, Member



RESOLUTION NO. 52

EXPRESSING APPRECIATION TO DIRECTOR CAROL IGNACIO

WHEREAS, Director Carol Ignacio is a member on the Hawaii Public Housing Authority (HPHA) Board of Directors and represents the island of Hawaii; and

WHEREAS, Director Ignacio is the Executive Director of the Office for Social Ministry and brought with her a wealth of experience as a policy maker providing oversight to supportive service and homeless programs;

WHEREAS, Director Ignacio worked tirelessly to improve services and programs for the families in the HPHA's programs, as demonstrated in her emphasis on the quality of services and focus on program outcomes; and

WHEREAS, Director Ignacio has been instrumental in resolving policy issues serving on numerous task force committees for the Board and was a strong proponent for increased accountability by staff and contractors; and

WHEREAS, the HPHA's Board of Directors hold Director Ignacio in the highest personal regard.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority adopt Resolution No. 52 Expressing Appreciation to Director Carol Ignacio on this 16th day of June 2011;

AND, BE IT FURTHER RESOLVED that a copy of this resolution be transmitted to Director Carol Ignacio reflecting sincere appreciation of the Board for her contributions to the Hawaii Public Housing Authority, and the citizens of the State of Hawaii.



Travis O. Thompson, Chairperson



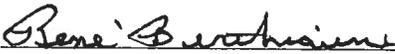
R. Eric H. Beaver, Vice Chair



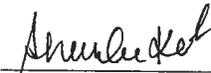
Matilda A. Yoshida, Secretary



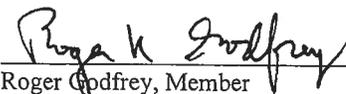
Sam Aiona, Member



Rene Berthiaume, Member



Sherrilee K. Dodson, Member



Roger Godfrey, Member



Patricia McManaman, Member



Debbie Shimizu, Member



Motion: To go into executive session at 10:47 a.m. pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(2) 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 personnel matters.

Director Dodson moved and Director Aiona seconded.

The motion was unanimously carried.

The Board reconvened from Executive Session at 11:46 a.m.

Executive Director's Report:

Ms. Wise reported that the sale of Banyan Street Manor was concluded and the real estate transaction with Kuhio Park Terrace (KPT) was completed. Training for the Eviction Hearings Officers and AMP managers conducted by the Deputy Attorney General, John Wong was well received.

Director McMannaman asked about the policy on medical marijuana. Ms. Wise stated that marijuana is not allowed on federal projects. The HPHA requested an opinion from the Department of the Attorney General regarding the use of medical marijuana in State public housing. The HPHA is recommending that the use of medical marijuana in State public housing be prohibited as to remain consistent and as soon as the opinion is received it will be presented to the Board.

Director Shimizu requested that news articles be included in the Board packet. Ms. Wise stated that she will include any media related issues in future Board packet. Director McManaman stated DHS has a long standing policy that requires all media communications with the press to be coordinated through DHS. Director Dodson commented that any communication with the press should be coordinated with the Governor's press office. Ms. Barbara Arashiro, Executive Assistant added that earlier this year, the Board updated the Policy on Communications and recommended that the policy be brought back to the Board for review or revisions.

Motion: To go into executive session at 11:59 a.m. 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 the *Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise in her Official Capacity As Executive Director* (Civil Case No. CV11-00266 and Civil No. 11-1-0795).

Director Dodson moved and Director Ignacio seconded.

The motion was unanimously carried.

The Board reconvened from Executive Session, and called a recess at 12:40 p.m., and reconvened at 12:46 p.m.

Chairperson Thompson asked about the Request for Proposals (RFP) for Energy Performance Consultant Services. Ms. Wise reported that the RFP is at the Department of the Attorney General for review. The contract may take effect around October depending on when the RFP is issued. Director McManaman stated that the Energy Performance Consultant Services is a priority for the Board. Director Shimizu asked if HPHA needed to fix the Ameresco situation. Chairperson Thompson responded that there was nothing to fix.

Ms. Wise reported that the Real Estate Assessment Center (REAC) has contacted the HPHA and will be conducting physical inspections for HPHA between July and August.

Director McManaman asked what the status is on the washing machines in Waimanalo. Ms. Wise said that new vendor washing machines are installed and staff is working with the tenant association to monitor the laundry room.

Chairperson Thompson inquired about the additional design services at Kehekili Terrace (CMS 08-28-SC02), contractual extension, and why they were needed. Ms. Becky Choi, State Housing Development Administrator explained that there were unforeseen conditions like the electrical and concrete spalling that occurred, but the work is still ongoing.

Director McManaman commented that a report on the status of the vacant units should be provided to the Board on a monthly basis to see why the vacant units are not being worked on. Director Ignacio commented that volunteers and private individuals can come to help turn around the units. Ms. Wise stated that a meeting is coming up and volunteer effort is being coordinated. Volunteer assistance is limited to specific duties as should we need skilled trades we must consult with the union.

Director McManaman requested that staff review the state and federal procurement processes and begin discussion on whether there is a more efficient way for HPHA to procure services when needed.

Director Shimizu asked if the elevator consulting services was for Kuhio Park Terrace. Ms. Wise explained that five of the 6 elevators have been modernized at KPT, and the 17 elevators are at various state and federal locations.

Ms. Wise reported that Mr. Birck is applying for federal grants on the Resident Opportunity Self Sufficiency (ROSS) Service Coordinator Program for \$240,000 and the Family Self Sufficiency (FSS) \$129,000 plus \$69,000 for one position federal grants. Director McManaman reported that there is a Choice Neighborhood grant that is due in August. Ms. Wise will look at the criteria to see if the HPHA is qualified. We have applied for the Veterans Assisted Supportive Housing (VASH) vouchers, 25 for Oahu and 25 for the neighbor islands. This is an addition to the 140 vouchers HPHA currently administers.

Chairperson Thompson commented that no action taken on the Legislative Audit and letters from the media. He proposes that action be taken next month by appointing a task force to give a monthly or quarterly status report and report back to the Legislative Auditor Ms. Higa. Director McManaman also requested that HPHA develop an action plan which addresses the highlighted issues and concerns. The action plan should identify issues, action to be taken, responsible parties, training plans, and benchmarks.

Chairperson Thompson suggested that AMPs or staff be awarded, or given something for competition or incentives and awarded for AMP or staff of the month, or their picture taken because they cannot be awarded monetarily. He would like to see if staff can come up with something to award themselves.

With no further business for the board to conduct,

Director Aiona moved to adjourn and Director Dodson seconded.

The motion unanimously carried.

The meeting adjourned at 1:27 p.m.

MINUTES CERTIFICATION

Minutes Prepared by:

Dionicia Piiohia
Acting Secretary to the Board/Recording Secretary

Date

Approved by the HPHA Board of Directors at their Regular Meeting on July 21, 2011

Director/Board of Director

Date

**MINUTES OF THE SPECIAL MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BUILDING E,
ON THURSDAY, JULY 7, 2011
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII**

The Board of Directors of the Hawaii Public Housing Authority met for their Board Orientation at 1002 N. School Street, on Thursday, July 7, 2011 at 9:49 a.m.

The meeting was called to order by Chairperson Travis Thompson and those present and excused were as follows:

PRESENT:

Chairperson Travis Thompson
Director Jason Espero
Director David Gierlach
Director Roger Godfrey
Director Patricia McManaman
Director Debbie Shimizu
Director Trevor Tokishi
Director George Yokoyama (Teleconference)

| | |
|-----------------|-------------------------|
| Denise Wise | Executive Director |
| Jennifer Sugita | Deputy Attorney General |
| Diane Taira | Deputy Attorney General |
| John Cregor | Deputy Attorney General |

EXCUSED:

Vice Chair Eric Beaver

STAFF PRESENT:

| | |
|-------------------|--|
| Clarence Allen | Fiscal Officer |
| Shirley Befitel | Personnel Supervisor |
| Nicholas Birck | Housing Planner |
| Renee Blondin-Nip | Hearings Officer |
| Becky Choi | State Housing Development Administrator |
| Stephanie Fo | Property Management and Maintenance Services Branch Chief |
| Diane Johns | Property Management Specialist |
| Gary Nakatsu | Data Processing System Analysis |
| Kiriko Oishi | Compliance Officer |
| Dionicia Piiohia | Secretary to the Board |
| Rick Sogawa | Contacts and Procurement Officer |

OTHERS:

| | |
|-------------|----------|
| Wilcox Choy | KMH, LLP |
|-------------|----------|

Proceedings:

Chairperson Thompson declared a quorum present.

Chairperson Thompson asked if anyone had signed in to provide public testimony, there being none, Chairperson Thompson began the Board Orientation by asking each board member to please introduce themselves and give a brief background on their experience.

Ms. Denise Wise, Executive Director began by giving an overview of the Hawaii Public Housing Authority's (HPHA) Budget. She explained the various sources and uses that comprise the HPHA operating budget. The primary source of income for the HPHA is subsidy received from HUD and she then reviewed the expenses. She then introduced Mr. Wilcox Choy, KMH, LLP and auditor.

Mr. Choy gave an overview of the challenges faced by the HPHA over the past six years. He explained the agency's primary challenge is staffing. That it continues to be a major challenge and that it traces back to when the agency, once known as HCDCH bifurcated. The bifurcation created the Hawaii Housing Finance and Development Corporation (HHFDC) and the HPHA. This occurred in 2005/2006 and the agency has not been able to recover from the loss of talent. He detailed that since working with the agency there have been three fiscal officers, hiring freeze and furloughs. In 2008 HUD implemented Project Based Accounting. It was a fundamental accounting change for the agency that outstripped the capacity of the staff.

Mr. Choy discussed the technical assistance provided by HUD through MD Strum. The objective of hiring technical assistance was to address the problems. However, it was difficult to do as MD Strum did not have the full understanding of the programs, the history, and the system. KMH had to get the agency back on the right track, as some of the recommendations by MD Strum were not pertinent to the HPHA. Mr. Choy further stated that the HPHA is unique, in not only does it account for Federal dollars it also accounts for State dollars and must adhere to accrual accounting which is complicated and takes a knowledgeable staff. In 2010 the new Executive Director and Fiscal Officer came on board and are working to make it right and they both have an understanding of what needs to be done. The audit findings reported in the 2010 audit are issues dating back to the 2007 audit. The staff turnovers and the challenges of attracting and hiring qualified staff, coupled with hiring freezes and furloughs have hampered the ability of the HPHA to rectify the issues. Mr. Choy further stated that even though the executive director and fiscal officer understand the issues the problems will not be resolved until there is qualified staff

Director McManaman asked if that within the audit findings if there are easier fixes then others. Mr. Choy said that there are but the HPHA needs to prioritize and identify the findings to develop a comprehensive plan and that it is necessary to address all findings.

Director McManaman asked if there is a finance committee and if so, how often does it meet. Chairperson Thompson explained that there is a problem in having standing committees. Deputy Attorney General Jennifer Sugita explained that the Board sets policy and direction. That having regular standing committees may be considered active participation in the day to day operations

of the agency and outside the Board's governance role. Therefore "task forces" are used to address specific issues and have a start and end date. This avoids the issue of the Board being involved in the operations of the agency, as this was a finding by HUD in 2002. This was further corroborated by supervising Deputy Attorney General Diane Tiara.

Chairperson Thompson stated to the board that he often asks the auditors is the money all accounted for and Mr. Choy explained that it is and diligence must be followed to ensure it is applied to the correct "buckets" or accounts. With no further questions Mr. Choy departed and Chairperson Thompson thanked him for his time.

Chairperson Thompson added that the Board would like a report given quarterly, or periodically as to how the agency is doing relative to resolving the audit findings.

Ms. Wise presented the overview of the HPHA's organization and programs.

Director Gierlach asked if could be tied into the Annual Meetings as he will be on the mainland. Ms. Sugita will look into it and get back to the Board.

Director Espero asked how long Board meetings last. Chairperson Thompson explained that the packets are sent out in advance for the Board to review and that it is presumed that the directors review the information provided which allows for informed meetings. That typically the meetings may end any time between 1:30 and 2:30 pm. It could be sooner or later depending on the issues before the Board. Ms. Wise pointed out to the Board that in their packets there was a sample agenda and a sample "For Action" that provided an example of how issues requiring Board votes are presented.

Chairperson Thompson called a recess at 10:30 a.m. and the meeting reconvened at 10:40 a.m.

Ms. Wise explained that the HHA Wilikina Apartments Project, Inc. is a separate entity, that is considered an affiliate of the HPHA and that it is a non-profit. It is not public housing but a multi-family project that has its own Board of Directors, which is comprised of HPHA Board members. She further added that the annual meeting for Wilikina will be conducted in July. This involves the election of officers and they are: the Chair, Vice-Chair and Secretary.

Ms. Wise introduced the Branch Chiefs and Division Administrators of the HPHA. She briefly explained what and how the programs operate.

- Ms. Stephanie Fo, Property Management and Maintenance Branch Chief oversees the Asset Management Projects (AMP), Resident Services, and Tenant Association program. It was noted that in the 2006/2007 timeframe the Resident Services division was staffed with approximately 6 staff members. That due to budget cuts it was reduced to one staff person. Ms. Fo is currently working to restaff the division to better meet the needs of the tenants.
- The Section 8, Branch includes Family Self-Sufficiency, Section 8 vouchers, VASH vouchers and Rent Supplement program. The Branch Chief position has been vacant for over two years. Currently, Ms. Fo is temporarily overseeing the section.

- Becky Choi, State Housing Development Administrator oversees all facets of construction, Capital Improvement Projects (CIP), inspectors and engineers. It was noted that her branch is down three engineers.
- Ms. Kiriko Oishi, Housing Compliance and Evaluation Specialist, works on reasonable accommodation requests, accessibility issues, discrimination complaints and other compliance issues of the agency. It was further noted that in the past the Compliance office used to be staffed with five staff and that in 2006/2007 it was reduced to one staff person due to budget.
- Ms. Renee Blondin-Nip, Hearings Officer, handles evictions, appeals, hearing boards on all islands, including three on Oahu, and works in conjunction with the Attorney General's office in the case of the State housing units. The evictions are 50 percent rent cases and the other 50 percent are drug, criminal activity or other cases.
- Mr. Nicholas Birck, Housing Planner, is the HPHA legislative liaison, he also writes grants, and works on legislative issues facing the agency.
- Mr. Rick Sogawa, Contracts and Procurement Officer, works with federal and state procurement rules; issues contracts and manages all solicitations of the agency. Currently he is the only staff person in procurement and is actively recruiting.
- Ms. Shirley Befitel, Personnel Supervisor provides personnel support and recruits vacant positions in the agency.
- Mr. Clarence Allen, Fiscal Officer handles all accounting facets and he is currently down 3 staff.
- Mr. Gary Nakatsu, of the Information Technology Office handles technology needs, assessments, upgrades and computer needs.

Director Gierlach left the orientation at 11:27 a.m.

Ms. Wise showed some of the HPHA properties extracted from the "Google Earth" program. She provided a brief overview of the AMP budgets.

Chairperson Thompson call for a recess at 11:37 a.m. and the meeting reconvened at 11:49 a.m.

Ms. Diane Taira, Division Supervisor, Deputy Attorney General's Office gave a brief introduction on the various departments that her division serves. Her division assists with legal issues and concerns that the Board may have or should be aware of. They also provide review of the board agenda to ensure all compliance issues have been satisfied prior to posting.

Ms. Taira went on to explain the importance of the Sunshine Law and the required adherence by the Board. Ms. Sugita added that should an issue be discussed outside the Board meeting that the Board needs to take caution in the forum in which the matter is discussed. Ms. Taira explained that three or more members discussing an issue may be construed as a meeting and therefore a violation of the Sunshine Law. This is particularly pertinent in the case of emails. Ms. Sugita provided a handout that consists of the guide to "The Sunshine Law", the selected Hawaii Revised Statutes (HRS) regarding Boards and Commissions, selected statutes regarding HPHA and the HRS regarding the Attorney General Employment of Attorneys.

Ms. Tiara introduced Mr. John Cregor, deputy attorney general with the Civil Rights division. He explained his role with the HPHA. He worked with and was on the team when the agency was served with KPT lawsuit and he is now working with the agency regarding the Mayor Wright Homes (MWH) lawsuit. He gave a brief overview of his background and working with the agency. Mr. Cregor stated he will follow up on the plan and timeline for MWH lawsuit.

Director Gierlach returned at 12:22 p.m.

Ms. Taira informed the Board that the State does cover the Board Directors in lawsuits unless the director acts in a malicious or improper purpose. She also briefly explained that the HPHA is an attached agency to the Department of Human Services and what that meant and as a result, the protocols to the Governor's office and other State departments.

Chairperson Thompson added that there more than likely will be four meetings at the July 21, 2011 meeting. They are:

1. HPHA Annual Meeting
2. HPHA regular meeting
3. HHA Wilikina Annual Meeting
4. Possible Wilikina regular meeting.

Director McManaman asked if there will be an invitation to other meetings from other HPHA partners such as HUD. Ms. Wise stated that there is a plan to have a more in-depth Board training in September that would include partners like HUD and other subject matter experts that the Board would like to hear from.

With no further questions Chairperson Thompson called for a motion to adjourn The Board Orientation.

Director Godfrey moved to adjourn and, Chairperson Thompson seconded.

The motion was unanimously carried.

The meeting adjourned at 12:45 p.m.

MINUTES CERTIFICATION

Minutes Prepared by:



Dionicia Piiohia
Acting Secretary to the Board/Recording Secretary



Date

Approved by the HPHA Board of Directors at their Regular Meeting on July 21, 2011



Jason Espero
Director/Board of Director

7-21-11
Date

FOR ACTION

MOTION: To Certify the Hawaii Public Housing Authority's Application for a Choice Neighborhoods Planning Grant and to Authorize the Executive Director to Take All Actions Necessary to Prepare and Submit the Application to the U.S. Department of Housing and Urban Development.

I. FACTS

- A. The U.S. Department of Housing and Urban Development is offering the opportunity for interested stakeholders to apply for grants under the Choice Neighborhoods Initiative of the Department.
- B. The Choice Neighborhoods Initiative Planning grant is being offered through a competitive application process to stakeholders interested in developing a comprehensive neighborhood revitalization plan for a selected neighborhood.
- C. The purpose of the Choice Neighborhoods planning grant program is to support the development of a "Transformation Plan" that seeks to transform neighborhoods by revitalizing severely distressed public and/or assisted housing and leveraging other public and private assets.
- D. Successful grant applications are funded with \$300,000 to be expended in the development of the Transformation Plan. A Choice Neighborhoods Planning grant is required for the HPHA to apply for a Choice Neighborhoods Implementation grant in the future.
- E. **Category Preferences.** Three types of applications will receive priority funding, as described below. These categories are not mutually exclusive (i.e. if you meet more than one of these criteria, your application is eligible for each preference allocation). To qualify for any of these categories, an applicant must score a minimum of 60 points. If no applicants earn this score or otherwise fulfill the category preference criteria below, the Planning Grant funding will be available to the rest of the Planning Grant applicant pool.
 - i. **Non-Metropolitan areas.** HUD will set aside **two** Planning Grants for proposals targeting non-metropolitan areas located outside a Metropolitan Core Based Statistical Area, as defined by the most

current OMB definition. HUD will make the determination of eligibility under this category based on the data HUD has and the neighborhood map you provide through the mapping tool.

- ii. **Collaboration among housing providers.** HUD will set aside **two** Planning Grants for proposals that target both public and assisted housing and demonstrate collaboration among multiple owners of public and assisted housing projects. To be eligible for this category preference, an application must identify at least one eligible target public housing project and at least one eligible target assisted housing project. In addition, PHAs must provide an MOU amongst the public and/or assisted housing owners in the target neighborhood that is signed by an executive officer of each entity. The MOU must indicate each entity's support of your leadership of the planning process, demonstrate a commitment to participate throughout the entirety of the grant, and detail each entity's role.
- iii. **Promise Neighborhoods grantees.** HUD will set aside **four** Choice Neighborhoods Planning Grants for those that received a Planning Grant from the Department of Education's Promise Neighborhoods program for the same target neighborhood. Applicants are eligible for this category preference if either (1) it received a Promise Neighborhoods Planning Grant or (2) it can provide an MOU with the Promise Neighborhoods Planning Grant recipient. The MOU must indicate an applicant's commitment to coordinate planning and align resources to the greatest extent practicable.

Minimum scoring. To qualify for a Choice Neighborhoods Planning Grant, applicants must earn a minimum of 50 percent of the points for each overall Rating Factor category in Need, Capacity and Plan. Any applicant that does not reach these minimum scoring criteria will not be awarded a Planning Grant.

| Choice Neighborhoods Planning Grant Scoring Summary | | | |
|---|--|--------|--------|
| | Rating Factor | Points | Totals |
| Capacity | | | |
| | Capacity to lead planning | 8 | |
| | Resident and community engagement | 4 | |
| | Data and evaluation | 4 | |
| | Leverage experience | 4 | |
| | | | 20 |
| Need | | | |
| | Unit distress | | |
| | REAC physical inspection or Rehabilitation Costs | 3 | |
| | Structural deficiencies | 5 | |
| | Design deficiencies | 4 | |
| | Neighborhood distress | | |
| | Poverty/ELI | 5 | |
| | Vacancy | 2 | |
| | Crime | 5 | |
| | Need for affordable housing in the community | 1 | |
| | | | 25 |
| Plan | | | |
| | Plan for planning activities | 6 | |
| | Resident and community engagement | 4 | |
| | Plan for needs assessment | 4 | |
| | Capacity building (policy priority) | 2 | |
| | Educational opportunities planning (policy priority) | 2 | |
| | Planning schedule | 2 | |
| | Budget | 2 | |
| | Consistency with other planning documents | 2 | |
| | | | 24 |
| Likelihood of Implementation | | 3 | 3 |
| | | | |
| Leverage | | 4 | 4 |
| | | | |
| Bonus Points | Preferred Sustainable Communities Status | 2 | |
| | RC/EZ/EC-II | 2 | |
| | | | 4 |
| | | | |
| | | TOTAL | 80 |

I. DISCUSSION

- A. The HPHA is currently working in partnership with the Michaels Development Company on an application for the Choice Neighborhoods

Planning grant being offered under the 2011 Notice of Funding Availability (NOFA).

- B. The HPHA intends to utilize funds made available through this NOFA to support the development of a Transformation Plan for the neighborhood surrounding and including the Towers at Kuhio Park and Kuhio Homes in the Kalihi Valley.
- C. HPHA and Michaels Development Company, through partnerships with other public and private agencies, non-profit and for-profit organizations, and individuals, will utilize planning grant funds to leverage significant neighborhood assets to revitalize the neighborhood through strategic, financially sustainable investments.
- D. The planning grant will be used to develop a Transformation Plan, which will then support the HPHA's future application for a Choice Neighborhoods Initiative Implementation Grant.
- E. The grant requires the HPHA to enter into Memoranda of Understanding with potential partners in support of the application for the grant. It also requires certification, signed by the Chairperson of the Board of Directors, attesting that the HPHA will comply with all application and expenditure requirements (Attachment A). Execution of the grant agreement also requires approval by the Governor to apply for and expend federal funds.

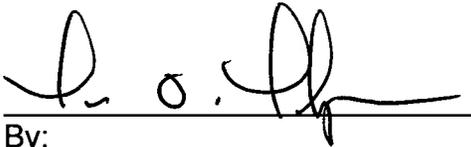
III. RECOMMENDATION

That the Hawaii Public Housing Authority's Board of Directors certify the HPHA's application for a Choice Neighborhoods Planning Grant and authorize the Executive Director to take all actions necessary to prepare and submit the application to the U.S. Department of Housing and Urban Development.

Attachment A: HUD Form 53156, Choice Neighborhoods Application Certifications - Planning Grants

Prepared by: Nicholas Birck, Planner 

Adopted:



By:
Its: Chairperson

**CHOICE NEIGHBORHOODS APPLICATION CERTIFICATIONS –
PLANNING GRANTS**

The following are certifications to and agreements with the Department of Housing and Urban Development (HUD) required in connection with the Choice Neighborhoods Planning Grants application and implementation.

1. The public or assisted housing project targeted in this Choice Neighborhoods grant application meets the definition of severe distress in accordance with Section 24(j)(2) of the United States Housing Act of 1937 ("1937Act").
2. The Lead Applicant and Co-Applicant (if any) have not received assistance from the Federal government, State, or unit of local government, or any agency or instrumentality, for the specific activities for which funding is requested in the Choice Neighborhoods application.
3. The Lead Applicant and Co-Applicant (if any) do not have any litigation pending which would preclude timely startup of activities.
4. The Lead Applicant and Co-Applicant (if any) are in full compliance with any desegregation or other court order related to Fair Housing (e.g., Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and Section 504 of the Rehabilitation Act of 1973) that affects the Lead Applicant's and Co-Applicant's (if any) public or assisted housing program and that is in effect on the date of application submission.
5. The Lead Applicant and Co-Applicant (if any) have returned any excess advances received during development or modernization, or amounts determined by HUD to constitute excess financing based on a HUD-approved Actual Development Cost Certificate (ADCC) or Actual Modernization Cost Certificate (AMCC), or other HUD contracts, or that HUD has approved a pay-back plan.
6. There are no environmental factors, such as sewer moratoriums, precluding development in the requested locality.
7. In accordance with the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128), the property targeted for acquisition or construction (including rehabilitation) is not located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:
 - (a) The community in which the area is situated is participating in the National Flood Insurance program (see 44 CFR parts 59 through 79), or less than one year has passed since FEMA notification regarding such hazards; and
 - (b) Where the community is participating in the National Flood Insurance Program, flood insurance is obtained as a condition of execution of a Grant Agreement and approval of any subsequent demolition or disposition application.
8. The application does not target properties in the Coastal Barrier Resources System, in accordance with the Coastal Barrier Resources Act (16 U.S.C. 3501).

If selected for Choice Neighborhoods funding:

9. The Lead Applicant and Co-Applicant (if any) will ensure compliance with all policies, procedures, and requirements, including the Program Requirements provided in the NOFA, Implementation Grants Section, Section III.C.3, prescribed by HUD for the Choice Neighborhoods Program.

10. The Lead Applicant and Co-Applicant (of any), will ensure that Choice Neighborhoods grant activities are implemented in a timely, efficient, and economical manner. The Lead Applicant and Co-Applicant (of any), will ensure that all FY 2011 Choice Neighborhoods grant funds are expended by the statutory deadline. In accordance with 31 U.S.C. § 1552, all FY 2011 Choice Neighborhoods funds expire on September 30, 2017. Any funds that are not expended by that date will be cancelled and recaptured by the Treasury, and thereafter will not be available for obligation or expenditure for any purpose.
11. The Lead Applicant and Co-Applicant (if any) will ensure assistance from the Federal government, State, or unit of local government, or any agency or Instrumentality is not received for the specific activities funded by the Choice Neighborhoods grant. The Lead Applicant and Co-Applicant (if any) has established controls to ensure that any activity funded by the Choice Neighborhoods grant is not also funded by any other HUD program, thereby preventing duplicate funding of any activity.
12. The Lead Applicant and Co-Applicant (if any) will ensure that more assistance is not provided to any housing site or neighborhood under the Choice Neighborhoods grant than is necessary to provide for the planning of affordable housing and neighborhood transformation after taking into account other governmental assistance provided.
13. The Lead Applicant and Co-Applicant (if any) will ensure that the aggregate amount of the Choice Neighborhoods grant is supplemented with funds from sources other than Choice Neighborhoods in an amount not less than 5 percent of the amount of the Choice Neighborhoods grant in accordance with Section III.B of the Planning Grants section of the NOFA.
14. The Lead Applicant and Co-Applicant (if any) will ensure compliance with:
 - (a) The Fair Housing Act (42 U.S.C. 3601-19) and regulations at 24 CFR part 100;
 - (b) The prohibitions against discrimination on the basis of disability under Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and regulations at 24 CFR part 8);
 - (c) Title II of the Americans with Disabilities Act (42 U.S.C 12101 et seq.) and its implementing regulations at 28 CFR part 36;
 - (d) The Architectural Barriers Act of 1968, as amended (42 U.S.C. 4151) and regulations at 24 CFR part 40).
15. The Lead Applicant and Co-Applicant (if any) will ensure compliance with all Choice Neighborhoods requirements for reporting, providing access to records, and evaluation.

Lead Applicant: Hawaii Public Housing Authority

Co-Applicant (if any): Michaels Development Company

Name of Targeted Public and/or Assisted Housing Site(s):
Kuhio Homes

I approve the submission of the Choice Neighborhoods application of which this document is a part and make the above certifications to and agreements with the Department of Housing and Urban Development (HUD) in connection with the application and implementation thereof:

Name of Lead Applicant's Executive Officer: Denise M. Wise

Title: Executive Director

Signature: _____

Date: July 21, 2011

Name of Co-Applicant's (if any) Executive Officer: _____

Title: _____

Signature: _____

Date: July 21, 2011

The following signature is applicable if the Lead Applicant or Co-Applicant is a Public Housing Authority.

Acting on behalf of the Board of Commissioners of the Housing Authority listed below, as its Chairman, I approve the submission of the Choice Neighborhoods application of which this document is a part and make the above certifications to and agreements with the Department of Housing and Urban Development (HUD) in connection with the application and implementation thereof:

Certified By: Board Chairman's Name: _____

Board Chairman's Signature: _____

Date: July 21, 2011

Warning: HUD will prosecute false claims and statements. Conviction may result in the imposition of criminal and civil penalties. (18 U.S.C. 1001, 1010, 1012, 32 U.S.C. 3729, 3802)

Not Passed

Reviewed by the Executive Director 
July 21, 2011

FOR ACTION

MOTION: To Adopt Revisions to the Hawaii Public Housing Authority's Policy on Communications, Communication No. 1

I. FACTS

- A. The HPHA Policy on Communications, Communication No. 1, was adopted by the Board of Directors on June 17, 2010 to establish policy regarding communication with external stakeholders.
- B. Previously, the HPHA had several different policies regarding communications, all adopted under its predecessor agency the Housing and Community Development Corporation of Hawaii.
- C. The attached policy was reviewed by the Branch Chiefs, the Department of the Attorney General, and the Board of Directors prior to adoption.

II. DISCUSSION

- A. The existing policy, included at Exhibit A, established policy for the HPHA staff to use and apply.
- B. The policy makes the Office of the Executive Director responsible for approving and/or issuing official messages from the HPHA. The policy does not preclude the Board Chairperson from representing the Board in his/her official capacity.
- C. The HPHA's procedures were also updated on May 4, 2011 to clarify compliance with Chapter 96, Hawaii Revised Statutes, and the requirement that staff openly communicate with the Office of the Ombudsman.
- D. The policy is intended to clarify the lines of communication for staff and to embody a uniform policy on communication for the HPHA. The policy is intended to comply with all applicable federal and state laws, rules, and regulations.

III. RECOMMENDATION

That the Hawaii Public Housing Authority's Board of Directors evaluate and affirm the Continued Validity and Force of the HPHA's Policy on Communication, Communications No. 1.

Exhibit A: Communication No. 1, Policy on Communications, dated June 17, 2010 with procedural amendment dated May 4, 2011

Prepared by: Nicholas Birck, Planner__

Adopted:

By:
Chairperson



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
HONOLULU, HAWAII 96817
FAX: (808) 832-4679

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

IN REPLY REFER TO:

ADMINISTRATIVE MEMORANDUM

Communication No. 1
Amended May 3, 2011

TO: All Branches and Support Offices

FROM: Denise M. Wise
Executive Director

SUBJECT: **Policy on Communications**

I. GENERAL

The purpose of this Administrative Memorandum is to establish management policies and procedures for the Hawaii Public Housing Authority (HPHA) related to official communication (e.g., media, legislative, messages) regarding the HPHA's programs, policies, and rules.

II. POLICY

The Office of the Executive Director is responsible for ensuring that communication with external stakeholders and other interested parties are in congruence with the Board's strategic vision for HPHA and its adopted policies. To that end, any official message from the HPHA shall be approved and/or issued by the Office of the Executive Director.

External stakeholders and other interested parties include, but are not limited to, members of the Legislature (including elected officials and their staffs), State and Federal government agencies, nonprofit agencies, community leaders, appointed officials, contractors, and the media.

All HPHA employees (full and part time) are expected to know and comply with this administrative memorandum. The Office of the Executive Director may delegate to each Branch or Office Supervisor the responsibility for

communication on regular day-to-day operational tasks with external stakeholders and other interested parties (e.g., members of the general public).

Nothing in this policy is intended to preclude the Board Chair or a designated Board member from communicating with external stakeholders in his/her official capacity.

Nothing in the policy is intended to conflict with an employee's rights under Part V of Chapter 378, HRS, Whistleblowers' Protection Act.

In addition, nothing in this policy is meant to impinge on any person's individual First Amendment rights but is meant to bring consistency to the Executive Director's management of official communications from the Agency with external stakeholders and other interested parties.

If there is a conflict between this policy and any law, rule or regulation, the law, rule or regulation shall prevail.

V. REPORTS

A. Personnel Task Force: Report on the Performance Evaluation of the Executive Director and Executive Assistant

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(2) and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to personnel.

To be discussed at meeting. There will be no handouts for this item.

Executive Director's June/July 2011 Board Status Report

Accomplishments:

Agency-Wide:

Compliance Office:

- Attended quarterly Fair Housing meeting with the US Department of Housing and Urban Development, Hawaii Civil Rights Commission, and other fair housing officers statewide to discuss and share strategies to affirmatively further fair housing.
- Drafted and distributed an Interoffice Memorandum regarding the collection and retention of tenant language assistance needs.

Construction Management Branch:

Mayor Wright Homes:

- As of June 15, 2011, all residential buildings at Mayor Wright Homes have been retrofitted with gas-powered tankless water heaters and the buildings now have consistent hot water service.
- Contract documents for InSynergy Engineering, the Consultant retained to address the long term solution to the solar panels and water tanks, have been sent to the Attorney General's Office for review.

Large Capacity Cesspools:

- The revised Work Plan to address the soil contamination at Hale Ho`olulu in Kilauea, Kauai has been resubmitted to the DOH-HEER. No work can occur at Hale Ho`olulu until the Work Plan is approved.

Contracts and Procurement:

For Solicitations and Contracts Issued in June 2011 see Board Report:

Fiscal Office:

- 2011/2012 Budget entered into General Ledger
- Meetings are being held with AMP managers, PMMSB Branch Chief, monitors and ED to discuss the budget and any emerging issues.
- Continue to work with auditing firm on HPHA's financial and single audit for FY 2011

Information Technology Office:

- Coordinated follow-up remote consulting session with Emphasys for the implementation of the Elite financial modules.
- Coordinated weekly remote Elite training for Section 8 personnel.

Planning and Evaluation Office:

- HB200 HD1 SD1 CD1 signed into law as Act 164, Session Laws of Hawaii 2011. HPHA appropriated same level of General Funds (around \$4,000,000) and received Fed. Fund budget ceiling increase requests for fringe. Also funded \$78 million in CIP appropriation.
- SB1394 SD1 HD1 CD1 signed into law as Act 090, Session Laws of Hawaii 2011. Ch. 356D-11 amended to allow the HPHA to enter into development agreements with contractors in exchange for mixed use development rights in the project.

- Worked with PMMSB and CPO to get overnight security at Kupuna Home O'Waialua to address the issue of loitering and vagrancy at night.

Property Management:

- As of June 30, 2011, rent collections for HPHA State properties was 101.1% (an increase from 91.4% in May), and the total tenant occupancy rate was 95.83% (a slight decrease from 95.94% in May).
- As of June 30, 2011, rent collections for HPHA Federal properties were 83.39% (a decrease from 89.33% in May), and the total tenant occupancy rate was 90.72% (a slight decrease from 90.76% in May).

Personnel:

Recruitment:

- Interviews held, results/ start date/job offers:
 - Public Housing Supervisor III TAOL (AMP 38). Selection made and pending start date.
 - Public Housing Specialist II (AMP 34) Selection made for 2 positions and pending start date.
 - Public Housing Specialist I (AMP 32). Interview completed and pending recommendation.
 - Building Maintenance Worker (AMP 39). Date of hire 7/5/11.
 - Building Maintenance Worker I (AMP 38). 89day hire 6/20/11.
 - Building Maintenance Worker I (AMP 34). 89day hire 7/11/11.
 - Tenant Aide (AMP 31). Date of hire 6/30/11
- Eligible list received; interviews scheduled:
 - Account Clerk (AMP 30) interviews scheduled for mid-July.
 - Welder (Central Maint). Pending eligible listing.
- Continuous Recruitment thru NEOGOV:
 - Public Housing Supervisor VI
 - Public Housing Supervisor IV (AMP 30)
 - General Construction and Maintenance Supervisor (AMP 34)
 - Carpenter I (AMP 30 and 35)
 - Building Maintenance Worker I (AMP 34 and 38).

Planned Activities for July/August:

Compliance Office:

- Coordinate with Planning Office to conduct public hearings on the medical marijuana policy, once approval is secured by the Board.
- Execute contract for fair housing assessment

Construction Management Branch:

Large Capacity Cesspool Conversions (LCCC) Statewide

- Notice of Award will be sent to the responsive, responsible and lowest bidder for the Kealakehe, Hale Hau`oli and Lokahi sewer system projects.
- All buildings at Kealakehe are expected to be connected to the sewer main by mid November, with the backfilling of the cesspools to occur by end of November.
- The County of Hawai`i expects to complete the Honoka`a (location of Hale Hau`oli) sewer main during the last quarter of 2011. Work at Hale Hau`oli will start soon after the

sewer main is completed. With a December 2011 Notice to Proceed (NTP) work at Hale Hau`oli will be done in April 2012.

- The replacement of the septic tanks, construction of leaching fields and backfilling of cesspools at Lokahi will be completed by the end of November 2011.
- The final quarterly report for the Environmental Protection Agency (EPA) grant will be submitted after June 15 after the final site visit on June 14 of the United States Army Corps of Engineers' (USACE) representative providing oversight for the projects. All other EPA reports for both programmatic and administrative requirements will be submitted by the end of July 2011.
- The clean top two feet layer of soil will be backfilled over the contaminated soil at Hale Ho`olulu in Kilauea as per guidance from the Department of Health (DOH). Work involving the top two feet layer of soil is on hold until a DOH-approved Work Plan is developed.

Contract and Procurement Office

Solicitation(s):

- Solicitations issued under the Construction Management Branch are anticipated to increase due to the effort to encumber the funds under the Capital Improvement Program and Capital Fund Program.

Contract(s):

- Contracts to be executed under the Construction Management Branch are anticipated to remain steady due to the effort to encumber the funds under the Capital Improvement Program and Capital Fund Program.
- Contracts to be executed under the Property Management and Maintenance Services Branch are anticipated to remain steady due to the recurring property management, maintenance and resident services and security services.

Information Technology Office:

- Coordinate Emphasys training for the FMO personnel for the Elite accounting modules.

Personnel:

Recruitment:

- Public Housing Supervisor V (AMP 38)
- Public Housing Supervisor IV (AMP 35)
- Compliance Specialist
- Project Engineer
- Building Engineer IV
- Accountant III
- General Construction and Maintenance Supervisor (AMP 33).
- Plumber Helper
- General Laborer II/I

Position Description Review:

- Resident Program Specialists
- Account Clerk V (Payroll and Disbursement Supr).
- Account Clerk II (AMP 32/33)

Planning and Evaluation Office:

- Beginning HAR revision processes for PMMSB
- Working with GOV Office re: new resident member for the Board of Directors open position.
- Working with the Lieutenant Governor's office on Fair Share Initiative to secure various grants.

Property Management:

- Prepare for REAC inspections, re-calculate rents with new utility amounts, gather all information required for MASS upload.
- Prepare PHAS and PIC submission to HUD for required reporting and subsidy calculation.
- HUD will conduct physical inspections for REAC during July and August.



HUD Mixed Income Housing Roundtable

Flores, Michael S : to Flores, Michael S

07/15/2011 03:20 PM

History:

This message has been forwarded.

SAVE the DATE
Mixed Income Housing Roundtable
August 4 and 5, 2011

We are pleased to announce the opportunity to participate in a workshop to learn about redeveloping public housing and how the redevelopment effort can increase the amount of affordable housing and serve as a catalyst for neighborhood revitalization. The HUD Mixed Income Housing Roundtable will be held on Thursday, August 4, 2011 from 8:00 am to 4:00 pm in the Plumeria Room of the Ala Moana Hotel. You are invited to hear about the various HUD programs – HOPE VI, Mixed Finance Development, Mixed Income Development, Choice Neighborhoods Initiative, and more - that are available to help Public Housing Agencies and local communities redevelop and preserve existing public housing developments, leverage the redevelopment effort to create more affordable housing and economic development, and spur neighborhood revitalization. The Mixed Income Housing Roundtable will be facilitated by representatives of HUD's Office of Public Housing Investment, Roma Campanile and Luci Ann Blackburn, both of whom have extensive experience in public housing development programs and projects.

Who should attend: Staff and members of the Boards of Public Housing Agencies, local government officials, staff of housing and community/economic development agencies, staff of housing finance agencies, for profit and nonprofit housing developers, leaders of nonprofit organizations, bankers and others with interest in community revitalization.

Registration: A registration site will be opening soon on HUD's website with an agenda. We will let you know when that site is open. Until then, please send an e-Mail to Marie Miguel-Cortez at marie.miguel-cortez@hud.gov or call her at 808-522-8175 x266 to pre-register. Space is limited as the Plumeria Room will be able to accommodate 45 participants.

Extra Credit: A bonus session will be held on Friday, August 5, 2011 from 8:00 am to 12:00 noon at the Ala Moana Hotel for staff of Public Housing Agencies and others interested in walking through the details of putting together a proposal for mixed finance developments, HOPE VI and Choice Neighborhoods Initiative.

**Contract & Procurement Office
Monthly Status Report for June 2011**

Solicitations Issued in June 2011:

| Solicitation No. | Title | Due Date |
|------------------|---|---------------|
| IFB-CMS-2011-22 | Renovation of Vacant Units Statewide - Group B (Oahu) HPHA Job No. 09-054-000-S | July 15, 2011 |

Contracts Executed in June 2011:

| Contract No. | Contractor & Project | Supp. Amount | Total Amount |
|--------------|--|--------------|----------------|
| CMS 11-07 | Ronald N.S. Ho & Associates, Inc. Design and Consultation Services for Upgrade of the Electrical Distribution System at Hauiki Homes (AMP 31) on the Island of Oahu End Date: 730 Calendar Days from Notice to Proceed | | \$118,925.50 |
| CMS 11-08 | GYA Architects, Inc. Design and Consultation Services for Repair of Interior and Exterior Areas Surrounding Building 16 Due to Boulder Damage at Kalihi Valley Homes (AMP 31) on the Island of Oahu End Date: 725 Calendar Days from Notice to Proceed | | \$57,594.40 |
| CMS 11-09 | GYA Architects, Inc. Design and Consultation Services for Reroof of 11 Residential Buildings and the Administration Building at Kalihi Valley Homes (AMP 31) on the Island of Oahu End Date: 755 Calendar Days from Notice to Proceed | | \$131,934.56 |
| CMS 11-10 | All Maintenance and Repair, LLC Provide Labor, Material and Equipment for Exterior Repairs, Exterior Painting, Site Improvements and ADA Accessibility Compliance at Kalakaua Homes (AMP 34) on the Island of Oahu Completion Date: 300 Calendar Days from Notice to Proceed | | \$1,980,313.36 |
| CMS 11-11 | Helber Hastert and Fee Planners Master Planning Services to Examine Infrastructure Requirements Based on Future Site Conditions, Incorporates Current Conditions and Creates an Overall Plan for Future Construction Phases at Kalihi Valley Homes (AMP 31) on the Island of Oahu End Date: 365 Calendar Days from Notice to Proceed | | \$202,394.00 |

| Contract No. | Contractor & Project | Supp. Amount | Total Amount |
|---------------------|---|---------------------|---------------------|
| CMS 11-12 | AECOM Technical Services, Inc. Electrical Easement Survey at Puuwai Momi (AMP 30) on the Island of Oahu End Date: 180 Calendar Days from Notice to Proceed | | \$20,100.00 |
| CMS 08-14-SC04 | AECOM, Pacific, Inc. Additional Design and Consultation Services, Increase in Compensation and Payment Schedule and Extension of Time of 61 Calendar Days for Large Capacity Cesspool Conversion for Federal and State Complexes (AMP 38) on the Island of Kauai End Date: April 30, 2012 | \$102,467.00 | \$474,544.00 |
| CMS 08-22-SC03 | The Limtiaco Consulting Group Additional Design and Consultation Services and Increase in Compensation and Payment Schedule for Sewage Treatment Plant Improvements at Kupuna Home O Waialua (AMP 49) on the Island of Oahu End Date: June 30, 2012 | \$14,080.37 | \$262,107.00 |
| CMS 08-20-SC03 | Elevator Consulting Services Additional Design and Consultation Services and Increase in Compensation and Payment Schedule for the Modernization of 17 Elevators at Various Locations on the Island of Oahu End Date: January 3, 2015 | \$20,620.00 | \$447,212.55 |
| CMS 08-37-SC03 | GYA, Architects, Inc. Additional Design Services for Site and Increase in Compensation and Payment Schedule for Dwelling Improvements at Kalihi Valley Homes (AMP 31) on the Island of Oahu End Date: September 30, 2011 | \$800.00 | \$776,452.74 |
| CMS 10-06-SC01 | Richard Matsunaga & Associates Architects, Inc. Additional Design and Consultation Services and Increase in Compensation and Payment for Site and Building Improvements for Kawailehua (State – AMP 38) and Kawailehua (Federal – AMP 38) on the Island of Kauai End Date: March 9, 2013 | \$97,542.19 | \$510,449.32 |
| CMS 10-09-CO03 | Hi-Tec Roofing, Inc. Additional Labor, Materials, and Equipment and Increase in Compensation and Payment Schedule for Reroof and Structural Repairs to Makua Alii (AMP 34) on the Island of Oahu Completion Date: September 18, 2011 | \$63,208.08 | \$2,193,167.66 |

| Contract No. | Contractor & Project | Supp. Amount | Total Amount |
|---------------------|---|---------------------|---------------------|
| CMS 10-21-SC01 | Global Specialty Contractors Additional Labor, Materials, and Equipment, Increase in Compensation and Payment Schedule and Extension of Time of 76 Calendar Days for Site Improvements at Puahala Homes (AMP 31) on the Island of Oahu Completion Date: October 24, 2011 | \$7,157.00 | \$2,514,247.00 |
| CPO 10-02-SC02 | Reno & Cavanaugh, PLLC Increase in Compensation and Payment Schedule for Professional Legal Services for the Kuhio Park Terrace/Kuhio Homes (AMP 40) on the Island of Oahu End Date: November 14 ,2012 | \$100,000.00 | \$350,000.00 |
| PMB 11-07 | Pacific Waste, Inc. Refuse Collection Services for Lanakila Homes, Hale Aloha O Puna, Hale Olaloa, Kauhale O Hanakahi, Lokahi, Pahala, Pomaikai Homes, Punahele Homes (AMP 37) and Ka Hale Kahaluu, Hale Hookipa, Kaimalino, Kealakehe, Nani Olu (AMP 43 on the Island of Hawaii End Date: June 30, 2012 | | \$197,500.00 |
| PMB 11-08 | Maui Waste Services, Inc. Refuse Collection Services for Kaheliki Terrace, David Malo Circle, Piilani Homes, Makani Kai Hale (AMP 39) on the Island of Maui End Date: June 30, 2012 | | \$43,283.52 |
| PMB 11-09 | Support Services Group, LLC Refuse Collection Services for Kalihi Valley Homes, Hauiki Homes, Puahala Homes (AMP 31), Kalakaua Homes, Makua Alii, Paoakalani (AMP 34), Kuhio Park Terrace, Kuhio Homes (AMP 40), and Palolo Valley Homes (AMP 50) on the Island of Oahu End Date: June 30, 2012 | | \$377,196.44 |
| PMB 11-10 | Transportation Concepts, Inc. dba Pacific Appliance Group, Inc. Provision of Gas and Electric Ranges for Various State and Federal Low Income Public Housing Complexes Statewide End Date: June 30, 2012 | | \$484,823.65 |
| PMB 08-18-SC04 | Transportation Services, Inc. dba Pacific Appliance Group, Inc. Furnish Additional Gas & Electric Ranges for Various State/Federal Low Income Public Housing Complexes Statewide End Date: June 30, 2011 | \$55,998.25 | \$1,502,799.34 |

| Contract No. | Contractor & Project | Supp. Amount | Total Amount |
|----------------|---|--------------|--------------|
| PMB 10-04-SC01 | Sears, Roebuck, and Co. Furnish Additional Electric Refrigerators for Various State/Federal Low Income Public Housing Complexes Statewide End Date: June 30, 2011 | \$60,842.46 | \$468,263.22 |

**Federal LIPH
HPHA Island Overview Report
June 2011**

| Island | Occupancy * | | | | | | | LIPH and Elderly Waiting List** | | | | |
|--------------|-----------------------|----------------------|--|-----------------|-----------|-----------|------------------|---------------------------------|---------------|----------------|-----------------|------------------|
| | Total Available Units | Total Occupied Units | Total Vacant Units (excludes rent ready) | Occupancy Ratio | Move-Ins | Transfers | Units Rent Ready | HUD Income Limit | # of HoH | % of WL | Avg Family Size | Avg Bedroom Size |
| Hawaii | 621 | 521 | 74 | 83.90% | 7 | 6 | 26 | Average Income | 49 | 0.44% | 6.73 | 3.45 |
| Kauai | 319 | 281 | 38 | 88.09% | 1 | 0 | 0 | Low Income (80%) | 186 | 1.68% | 2.78 | 1.97 |
| Maui | 196 | 138 | 57 | 70.41% | 5 | 1 | 1 | Very Low Inc. (50%) | 1,122 | 10.15% | 2.82 | 1.95 |
| Oahu | 4,123 | 3,831 | 262 | 92.92% | 26 | 10 | 30 | Extremely Low Inc. (30%) | 9,696 | 87.72% | 2.55 | 1.77 |
| Total | 5,259 | 4,771 | 431 | 90.72% | 39 | 17 | 57 | | 11,053 | 100.00% | 2.60 | 1.80 |

| Island | Non Vacated Delinquencies*** | | | | Collection Rate | | |
|--------------|------------------------------|----------------------|-------------------|----------------------|------------------------|------------------------|---------------|
| | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| Hawaii | 25 | \$ 7,808.00 | 7 | \$ 2,098.00 | \$ 115,734.00 | \$ 111,964.58 | 96.74% |
| Kauai | 38 | \$ 24,934.89 | 29 | \$ 106,461.70 | \$ 79,977.00 | \$ 69,040.63 | 86.33% |
| Maui | 3 | \$ 484.00 | 1 | \$ 240.00 | \$ 41,642.00 | \$ 40,666.84 | 97.66% |
| Oahu | 297 | \$ 149,393.36 | 132 | \$ 191,643.01 | \$ 1,087,013.66 | \$ 882,733.02 | 81.21% |
| Total | 363 | \$ 182,620.25 | 169 | \$ 300,442.71 | \$ 1,324,366.66 | \$ 1,104,405.07 | 83.39% |

* Occupancy also counts Scheduled for Modernization Units.

** Please notice WL Income Limits assumes 2010 HUD Family Income Limit for Hawaii.

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

**Federal LIPH
HPHA Project Overview Report
June 2011**

| AMP | Occupancy* | | | | | | |
|-------------------|-----------------------|----------------------|--|-----------------|-----------|-----------|------------------|
| | Total Available Units | Total Occupied Units | Total Vacant Units (excludes rent ready) | Occupancy Ratio | Move-Ins | Transfers | Units Rent Ready |
| 30P-Aiea | 362 | 343 | 18 | 94.75% | 2 | 0 | 1 |
| 31P-KVH | 373 | 322 | 45 | 86.33% | 7 | 2 | 6 |
| 32P-MWH | 363 | 352 | 10 | 96.97% | 2 | 0 | 1 |
| 33P-Kam/Kaamanu | 371 | 365 | 4 | 98.38% | 1 | 1 | 2 |
| 34P-Kalakaua | 581 | 553 | 24 | 95.18% | 2 | 0 | 4 |
| 35P-Kalanihiua | 587 | 571 | 12 | 97.27% | 6 | 1 | 4 |
| 37P-Hilo | 320 | 244 | 55 | 76.25% | 5 | 5 | 21 |
| 38P-Kauai | 319 | 281 | 38 | 88.09% | 1 | 0 | 0 |
| 39P-Maui | 196 | 138 | 57 | 70.41% | 5 | 1 | 1 |
| 40P-KPT | 739 | 664 | 69 | 89.85% | 1 | 0 | 6 |
| 43P-Kona | 200 | 193 | 3 | 96.50% | 2 | 1 | 4 |
| 44P-Leeward Oahu | 258 | 229 | 26 | 88.76% | 1 | 1 | 3 |
| 45P-Windward Oahu | 225 | 215 | 9 | 95.56% | 3 | 3 | 1 |
| 46P-Kamuela | 101 | 84 | 16 | 83.17% | 0 | 0 | 1 |
| 49P-Central Oahu | 149 | 113 | 36 | 75.84% | 0 | 0 | 0 |
| 50P-Palolo | 115 | 104 | 9 | 90.43% | 1 | 0 | 2 |
| Total | 5,259 | 4,771 | 431 | 90.72% | 39 | 15 | 57 |

| AMP | Non Vacated Delinquencies** | | | | Collection Rate | | |
|-------------------|-----------------------------|----------------------|-------------------|----------------------|------------------------|------------------------|---------------|
| | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| 30P-Aiea | 26 | 15,880.95 | 11 | 12,563.89 | 6/1/2011 | 6/2011 | 100.00% |
| 31P-KVH | 20 | 13,950.65 | 8 | 15,222.67 | \$ 126,489.00 | 114,497.82 | 90.52% |
| 32P-MWH | 29 | 10,284.25 | 12 | 22,493.75 | \$ 86,145.00 | 81,312.01 | 94.39% |
| 33P-Kam/Kaamanu | 35 | 14,224.44 | 21 | 39,124.25 | \$ 109,192.66 | 104,724.00 | 95.91% |
| 34P-Kalakaua | 6 | 3,168.00 | 5 | 9,651.40 | \$ 89,458.84 | 86,799.74 | 97.03% |
| 35P-Kalanihiua | 8 | 3,610.70 | 4 | 7,518.55 | \$ 130,703.75 | 130,041.50 | 99.49% |
| 37P-Hilo | 14 | 4,515.00 | 2 | 608.00 | \$ 141,168.41 | 139,888.50 | 99.09% |
| 38P-Kauai | 38 | 24,934.89 | 29 | 106,461.70 | \$ 61,650.00 | 61,877.58 | 100.37% |
| 39P-Maui | 3 | 484.00 | 1 | 240.00 | \$ 79,977.00 | 69,040.63 | 86.33% |
| 40P-KPT | 121 | 57,739.06 | 27 | 17,617.90 | \$ 41,642.00 | 40,666.84 | 97.66% |
| 43P-Kona | 4 | 1,007.00 | 2 | 262.00 | \$ 237,514.00 | 63,600.84 | 26.78% |
| 44P-Leeward Oahu | 31 | 15,444.00 | 31 | 41,190.97 | \$ 37,139.00 | 34,711.00 | 93.46% |
| 45P-Windward Oahu | 7 | 5,844.96 | 4 | 1,875.90 | \$ 49,588.00 | 45,024.91 | 90.80% |
| 46P-Kamuela | 7 | 2,286.00 | 3 | 1,228.00 | \$ 63,267.00 | 64,423.08 | 101.83% |
| 49P-Central Oahu | 8 | 5,572.18 | 3 | 5,011.79 | \$ 16,945.00 | 15,376.00 | 90.74% |
| 50P-Palolo | 6 | 3,674.17 | 6 | 19,371.94 | \$ 33,183.00 | 30,528.00 | 92.00% |
| Total | 363 | \$ 182,620.25 | 169 | \$ 300,442.71 | \$ 1,304,062.66 | \$ 1,082,512.45 | 83.01% |

* Occupancy also counts Scheduled for Modernization Units.

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

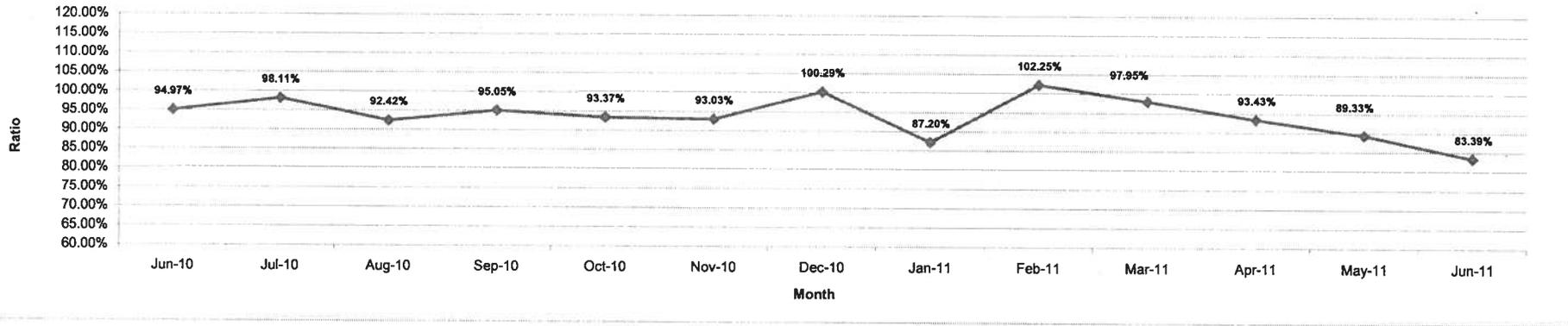
FEDERAL PUBLIC HOUSING

Rent Collection from June 2010 to June 2011

| | Jun-10 | | | Jul-10 | | | Aug-10 | | | Sep-10 | | | Oct-10 | | | Nov-10 | | |
|--------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|
| | Charges | Collected | Ratio |
| Hawaii | \$ 112,822.92 | \$ 108,468.00 | 96.14% | \$ 110,298.00 | \$ 117,841.39 | 106.84% | \$ 123,375.00 | \$ 112,668.72 | 91.32% | \$ 121,855.00 | \$ 118,088.25 | 96.91% | \$ 120,443.00 | \$ 111,022.68 | 92.18% | \$ 118,608.00 | \$ 118,589.01 | 99.98% |
| Kauai | \$ 78,374.00 | \$ 70,438.19 | 89.87% | \$ 80,235.00 | \$ 72,583.50 | 90.46% | \$ 86,709.00 | \$ 77,298.86 | 89.15% | \$ 87,909.00 | \$ 83,078.18 | 94.50% | \$ 87,799.00 | \$ 77,384.51 | 88.14% | \$ 86,778.00 | \$ 78,276.56 | 90.20% |
| Mauai | \$ 41,116.00 | \$ 38,664.05 | 94.04% | \$ 42,270.00 | \$ 40,957.84 | 96.90% | \$ 42,014.00 | \$ 41,489.94 | 98.75% | \$ 41,934.00 | \$ 41,471.17 | 98.90% | \$ 39,537.00 | \$ 36,257.17 | 91.70% | \$ 40,455.00 | \$ 39,564.88 | 97.80% |
| Oahu | \$ 1,121,497.78 | \$ 1,068,095.60 | 95.24% | \$ 1,106,181.86 | \$ 1,082,262.20 | 97.84% | \$ 1,129,754.08 | \$ 1,045,640.94 | 92.55% | \$ 1,140,552.59 | \$ 1,080,710.77 | 94.75% | \$ 1,129,657.95 | \$ 1,063,431.20 | 94.14% | \$ 1,136,947.46 | \$ 1,049,993.07 | 92.35% |
| Total | \$ 1,253,810.70 | \$ 1,285,665.84 | 94.97% | \$ 1,338,984.86 | \$ 1,313,644.93 | 98.11% | \$ 1,381,852.08 | \$ 1,277,098.46 | 92.42% | \$ 1,392,250.69 | \$ 1,323,348.37 | 95.05% | \$ 1,377,436.95 | \$ 1,286,096.56 | 93.37% | \$ 1,382,788.46 | \$ 1,286,423.52 | 93.03% |

| | Dec-10 | | | Jan-11 | | | Feb-11 | | | Mar-11 | | | Apr-11 | | | May-11 | | | Jun-11 | | |
|--------------|------------------------|------------------------|----------------|------------------------|------------------------|---------------|------------------------|------------------------|----------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | \$ 119,818.00 | \$ 121,417.37 | 101.33% | \$ 120,161.00 | \$ 106,426.15 | 88.57% | \$ 118,550.70 | \$ 137,139.87 | 115.68% | \$ 123,938.00 | \$ 116,949.67 | 94.36% | \$ 122,543.00 | \$ 121,343.89 | 99.02% | \$ 117,326.00 | \$ 111,523.98 | 95.05% | \$ 115,734.00 | \$ 111,964.58 | 96.74% |
| Kauai | \$ 86,291.00 | \$ 80,138.98 | 92.87% | \$ 83,914.00 | \$ 68,105.59 | 81.16% | \$ 83,547.00 | \$ 82,100.90 | 98.27% | \$ 83,159.00 | \$ 76,059.50 | 91.46% | \$ 79,632.00 | \$ 68,713.39 | 86.29% | \$ 80,434.00 | \$ 69,028.50 | 85.82% | \$ 79,977.00 | \$ 69,040.63 | 86.33% |
| Mauai | \$ 40,468.00 | \$ 39,643.97 | 97.96% | \$ 39,164.00 | \$ 36,337.62 | 92.78% | \$ 40,207.00 | \$ 38,945.99 | 96.86% | \$ 38,867.00 | \$ 43,430.34 | 111.74% | \$ 41,884.00 | \$ 42,337.92 | 101.08% | \$ 41,843.00 | \$ 41,402.45 | 98.95% | \$ 41,642.00 | \$ 40,666.84 | 97.66% |
| Oahu | \$ 1,130,424.71 | \$ 1,139,769.79 | 100.83% | \$ 1,128,883.46 | \$ 985,566.46 | 87.30% | \$ 1,122,198.47 | \$ 1,137,018.64 | 101.32% | \$ 1,119,526.49 | \$ 1,101,023.44 | 98.35% | \$ 1,107,278.94 | \$ 1,030,103.12 | 93.03% | \$ 1,090,577.98 | \$ 966,307.46 | 88.61% | \$ 1,087,013.66 | \$ 882,733.02 | 81.21% |
| Total | \$ 1,377,001.71 | \$ 1,380,970.11 | 100.29% | \$ 1,372,122.46 | \$ 1,196,435.82 | 87.20% | \$ 1,364,503.17 | \$ 1,395,205.40 | 102.25% | \$ 1,365,490.49 | \$ 1,337,462.95 | 97.96% | \$ 1,351,337.94 | \$ 1,282,498.32 | 93.43% | \$ 1,330,180.98 | \$ 1,188,282.39 | 89.33% | \$ 1,324,366.66 | \$ 1,104,405.07 | 83.39% |

Rent Collection Rate



**State LIPH
HPHA Project Overview Report
June 2011**

| Project | Occupancy * | | | | | | |
|----------------------|-----------------------|----------------------|--|-----------------|-----------|-----------|------------------|
| | Total Available Units | Total Occupied Units | Total Vacant Units (excludes rent ready) | Occupancy Ratio | Move-Ins | Transfers | Units Rent Ready |
| 2201-Hauiki | 46 | 45 | 1 | 97.83% | 0 | 0 | 0 |
| 2202-Puahala Homes | 128 | 117 | 8 | 91.41% | 1 | 0 | 3 |
| 2204-Kawailehua | 26 | 24 | 2 | 92.31% | 0 | 0 | 0 |
| 2205-Kahale Mua | 32 | 25 | 7 | 78.13% | 0 | 0 | 0 |
| 2206-Lokahi | 30 | 27 | 2 | 90.00% | 1 | 0 | 1 |
| 2207-Ke Kumu Elua | 26 | 18 | 4 | 69.23% | 0 | 0 | 4 |
| 2401-Hale Po'ai | 206 | 205 | 1 | 99.51% | 1 | 0 | 0 |
| 2402-La'iola | 108 | 107 | 1 | 99.07% | 4 | 1 | 0 |
| 2403-Kamalu-Ho'olulu | 220 | 219 | 0 | 99.55% | 3 | 1 | 1 |
| 2404-Halia Hale | 41 | 40 | 0 | 97.56% | 0 | 0 | 1 |
| Total | 863 | 827 | 26 | 95.83% | 10 | 2 | 10 |

| Project | Non Vacated Delinquencies** | | | | Collection Rate | | |
|----------------------|-----------------------------|---------------------|-------------------|----------------------|----------------------|----------------------|----------------|
| | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| 2201-Hauiki | 3 | \$ 2,281.00 | 12 | \$ 75,513.51 | \$ 17,920.00 | \$ 18,651.30 | 104.08% |
| 2202-Puahala Homes | 10 | \$ 8,532.75 | 24 | \$ 105,993.51 | \$ 46,583.00 | \$ 44,582.09 | 95.70% |
| 2204-Kawailehua | 3 | \$ 1,928.00 | 2 | \$ 10,705.46 | \$ 5,210.00 | \$ 3,640.00 | 69.87% |
| 2205-Kahale Mua | 6 | \$ 1,374.00 | 18 | \$ 14,855.53 | \$ 5,470.00 | \$ 4,680.00 | 85.56% |
| 2206-Lokahi | 2 | \$ 214.00 | 3 | \$ 12,671.50 | \$ 8,895.00 | \$ 7,562.00 | 85.01% |
| 2207-Ke Kumu Elua | 3 | \$ 1,174.00 | 6 | \$ 2,364.67 | \$ 4,925.00 | \$ 4,002.00 | 81.26% |
| 2401-Hale Po'ai | 0 | \$ - | 5 | \$ 2,284.00 | \$ 57,104.00 | \$ 60,515.00 | 105.97% |
| 2402-La'iola | 0 | \$ - | 7 | \$ 1,986.52 | \$ 34,066.00 | \$ 35,884.00 | 105.34% |
| 2403-Kamalu-Ho'olulu | 0 | \$ - | 1 | \$ 4.40 | \$ 61,824.00 | \$ 64,363.00 | 104.11% |
| 2404-Halia Hale | 0 | \$ - | 0 | \$ - | \$ 11,013.00 | \$ 11,918.50 | 108.22% |
| Total | 27 | \$ 15,503.75 | 78 | \$ 226,379.10 | \$ 253,010.00 | \$ 255,797.89 | 101.10% |

* Occupancy also counts Scheduled for Modernization Units.

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

**State LIPH
HPHA Island Overview Report
June 2011**

| Island | Occupancy* | | | | | | | LIPH and Elderly Waiting List** | | | | |
|--------------|-----------------------|----------------------|--|-----------------|-----------|-----------|------------------|---------------------------------|--------------|----------------|-----------------|------------------|
| | Total Available Units | Total Occupied Units | Total Vacant Units (excludes rent ready) | Occupancy Ratio | Move-Ins | Transfers | Units Rent Ready | HUD Income Limit | # of HoH | % of WL | Avg Family Size | Avg Bedroom Size |
| Hawaii | 56 | 45 | 6 | 80.36% | 1 | 0 | 5 | Average Income | 32 | 0.38% | 6.97 | 3.70 |
| Kauai | 26 | 24 | 2 | 92.31% | 0 | 0 | 0 | Low Income (80%) | 98 | 1.17% | 2.38 | 1.83 |
| Maui | 32 | 25 | 7 | 78.13% | 0 | 0 | 0 | Very Low Inc. (50%) | 795 | 9.47% | 2.71 | 1.93 |
| Oahu | 749 | 733 | 11 | 97.86% | 9 | 2 | 5 | Extremely Low Inc. (30%) | 7,469 | 88.98% | 2.39 | 1.66 |
| Total | 863 | 827 | 26 | 95.83% | 10 | 2 | 10 | | 8,394 | 100.00% | 2.43 | 1.69 |

| Island | Non Vacated Delinquencies*** | | | | Collection Rate | | |
|--------------|------------------------------|---------------------|-------------------|----------------------|----------------------|----------------------|----------------|
| | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| Hawaii | 5 | \$ 1,388.00 | 9 | \$ 15,036.17 | \$ 13,820.00 | \$ 11,564.00 | 83.68% |
| Kauai | 3 | \$ 1,928.00 | 2 | \$ 10,705.46 | \$ 5,210.00 | \$ 3,640.00 | 69.87% |
| Maui | 6 | \$ 1,374.00 | 18 | \$ 14,855.53 | \$ 5,470.00 | \$ 4,680.00 | 85.56% |
| Oahu | 13 | \$ 10,813.75 | 49 | \$ 185,781.94 | \$ 228,510.00 | \$ 235,913.89 | 103.24% |
| Total | 27 | \$ 15,503.75 | 78 | \$ 226,379.10 | \$ 253,010.00 | \$ 255,797.89 | 101.10% |

* Occupancy also counts Scheduled for Modernization Units.

** Please notice WL Income Limits assumes 2010 HUD Family Income Limit for Hawaii.

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

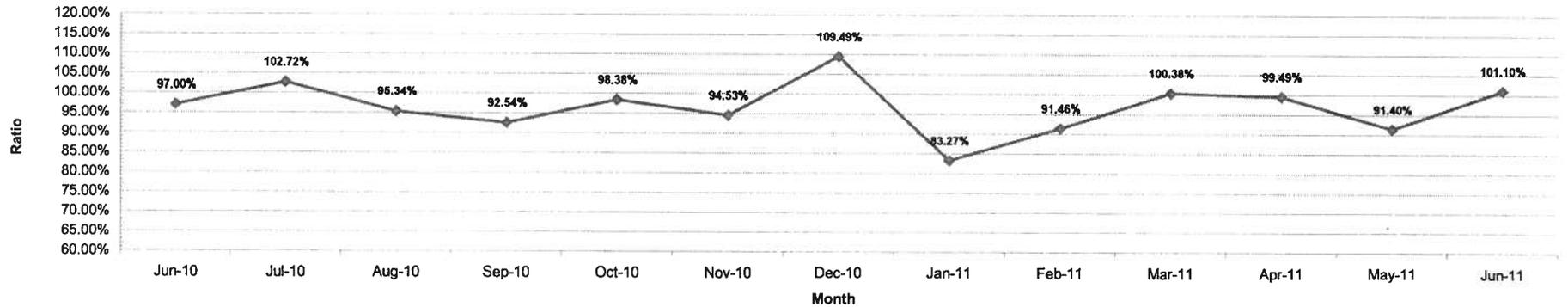
STATE PUBLIC HOUSING

Rent Collection from June 2010 to June 2011

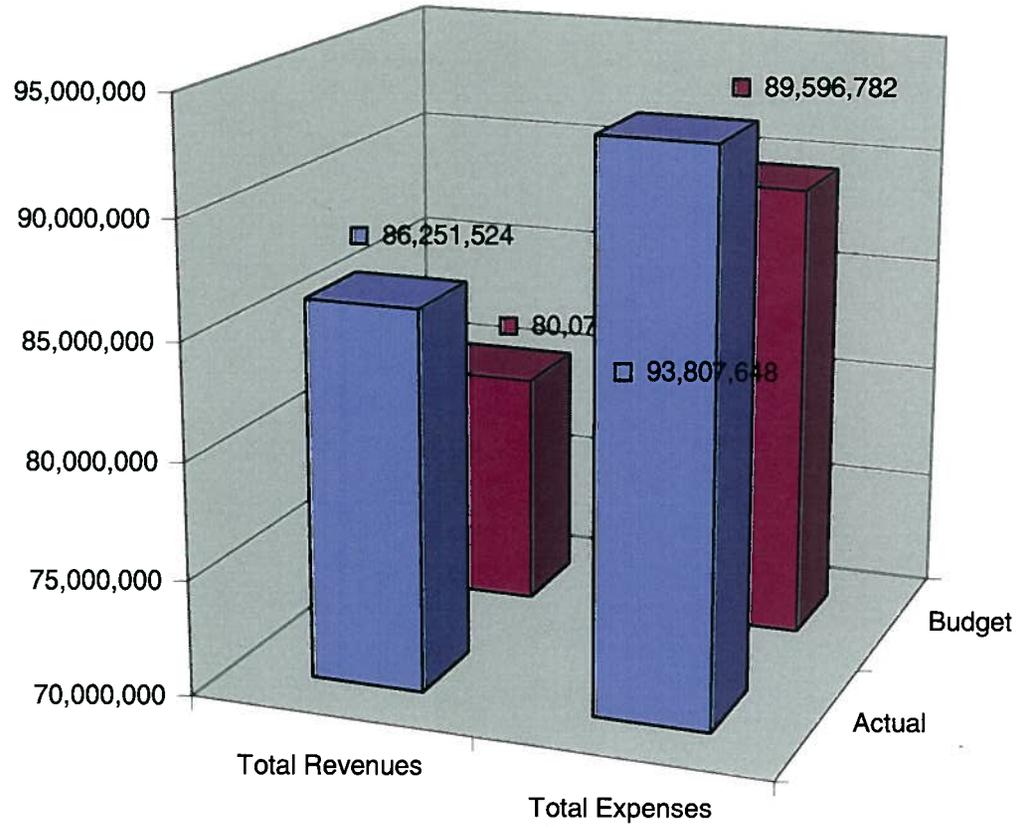
| | Jun-10 | | | Jul-10 | | | Aug-10 | | | Sep-10 | | | Oct-10 | | | Nov-10 | | |
|--------------|----------------------|----------------------|---------------|----------------------|----------------------|----------------|----------------------|----------------------|---------------|----------------------|----------------------|---------------|----------------------|----------------------|---------------|----------------------|----------------------|---------------|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | \$ 8,745.00 | \$ 7,718.66 | 88.26% | \$ 8,850.00 | \$ 7,272.17 | 82.17% | \$ 8,817.00 | \$ 7,512.28 | 85.20% | \$ 9,045.00 | \$ 9,438.00 | 104.34% | \$ 9,941.00 | \$ 9,159.12 | 92.13% | \$ 9,528.76 | \$ 8,883.15 | 93.22% |
| Kauai | \$ 5,594.00 | \$ 4,927.00 | 88.08% | \$ 5,795.00 | \$ 5,779.00 | 99.72% | \$ 5,795.00 | \$ 4,190.00 | 72.30% | \$ 5,828.00 | \$ 5,327.00 | 91.40% | \$ 5,580.00 | \$ 5,643.00 | 101.13% | \$ 5,498.00 | \$ 4,278.00 | 77.81% |
| Maui | \$ 5,488.00 | \$ 5,405.00 | 98.49% | \$ 5,453.00 | \$ 5,337.00 | 97.87% | \$ 5,365.00 | \$ 4,990.84 | 93.03% | \$ 5,268.00 | \$ 4,506.00 | 85.54% | \$ 5,286.00 | \$ 4,309.00 | 81.52% | \$ 6,089.00 | \$ 5,866.00 | 96.34% |
| Oahu | \$ 224,870.00 | \$ 219,304.48 | 97.53% | \$ 226,317.00 | \$ 234,719.62 | 103.71% | \$ 226,190.00 | \$ 218,001.22 | 96.38% | \$ 227,459.00 | \$ 209,854.08 | 92.26% | \$ 227,374.00 | \$ 225,048.63 | 98.98% | \$ 227,636.00 | \$ 216,122.73 | 94.94% |
| Total | \$ 244,697.00 | \$ 237,355.14 | 97.00% | \$ 246,415.00 | \$ 253,107.79 | 102.72% | \$ 246,167.00 | \$ 234,694.34 | 95.34% | \$ 247,600.00 | \$ 229,125.08 | 92.54% | \$ 248,181.00 | \$ 244,159.75 | 98.36% | \$ 248,751.76 | \$ 235,149.88 | 94.53% |

| | Dec-10 | | | Jan-11 | | | Feb-11 | | | Mar-11 | | | Apr-11 | | | May-11 | | | Jun-11 | | |
|--------------|----------------------|----------------------|----------------|----------------------|----------------------|---------------|----------------------|----------------------|---------------|----------------------|----------------------|----------------|----------------------|----------------------|---------------|----------------------|----------------------|---------------|----------------------|----------------------|----------------|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | \$ 9,146.00 | \$ 7,517.70 | 82.20% | \$ 9,443.00 | \$ 8,858.38 | 93.81% | \$ 9,585.00 | \$ 11,907.70 | 124.23% | \$ 11,813.00 | \$ 10,679.30 | 90.40% | \$ 13,492.00 | \$ 13,372.00 | 99.11% | \$ 13,190.00 | \$ 11,357.00 | 86.10% | \$ 13,820.00 | \$ 11,564.00 | 83.68% |
| Kauai | \$ 5,598.00 | \$ 4,876.00 | 87.10% | \$ 5,598.00 | \$ 4,564.80 | 81.54% | \$ 5,327.00 | \$ 6,287.00 | 118.02% | \$ 5,368.00 | \$ 4,385.00 | 81.69% | \$ 5,368.00 | \$ 4,504.00 | 83.90% | \$ 5,243.00 | \$ 4,449.00 | 84.86% | \$ 5,210.00 | \$ 3,640.00 | 69.87% |
| Maui | \$ 5,999.00 | \$ 4,646.00 | 77.45% | \$ 5,643.00 | \$ 5,313.00 | 94.15% | \$ 5,474.00 | \$ 5,139.00 | 93.88% | \$ 5,640.00 | \$ 5,570.00 | 98.76% | \$ 5,562.00 | \$ 3,882.00 | 69.80% | \$ 5,339.00 | \$ 5,014.00 | 93.91% | \$ 5,470.00 | \$ 4,680.00 | 85.56% |
| Oahu | \$ 228,626.00 | \$ 256,002.35 | 111.97% | \$ 228,770.00 | \$ 188,978.95 | 82.61% | \$ 230,412.00 | \$ 206,035.83 | 89.42% | \$ 229,468.00 | \$ 232,605.96 | 101.37% | \$ 228,396.00 | \$ 229,762.40 | 100.60% | \$ 227,111.00 | \$ 208,478.54 | 91.80% | \$ 228,510.00 | \$ 235,913.89 | 103.24% |
| Total | \$ 249,369.00 | \$ 273,042.05 | 109.49% | \$ 249,454.00 | \$ 207,715.13 | 83.27% | \$ 250,798.00 | \$ 229,369.53 | 91.46% | \$ 252,289.00 | \$ 253,239.66 | 100.38% | \$ 252,818.00 | \$ 251,520.40 | 99.49% | \$ 250,883.00 | \$ 229,298.54 | 91.40% | \$ 253,010.00 | \$ 255,797.89 | 101.10% |

Rent Collection Rate



HPHA May 31, 2011 Actual VS Budget



| | Total Revenues | Total Expenses |
|--------|----------------|----------------|
| Actual | 86,251,524 | 93,807,648 |
| Budget | 80,075,050 | 89,596,782 |

HAWAII PUBLIC HOUSING AUTHORITY
AGENCY TOTAL
ACTUAL VS BUDGET COMPARISON
FOR THE ELEVEN MONTHS ENDING MAY 31, 2011
(Amounts in Full Dollars)

| MONTH OF MAY, 2011 | | | |
|---------------------------|---------------------|---------------------|---------------|
| Actual | Budget | Variance | |
| | | Amount | % |
| \$ 1,364,405 | \$ 1,556,894 | \$ (192,489) | (0.12) |
| 5,211,244 | 5,071,577 | 139,667 | 0.03 |
| 330,808 | - | 330,808 | - |
| 105,164 | 87,458 | 17,706 | 0.20 |
| - | 209,850 | (209,850) | (1.00) |
| 465,185 | 353,771 | 111,414 | 0.31 |
| 7,476,806 | 7,279,550 | 197,256 | 0.03 |
| 900,991 | 1,271,176 | 370,185 | 0.29 |
| - | 4,080 | 4,080 | 1.00 |
| 302,036 | 256,903 | (45,133) | (0.18) |
| 55,729 | 51,636 | (4,093) | (0.08) |
| 3,633,249 | 3,617,175 | (16,074) | - |
| 111,450 | 38,520 | (72,930) | (1.89) |
| 1,207,098 | 1,032,208 | (174,890) | (0.17) |
| 1,194,103 | 1,263,879 | 69,776 | 0.06 |
| 131,273 | 200,286 | 69,013 | 0.34 |
| 57,410 | 90,004 | 32,594 | 0.36 |
| 1,169,121 | 319,295 | (849,826) | (2.66) |
| 8,762,459 | 8,145,162 | (617,297) | (0.08) |
| \$ (1,285,653) | \$ (865,612) | \$ (420,041) | (0.49) |
| \$ (1,285,653) | \$ (865,612) | \$ (420,041) | (0.49) |
| 1,052,501 | - | 1,052,501 | - |
| 11,752 | 241,280 | (229,528) | (0.95) |
| \$ (221,400) | \$ (624,332) | \$ 402,932 | 0.65 |

** No Depreciation is reflected in the 2011 budget.

REVENUES

| |
|-------------------------|
| Dwelling Rental Income |
| HUD Operating Subsidies |
| COCC Fee Income |
| General Fund |
| Grant Income |
| Other Income |

Total Revenues

EXPENSES

| |
|-----------------------------|
| Administrative |
| Asset Management Fees |
| Management Fees |
| Bookkeeping Fees |
| Housing Assistance Payments |
| Tenant Services |
| Utilities |
| Maintenance |
| Protective Services |
| Insurance |
| General Expenses |

Net Income(Loss)

CASH BASIS:

| |
|----------------------------|
| Net Income(loss) per Above |
| Add back non cash items: |
| Depreciation Expense |
| Bad Debt Expense |

TOTAL CASH BASIS

YEAR TO DATE ENDING MAY 31, 2011

| Actual | Budget | Variance | | Prior Year | Variance | |
|-----------------------|-----------------------|----------------------|---------------|-----------------------|-----------------------|---------------|
| | | Amount | % | | Amount | % |
| \$ 16,905,237 | \$ 17,125,834 | \$ (220,597) | (0.01) | \$ 16,955,623 | \$ (50,386) | - |
| 59,517,020 | 55,787,347 | 3,729,673 | 0.07 | 63,259,376 | (3,742,356) | (0.06) |
| 4,354,694 | - | 4,354,694 | - | 3,301,970 | 1,052,724 | 0.32 |
| 941,313 | 962,038 | (20,725) | (0.02) | 987,248 | (45,936) | (0.05) |
| - | 2,308,350 | (2,308,350) | (1.00) | - | - | - |
| 4,533,260 | 3,891,481 | 641,779 | 0.16 | 5,232,102 | (698,842) | (0.13) |
| 86,251,524 | 80,075,050 | 6,176,474 | 0.08 | 89,736,320 | (3,484,795) | (0.04) |
| 9,101,075 | 13,982,936 | 4,881,861 | 0.35 | 10,140,585 | 1,039,510 | 0.10 |
| - | 44,880 | 44,880 | 1.00 | - | - | - |
| 3,332,585 | 2,825,933 | (506,652) | (0.18) | 3,124,447 | (208,138) | (0.07) |
| 611,011 | 567,996 | (43,015) | (0.08) | 619,029 | 8,018 | 0.01 |
| 40,807,974 | 39,788,925 | (1,019,049) | (0.03) | 40,307,540 | (500,434) | (0.01) |
| 789,842 | 423,720 | (366,122) | (0.86) | 1,173,349 | 383,506 | 0.33 |
| 12,501,218 | 11,354,288 | (1,146,930) | (0.10) | 10,943,848 | (1,557,370) | (0.14) |
| 12,752,038 | 13,902,669 | 1,150,632 | 0.08 | 13,901,397 | 1,149,360 | 0.08 |
| 743,784 | 2,203,146 | 1,459,362 | 0.66 | 1,076,991 | 333,207 | 0.31 |
| 848,266 | 990,044 | 141,778 | 0.14 | 962,600 | 114,334 | 0.12 |
| 12,319,856 | 3,512,245 | (8,807,611) | (2.51) | 11,124,525 | (1,195,331) | (0.11) |
| 93,807,648 | 89,596,782 | (4,210,866) | (0.05) | 93,374,311 | (433,337) | - |
| \$ (7,556,124) | \$ (9,521,732) | \$ 1,965,608 | 0.21 | \$ (3,637,991) | \$ (3,918,133) | (1.08) |
| \$ (7,556,124) | \$ (9,521,732) | \$ 1,965,608 | 0.21 | \$ (3,637,991) | \$ (3,918,133) | (1.08) |
| 11,491,209 | - | 11,491,209 | - | 10,664,119 | 827,090 | 0.08 |
| 24,666 | 2,654,080 | (2,629,414) | (0.99) | (584) | 25,249 | 43.27 |
| \$ 3,959,751 | \$ (6,867,652) | \$ 10,827,403 | 1.58 | \$ 7,025,544 | \$ (3,065,793) | (0.44) |

**HAWAII PUBLIC HOUSING AUTHORITY
AGENCY TOTAL
ACTUAL VS BUDGET COMPARISON
FOR THE ELEVEN MONTHS ENDING MAY 31, 2011
(Amounts in Full Dollars)**

| MONTH OF MAY, 2011 | | | |
|---------------------------|---------------------|---------------------|---------------|
| Actual | Budget | Variance | |
| | | Amount | % |
| \$ 1,364,405 | \$ 1,556,894 | \$ (192,489) | (0.12) |
| 5,211,244 | 5,071,577 | 139,667 | 0.03 |
| 330,808 | - | 330,808 | - |
| 105,164 | 87,458 | 17,706 | 0.20 |
| - | 209,850 | (209,850) | (1.00) |
| 465,185 | 353,771 | 111,414 | 0.31 |
| 7,476,806 | 7,279,550 | 197,256 | 0.03 |
| 900,991 | 1,271,176 | 370,185 | 0.29 |
| - | 4,080 | 4,080 | 1.00 |
| 302,036 | 256,903 | (45,133) | (0.18) |
| 55,729 | 51,636 | (4,093) | (0.08) |
| 3,633,249 | 3,617,175 | (16,074) | - |
| 111,450 | 38,520 | (72,930) | (1.89) |
| 1,207,098 | 1,032,208 | (174,890) | (0.17) |
| 1,194,103 | 1,263,879 | 69,776 | 0.06 |
| 131,273 | 200,286 | 69,013 | 0.34 |
| 57,410 | 90,004 | 32,594 | 0.36 |
| 1,169,121 | 319,295 | (849,826) | (2.66) |
| 8,762,459 | 8,145,162 | (617,297) | (0.08) |
| \$ (1,285,653) | \$ (865,612) | \$ (420,041) | (0.49) |
| \$ (1,285,653) | \$ (865,612) | \$ (420,041) | (0.49) |
| 1,052,501 | - | 1,052,501 | - |
| 11,752 | 241,280 | (229,528) | (0.95) |
| \$ (221,400) | \$ (624,332) | \$ 402,932 | 0.65 |

** No Depreciation is reflected in the 2011 budget.

| YEAR TO DATE ENDING MAY 31, 2011 | | | | | | | |
|---|-----------------------|-----------------------|----------------------|-------------------|-----------------------|-----------------------|---------------|
| Actual | Budget | Variance | | Prior Year | Variance | | |
| | | Amount | % | | Amount | % | |
| REVENUES | | | | | | | |
| Dwelling Rental Income | \$ 16,905,237 | \$ 17,125,834 | \$ (220,597) | (0.01) | \$ 16,955,623 | \$ (50,386) | - |
| HUD Operating Subsidies | 59,517,020 | 55,787,347 | 3,729,673 | 0.07 | 63,259,376 | (3,742,356) | (0.06) |
| COCC Fee Income | 4,354,694 | - | 4,354,694 | - | 3,301,970 | 1,052,724 | 0.32 |
| General Fund | 941,313 | 962,038 | (20,725) | (0.02) | 987,248 | (45,936) | (0.05) |
| Grant Income | - | 2,308,350 | (2,308,350) | (1.00) | - | - | - |
| Other Income | 4,533,260 | 3,891,481 | 641,779 | 0.16 | 5,232,102 | (698,842) | (0.13) |
| Total Revenues | 86,251,524 | 80,075,050 | 6,176,474 | 0.08 | 89,736,320 | (3,484,795) | (0.04) |
| EXPENSES | | | | | | | |
| Administrative | 9,101,075 | 13,982,936 | 4,881,861 | 0.35 | 10,140,585 | 1,039,510 | 0.10 |
| Asset Management Fees | - | 44,880 | 44,880 | 1.00 | - | - | - |
| Management Fees | 3,332,585 | 2,825,933 | (506,652) | (0.18) | 3,124,447 | (208,138) | (0.07) |
| Bookkeeping Fees | 611,011 | 567,996 | (43,015) | (0.08) | 619,029 | 8,018 | 0.01 |
| Housing Assistance Payments | 40,807,974 | 39,788,925 | (1,019,049) | (0.03) | 40,307,540 | (500,434) | (0.01) |
| Tenant Services | 789,842 | 423,720 | (366,122) | (0.86) | 1,173,349 | 383,506 | 0.33 |
| Utilities | 12,501,218 | 11,354,288 | (1,146,930) | (0.10) | 10,943,848 | (1,557,370) | (0.14) |
| Maintenance | 12,752,038 | 13,902,669 | 1,150,632 | 0.08 | 13,901,397 | 1,149,360 | 0.08 |
| Protective Services | 743,784 | 2,203,146 | 1,459,362 | 0.66 | 1,076,991 | 333,207 | 0.31 |
| Insurance | 848,266 | 990,044 | 141,778 | 0.14 | 962,600 | 114,334 | 0.12 |
| General Expenses | 12,319,856 | 3,512,245 | (8,807,611) | (2.51) | 11,124,525 | (1,195,331) | (0.11) |
| Total Expenses | 93,807,648 | 89,596,782 | (4,210,866) | (0.05) | 93,374,311 | (433,337) | - |
| Net Income(Loss) | \$ (7,556,124) | \$ (9,521,732) | \$ 1,965,608 | 0.21 | \$ (3,637,991) | \$ (3,918,133) | (1.08) |
| CASH BASIS: | | | | | | | |
| Net Income(loss) per Above | \$ (7,556,124) | \$ (9,521,732) | \$ 1,965,608 | 0.21 | \$ (3,637,991) | \$ (3,918,133) | (1.08) |
| Add back non cash items: | | | | | | | |
| Depreciation Expense | 11,491,209 | - | 11,491,209 | - | 10,664,119 | 827,090 | 0.08 |
| Bad Debt Expense | 24,666 | 2,654,080 | (2,629,414) | (0.99) | (584) | 25,249 | 43.27 |
| TOTAL CASH BASIS | \$ 3,959,751 | \$ (6,867,652) | \$ 10,827,403 | 1.58 | \$ 7,025,544 | \$ (3,065,793) | (0.44) |

**STATE LOW RENT
ACTUAL VS BUDGET COMPARISON
FOR THE ELEVEN MONTHS ENDING MAY 31, 2011**

(Amounts in Full Dollars)

| MONTH OF MAY, 2011 | | | | YEAR TO DATE ENDING MAY 31, 2011 | | | | | | | |
|---------------------|--------------------|--------------------|---------------|----------------------------------|-----------------------|---------------------|---------------------|---------------|---------------------|---------------------|----------------|
| <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | | <u>REVENUES</u> | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | | <u>Prior Year</u> | <u>Variance</u> | |
| | | <u>Amount</u> | <u>%</u> | | | | <u>Amount</u> | <u>%</u> | | <u>Amount</u> | <u>%</u> |
| \$ 80,369 | \$ 70,888 | \$ 9,481 | 0.13 | Dwelling Rental Income | \$ 894,213 | \$ 779,768 | \$ 114,445 | 0.15 | \$ 855,211 | \$ 39,002 | 0.05 |
| - | - | - | - | HUD Operating Subsidies | - | - | - | - | - | - | - |
| - | - | - | - | Management Fees | - | - | - | - | - | - | - |
| - | - | - | - | Bookeeping Fees | - | - | - | - | - | - | - |
| - | - | - | - | Asset Management Fees | - | - | - | - | - | - | - |
| - | - | - | - | Capital Fund Admin Fee | - | - | - | - | - | - | - |
| - | - | - | - | CMSS Front Line Service Fee | - | - | - | - | - | - | - |
| - | - | - | - | ARRA Funds Admin Fee | - | - | - | - | - | - | - |
| - | - | - | - | COCC Fee Income | - | - | - | - | - | - | - |
| - | - | - | - | General Fund | - | - | - | - | - | - | - |
| - | - | - | - | Grant Income | - | - | - | - | - | - | - |
| 3,911 | - | 3,911 | - | Other Income | 90,335 | - | 90,335 | - | 664,531 | (574,196) | (0.86) |
| 84,280 | 70,888 | 13,392 | 0.19 | Total Revenues | 984,549 | 779,768 | 204,781 | 0.26 | 1,519,742 | (535,193) | (0.35) |
| | | | | <u>EXPENSES</u> | | | | | | | |
| 23,834 | 31,568 | 7,734 | 0.24 | Administrative | 243,162 | 347,248 | 104,086 | 0.30 | 232,073 | (11,088) | (0.05) |
| - | - | - | - | Asset Management Fees | - | - | - | - | - | - | - |
| 14,967 | 10,788 | (4,179) | (0.39) | Management Fees | 155,390 | 118,668 | (36,722) | (0.31) | 113,536 | (41,855) | (0.37) |
| 1,935 | 1,581 | (354) | (0.22) | Bookkeeping Fees | 19,980 | 17,391 | (2,589) | (0.15) | 15,870 | (4,110) | (0.26) |
| - | - | - | - | Housing Assistance Payments | - | - | - | - | - | - | - |
| - | - | - | - | Tenant Services | - | - | - | - | - | - | - |
| 87,962 | 52,345 | (35,617) | (0.68) | Utilities | 664,012 | 575,795 | (88,217) | (0.15) | 621,549 | (42,463) | (0.07) |
| 46,313 | 49,696 | 3,383 | 0.07 | Maintenance | 517,347 | 546,656 | 29,309 | 0.05 | 488,425 | (28,922) | (0.06) |
| - | - | - | - | Protective Services | - | - | - | - | - | - | - |
| 2,525 | 2,884 | 359 | 0.12 | Insurance | 27,773 | 31,724 | 3,951 | 0.12 | 34,343 | 6,569 | 0.19 |
| 39,742 | 195 | (39,547) | (202.80) | General Expenses | 436,056 | 2,145 | (433,911) | (202.29) | 354,909 | (81,147) | (0.23) |
| 217,277 | 149,057 | (68,220) | (0.46) | Total Expenses | 2,063,720 | 1,639,627 | (424,093) | (0.26) | 1,860,704 | (203,016) | (0.11) |
| \$ (132,998) | \$ (78,169) | \$ (54,829) | (0.70) | Net Income(Loss) | \$ (1,079,172) | \$ (859,859) | \$ (219,313) | (0.26) | \$ (340,962) | \$ (738,210) | (2.17) |
| \$ (132,998) | \$ (78,169) | \$ (54,829) | (0.70) | Net Income(loss) per Above | \$ (1,079,172) | \$ (859,859) | \$ (219,313) | (0.26) | \$ (340,962) | \$ (738,210) | (2.17) |
| | | | | Add back non cash items: | | | | | | | |
| 39,568 | - | 39,568 | - | Depreciation Expense | 435,542 | - | 435,542 | - | 353,862 | 81,680 | 0.23 |
| 174 | - | 174 | - | Bad Debt Expense | (3,728) | - | (3,728) | - | 1,046 | (4,775) | (4.56) |
| \$ (93,256) | \$ (78,169) | \$ (15,087) | (0.19) | TOTAL CASH BASIS | \$ (647,358) | \$ (859,859) | \$ 212,501 | 0.25 | \$ 13,947 | \$ (661,305) | (47.42) |

053

**STATE ELDERLY PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE ELEVEN MONTHS ENDING MAY 31, 2011**

| MONTH OF MAY, 2011 | | | | YEAR TO DATE ENDING MAY 31, 2011 | | | | | | | |
|---------------------|--------------------|--------------------|---------------|----------------------------------|-----------------------|---------------------|---------------------|---------------|-----------------------|-------------------|-------------|
| | | | | (Amounts in Full Dollars) | | | | | | | |
| Actual | Budget | Variance | | REVENUES | Actual | Budget | Variance | | Prior Year | Variance | |
| | | Amount | % | | | | Amount | % | | Amount | % |
| \$ 163,817 | \$ 149,664 | \$ 14,153 | 0.09 | Dwelling Rental Income | \$ 1,813,783 | \$ 1,646,304 | \$ 167,479 | 0.10 | \$ 1,807,633 | \$ 6,150 | - |
| - | - | - | - | HUD Operating Subsidies | - | - | - | - | - | - | - |
| - | - | - | - | Management Fees | - | - | - | - | - | - | - |
| - | - | - | - | Bookkeeping Fees | - | - | - | - | - | - | - |
| - | - | - | - | Asset Management Fees | - | - | - | - | - | - | - |
| - | - | - | - | Capital Fund Admin Fee | - | - | - | - | - | - | - |
| - | - | - | - | CMSS Front Line Service Fee | - | - | - | - | - | - | - |
| - | - | - | - | ARRA Funds Admin Fee | - | - | - | - | - | - | - |
| - | - | - | - | COCC Fee Income | - | - | - | - | - | - | - |
| - | - | - | - | General Fund | - | - | - | - | - | - | - |
| - | - | - | - | Grant Income | - | - | - | - | - | - | - |
| 8,085 | 4,647 | 3,438 | 0.74 | Other Income | 157,500 | 51,117 | 106,383 | 2.08 | 62,399 | 95,100 | 1.52 |
| 171,902 | 154,311 | 17,591 | 0.11 | Total Revenues | 1,971,283 | 1,697,421 | 273,862 | 0.16 | 1,870,032 | 101,251 | 0.05 |
| | | | | EXPENSES | | | | | | | |
| 8,588 | 71,826 | 63,238 | 0.88 | Administrative | 126,700 | 790,086 | 663,386 | 0.84 | 118,709 | (7,991) | (0.07) |
| - | - | - | - | Asset Management Fees | - | - | - | - | - | - | - |
| 33,066 | 26,651 | (6,415) | (0.24) | Management Fees | 342,085 | 293,161 | (48,924) | (0.17) | 273,132 | (68,953) | (0.25) |
| 4,275 | 3,496 | (779) | (0.22) | Bookkeeping Fees | 44,228 | 38,456 | (5,772) | (0.15) | 34,140 | (10,088) | (0.30) |
| - | - | - | - | Housing Assistance Payments | - | - | - | - | - | - | - |
| - | - | - | - | Tenant Services | - | - | - | - | - | - | - |
| 121,547 | 83,780 | (37,767) | (0.45) | Utilities | 1,018,229 | 921,580 | (96,649) | (0.10) | 894,648 | (123,581) | (0.14) |
| 22,541 | 42,584 | 20,043 | 0.47 | Maintenance | 593,817 | 468,424 | (125,393) | (0.27) | 815,145 | 221,327 | 0.27 |
| - | 2,180 | 2,180 | 1.00 | Protective Services | - | 23,980 | 23,980 | 1.00 | 129 | 129 | 1.00 |
| 7,097 | 9,396 | 2,299 | 0.24 | Insurance | 111,625 | 103,356 | (8,269) | (0.08) | 115,489 | 3,865 | 0.03 |
| 115,172 | 1,531 | (113,641) | (74.23) | General Expenses | 1,269,334 | 16,841 | (1,252,493) | (74.37) | 1,265,448 | (3,886) | - |
| 312,287 | 241,444 | (70,843) | (0.29) | Total Expenses | 3,506,018 | 2,655,884 | (850,134) | (0.32) | 3,516,840 | 10,822 | - |
| \$ (140,385) | \$ (87,133) | \$ (53,252) | (0.61) | Net Income(Loss) | \$ (1,534,735) | \$ (958,463) | \$ (576,272) | (0.60) | \$ (1,646,808) | \$ 112,073 | 0.07 |
| \$ (140,385) | \$ (87,133) | \$ (53,252) | (0.61) | Net Income(loss) per Above | \$ (1,534,735) | \$ (958,463) | \$ (576,272) | (0.60) | \$ (1,646,808) | \$ 112,073 | 0.07 |
| | | | | Add back non cash items: | | | | | | | |
| 115,172 | - | 115,172 | - | Depreciation Expense | 1,269,284 | - | 1,269,284 | - | 1,266,079 | 3,205 | - |
| - | - | - | - | Bad Debt Expense | 50 | - | 50 | - | (631) | 681 | 1.08 |
| \$ (25,213) | \$ (87,133) | \$ 61,920 | 0.71 | TOTAL CASH BASIS | \$ (265,401) | \$ (958,463) | \$ 693,062 | 0.72 | \$ (381,360) | \$ 115,959 | 0.30 |

**FEDERAL LOW RENT PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE ELEVEN MONTHS ENDING MAY 31, 2011**

| MONTH OF MAY, 2011 | | | | (Amounts in Full Dollars) | | | | | | | | YEAR TO DATE ENDING MAY 31, 2011 | | | |
|---------------------|--------------------|---------------------|----------------|-----------------------------|-----------------------|---------------------|-----------------------|---------------|---------------------|-----------------------|----------------|----------------------------------|--|--|--|
| Actual | Budget | Variance | | REVENUES | Actual | Budget | Variance | | Prior Year | Variance | | | | | |
| | | Amount | % | | | | Amount | % | | Amount | % | | | | |
| \$ 1,120,219 | \$ 1,336,342 | \$ (216,123) | (0.16) | Dwelling Rental Income | \$ 14,197,241 | 14,699,762 | \$ (502,521) | (0.03) | \$ 14,292,780 | \$ (95,539) | (0.01) | | | | |
| 1,470,351 | 1,498,237 | (27,886) | (0.02) | HUD Operating Subsidies | 18,620,701 | 16,480,607 | 2,140,094 | 0.13 | 23,487,291 | (4,866,591) | (0.21) | | | | |
| - | - | - | - | COCC Fee Income | - | - | - | - | - | - | - | | | | |
| - | - | - | - | General Fund | - | - | - | - | - | - | - | | | | |
| - | 209,850 | (209,850) | (1.00) | Grant Income | - | 2,308,350 | (2,308,350) | (1.00) | - | - | - | | | | |
| 43,297 | 44,397 | (1,100) | (0.02) | Other Income | 797,194 | 488,367 | 308,827 | 0.63 | 684,534 | 112,660 | 0.16 | | | | |
| 2,633,867 | 3,088,826 | (454,959) | (0.15) | Total Revenues | 33,615,136 | 33,977,086 | (361,950) | (0.01) | 38,464,605 | (4,849,469) | (0.13) | | | | |
| | | | | EXPENSES | | | | | | | | | | | |
| 277,435 | 399,208 | 121,773 | 0.31 | Administrative | 3,487,487 | 4,391,288 | 903,801 | 0.21 | 3,818,845 | 331,358 | 0.09 | | | | |
| - | 4,080 | 4,080 | 1.00 | Asset Management Fees | - | 44,880 | 44,880 | 1.00 | - | - | - | | | | |
| 233,834 | 197,293 | (36,541) | (0.19) | Management Fees | 2,608,514 | 2,170,223 | (438,291) | (0.20) | 2,495,959 | (112,555) | (0.05) | | | | |
| 36,912 | 32,701 | (4,211) | (0.13) | Bookkeeping Fees | 405,165 | 359,711 | (45,454) | (0.13) | 417,862 | 12,697 | 0.03 | | | | |
| - | - | - | - | Housing Assistance Payments | - | - | - | - | - | - | - | | | | |
| 3,525 | 10,520 | 6,995 | 0.66 | Tenant Services | 16,541 | 115,720 | 99,179 | 0.86 | 92,929 | 76,388 | 0.82 | | | | |
| 985,066 | 888,094 | (96,972) | (0.11) | Utilities | 10,710,690 | 9,769,034 | (941,656) | (0.10) | 9,339,003 | (1,371,687) | (0.15) | | | | |
| 997,022 | 1,051,174 | 54,152 | 0.05 | Maintenance | 10,460,513 | 11,562,914 | 1,102,401 | 0.10 | 11,250,819 | 790,306 | 0.07 | | | | |
| 128,440 | 197,562 | 69,122 | 0.35 | Protective Services | 735,526 | 2,173,182 | 1,437,656 | 0.66 | 1,068,465 | 332,939 | 0.31 | | | | |
| 45,530 | 70,439 | 24,909 | 0.35 | Insurance | 662,063 | 774,829 | 112,766 | 0.15 | 702,619 | 40,556 | 0.06 | | | | |
| 914,771 | 311,217 | (603,554) | (1.94) | General Expenses | 10,197,460 | 3,423,387 | (6,774,073) | (1.98) | 9,176,257 | (1,021,203) | (0.11) | | | | |
| 3,622,536 | 3,162,288 | (460,248) | (0.15) | Total Expenses | 39,283,959 | 34,785,168 | (4,498,791) | (0.13) | 38,362,758 | (921,201) | (0.02) | | | | |
| \$ (988,668) | \$ (73,462) | \$ (915,206) | (12.46) | Net Income(Loss) | \$ (5,668,823) | \$ (808,082) | \$ (4,860,741) | (6.02) | \$ 101,847 | \$ (5,770,670) | (56.66) | | | | |
| \$ (988,668) | \$ (73,462) | \$ (915,206) | (12.46) | Net Income(loss) per Above | \$ (5,668,823) | \$ (808,082) | \$ (4,860,741) | (6.02) | \$ 101,847 | \$ (5,770,670) | (56.66) | | | | |
| 897,762 | - | 897,762 | - | Add back non cash items: | | | | | | | | | | | |
| 11,578 | 241,280 | (229,702) | (0.95) | Depreciation Expense | 9,776,875 | - | 9,776,875 | - | 9,041,919 | 734,956 | 0.08 | | | | |
| | | | | Bad Debt Expense | 28,344 | 2,654,080 | (2,625,736) | (0.99) | (999) | 29,343 | 29.36 | | | | |
| \$ (79,329) | \$ 167,818 | \$ (247,147) | (1.47) | TOTAL CASH BASIS | \$ 4,136,397 | \$ 1,845,998 | \$ 2,290,399 | 1.24 | \$ 9,142,767 | \$ (5,006,370) | (0.55) | | | | |

**HAWAII PUBLIC HOUSING AUTHORITY
FEDERAL LOW RENT PROGRAM BY AMPS
ACTUAL VS BUDGET COMPARISON
For The Eleven Months Ending May 31, 2011**

| MONTH OF MAY, 2011 | | | | (Amounts in Full Dollars) | YEAR TO DATE ENDING MAY 31, 2011 | | | | | | | | | |
|---------------------------|---------------------|---------------------|---------------|----------------------------------|---|----------------------|---------------------|---------------|----------------------|-----------------------|---------------|--|--|--|
| | | Variance | | CASH BASIS | Variance | | | | Variance | | | | | |
| <u>Actual</u> | <u>Budget</u> | <u>Amount</u> | <u>%</u> | <u>REVENUES</u> | <u>Actual</u> | <u>Budget</u> | <u>Amount</u> | <u>%</u> | <u>Prior Year</u> | <u>Amount</u> | <u>%</u> | | | |
| \$ 229,137 | \$ 265,593 | \$ (36,456) | (0.14) | Asset Management Project - 30 | \$ 2,566,943 | \$ 2,921,523 | \$ (354,580) | (0.12) | \$ 3,492,516 | \$ (925,573) | (0.27) | | | |
| 193,948 | 198,107 | (4,159) | (0.02) | Asset Management Project - 31 | 2,313,906 | 2,179,177 | 134,729 | 0.06 | 2,665,709 | (351,804) | (0.13) | | | |
| 241,556 | 253,593 | (12,037) | (0.05) | Asset Management Project - 32 | 2,818,065 | 2,789,523 | 28,542 | 0.01 | 2,862,876 | (44,811) | (0.02) | | | |
| 188,458 | 206,067 | (17,609) | (0.09) | Asset Management Project - 33 | 2,187,689 | 2,266,737 | (79,048) | (0.03) | 2,372,086 | (184,397) | (0.08) | | | |
| 290,770 | 310,571 | (19,801) | (0.06) | Asset Management Project - 34 | 3,353,034 | 3,416,281 | (63,247) | (0.02) | 3,622,424 | (269,390) | (0.07) | | | |
| 315,316 | 327,143 | (11,827) | (0.04) | Asset Management Project - 35 | 3,484,253 | 3,598,573 | (114,320) | (0.03) | 4,026,047 | (541,794) | (0.13) | | | |
| 140,687 | 121,880 | 18,807 | 0.15 | Asset Management Project - 37 | 1,638,986 | 1,340,680 | 298,306 | 0.22 | 2,230,802 | (591,816) | (0.27) | | | |
| 181,710 | 197,614 | (15,904) | (0.08) | Asset Management Project - 38 | 2,247,862 | 2,173,754 | 74,108 | 0.03 | 2,114,489 | 133,372 | 0.06 | | | |
| 93,038 | 87,241 | 5,797 | 0.07 | Asset Management Project - 39 | 967,623 | 959,651 | 7,972 | 0.01 | 1,451,610 | (483,987) | (0.33) | | | |
| 227,365 | 567,646 | (340,281) | (0.60) | Asset Management Project - 40 | 5,550,876 | 6,244,106 | (693,230) | (0.11) | 6,648,848 | (1,097,972) | (0.17) | | | |
| 96,994 | 103,349 | (6,355) | (0.06) | Asset Management Project - 43 | 1,189,987 | 1,136,839 | 53,148 | 0.05 | 1,324,431 | (134,444) | (0.10) | | | |
| 133,060 | 131,977 | 1,083 | 0.01 | Asset Management Project - 44 | 1,856,001 | 1,451,747 | 404,254 | 0.28 | 1,506,183 | 349,818 | 0.23 | | | |
| 110,559 | 115,015 | (4,456) | (0.04) | Asset Management Project - 45 | 1,139,819 | 1,265,165 | (125,346) | (0.10) | 1,631,888 | (492,068) | (0.30) | | | |
| 48,562 | 44,028 | 4,534 | 0.10 | Asset Management Project - 46 | 545,884 | 484,308 | 61,576 | 0.13 | 595,620 | (49,736) | (0.08) | | | |
| 73,013 | 83,268 | (10,255) | (0.12) | Asset Management Project - 49 | 886,724 | 915,948 | (29,224) | (0.03) | 1,063,623 | (176,899) | (0.17) | | | |
| 69,695 | 75,734 | (6,040) | (0.08) | Asset Management Project - 50 | 867,485 | 833,074 | 34,411 | 0.04 | 855,452 | 12,033 | 0.01 | | | |
| \$ 2,633,867 | \$ 3,088,826 | \$ (454,959) | (0.15) | Total Revenues | \$ 33,615,136 | \$ 33,977,086 | \$ (361,950) | (0.01) | \$ 38,464,605 | \$ (4,849,469) | (0.13) | | | |
| | | | | NET INCOME(LOSS) | | | | | | | | | | |
| \$ (51,370) | \$ (20,185) | \$ (31,185) | (1.54) | Asset Management Project - 30 | \$ 18,055 | \$ (222,035) | \$ 240,090 | 1.08 | \$ 928,609 | \$ (910,554) | (0.98) | | | |
| 34,139 | 5,363 | 28,776 | 5.37 | Asset Management Project - 31 | 667,323 | 58,993 | 608,330 | 10.31 | 710,302 | (42,979) | (0.06) | | | |
| 71,787 | 46,603 | 25,184 | 0.54 | Asset Management Project - 32 | 911,618 | 512,633 | 398,985 | 0.78 | 883,536 | 28,082 | 0.03 | | | |
| 39,283 | 3,129 | 36,154 | 11.55 | Asset Management Project - 33 | 434,921 | 34,419 | 400,502 | 11.64 | 503,805 | (68,884) | (0.14) | | | |
| 8,485 | 51,501 | (43,016) | (0.84) | Asset Management Project - 34 | 705,141 | 566,511 | 138,630 | 0.24 | 860,692 | (155,551) | (0.18) | | | |
| 113,657 | 13,338 | 100,319 | 7.52 | Asset Management Project - 35 | 752,911 | 146,718 | 606,193 | 4.13 | 1,202,405 | (449,494) | (0.37) | | | |
| (3,552) | (20,786) | 17,234 | 0.83 | Asset Management Project - 37 | 200,989 | (228,646) | 429,635 | 1.88 | 774,011 | (573,022) | (0.74) | | | |
| 67,816 | 40,694 | 27,122 | 0.67 | Asset Management Project - 38 | 784,971 | 447,634 | 337,337 | 0.75 | 746,713 | 38,258 | 0.05 | | | |
| (42,851) | (36,636) | (6,215) | (0.17) | Asset Management Project - 39 | (167,090) | (402,996) | 235,906 | 0.59 | 236,389 | (403,479) | (1.71) | | | |
| (508,171) | 17,599 | (525,770) | (29.88) | Asset Management Project - 40 | (1,599,997) | 193,589 | (1,793,586) | (9.26) | 716,336 | (2,316,334) | (3.23) | | | |
| 123,505 | 473 | 123,032 | 260.11 | Asset Management Project - 43 | 110,985 | 5,203 | 105,782 | 20.33 | 219,022 | (108,036) | (0.49) | | | |
| 11,068 | 30,714 | (19,646) | (0.64) | Asset Management Project - 44 | 613,382 | 337,854 | 275,528 | 0.82 | 230,339 | 383,043 | 1.66 | | | |
| 32,782 | 17,246 | 15,536 | 0.90 | Asset Management Project - 45 | 131,221 | 189,706 | (58,485) | (0.31) | 558,253 | (427,032) | (0.76) | | | |
| (5,868) | (9,744) | 3,876 | 0.40 | Asset Management Project - 46 | (896) | (107,184) | 106,288 | 0.99 | 35,941 | (36,838) | (1.02) | | | |
| 14,663 | 12,197 | 2,466 | 0.20 | Asset Management Project - 49 | 263,643 | 134,167 | 129,476 | 0.97 | 296,851 | (33,208) | (0.11) | | | |
| 15,298 | 16,312 | (1,014) | (0.06) | Asset Management Project - 50 | 309,218 | 179,432 | 129,786 | 0.72 | 239,560 | 69,658 | 0.29 | | | |
| \$ (79,329) | \$ 167,818 | \$ (247,147) | (1.47) | Total Net Income(Loss) | \$ 4,136,398 | \$ 1,845,998 | \$ 2,290,400 | 1.24 | \$ 9,142,767 | \$ (5,006,369) | (0.55) | | | |

**HAWAII PUBLIC HOUSING AUTHORITY
FEDERAL LOW RENT PROGRAM BY AMPS
ACTUAL VS BUDGET COMPARISON
For The Eleven Months Ending May 31, 2011**

| MONTH OF MAY, 2011 | | | | YEAR TO DATE ENDING MAY 31, 2011 | | | | | | | | | | |
|---------------------------|---------------------|---------------------|----------------|---|-----------------------|----------------------|-----------------------|-----------------|----------------------|-----------------------|----------------|-------------------|-----------------|----------|
| | | | | ACCURAL BASIS | | | | Variance | | | | Variance | | |
| Actual | Budget | Variance | | REVENUES | | | | Actual | Budget | Variance | | Prior Year | Variance | |
| | | Amount | % | | | | | | | Amount | % | | Amount | % |
| \$ 229,137 | \$ 265,593 | \$ (36,456) | (0.14) | Asset Management Project - 30 | \$ 2,566,943 | \$ 2,921,523 | \$ (354,580) | (0.12) | \$ 3,492,516 | \$ (925,573) | (0.27) | | | |
| 193,948 | 198,107 | (4,159) | (0.02) | Asset Management Project - 31 | 2,313,906 | 2,179,177 | 134,729 | 0.06 | 2,665,709 | (351,804) | (0.13) | | | |
| 241,556 | 253,593 | (12,037) | (0.05) | Asset Management Project - 32 | 2,818,065 | 2,789,523 | 28,542 | 0.01 | 2,862,876 | (44,811) | (0.02) | | | |
| 188,458 | 206,067 | (17,609) | (0.09) | Asset Management Project - 33 | 2,187,689 | 2,266,737 | (79,048) | (0.03) | 2,372,086 | (184,397) | (0.08) | | | |
| 290,770 | 310,571 | (19,801) | (0.06) | Asset Management Project - 34 | 3,353,034 | 3,416,281 | (63,247) | (0.02) | 3,622,424 | (269,390) | (0.07) | | | |
| 315,316 | 327,143 | (11,827) | (0.04) | Asset Management Project - 35 | 3,484,253 | 3,598,573 | (114,320) | (0.03) | 4,026,047 | (541,794) | (0.13) | | | |
| 140,687 | 121,880 | 18,807 | 0.15 | Asset Management Project - 37 | 1,638,986 | 1,340,680 | 298,306 | 0.22 | 2,230,802 | (591,816) | (0.27) | | | |
| 181,710 | 197,614 | (15,904) | (0.08) | Asset Management Project - 38 | 2,247,862 | 2,173,754 | 74,108 | 0.03 | 2,114,489 | 133,372 | 0.06 | | | |
| 93,038 | 87,241 | 5,797 | 0.07 | Asset Management Project - 39 | 967,623 | 959,651 | 7,972 | 0.01 | 1,451,610 | (483,987) | (0.33) | | | |
| 227,365 | 567,646 | (340,281) | (0.60) | Asset Management Project - 40 | 5,550,876 | 6,244,106 | (693,230) | (0.11) | 6,648,848 | (1,097,972) | (0.17) | | | |
| 96,994 | 103,349 | (6,355) | (0.06) | Asset Management Project - 43 | 1,189,987 | 1,136,839 | 53,148 | 0.05 | 1,324,431 | (134,444) | (0.10) | | | |
| 133,060 | 131,977 | 1,083 | 0.01 | Asset Management Project - 44 | 1,856,001 | 1,451,747 | 404,254 | 0.28 | 1,506,183 | 349,818 | 0.23 | | | |
| 110,559 | 115,015 | (4,456) | (0.04) | Asset Management Project - 45 | 1,139,819 | 1,265,165 | (125,346) | (0.10) | 1,631,888 | (492,068) | (0.30) | | | |
| 48,562 | 44,028 | 4,534 | 0.10 | Asset Management Project - 46 | 545,884 | 484,308 | 61,576 | 0.13 | 595,620 | (49,736) | (0.08) | | | |
| 73,013 | 83,268 | (10,255) | (0.12) | Asset Management Project - 49 | 886,724 | 915,948 | (29,224) | (0.03) | 1,063,623 | (176,899) | (0.17) | | | |
| 69,695 | 75,734 | (6,040) | (0.08) | Asset Management Project - 50 | 867,485 | 833,074 | 34,411 | 0.04 | 855,452 | 12,033 | 0.01 | | | |
| \$ 2,633,867 | \$ 3,088,826 | \$ (454,959) | (0.15) | Total Revenues | \$ 33,615,136 | \$ 33,977,086 | \$ (361,950) | (0.01) | \$ 38,464,605 | \$ (4,849,469) | (0.13) | | | |
| | | | | NET INCOME(LOSS) | | | | | | | | | | |
| \$ (152,264) | \$ (35,113) | \$ (117,151) | (3.34) | Asset Management Project - 30 | \$ (1,092,480) | \$ (386,243) | \$ (706,237) | (1.83) | \$ (198,952) | \$ (893,527) | (4.49) | | | |
| (157,989) | (15,624) | (142,365) | (9.11) | Asset Management Project - 31 | (1,207,485) | (171,864) | (1,035,621) | (6.03) | (697,699) | (509,786) | (0.73) | | | |
| 54,110 | 38,379 | 15,731 | 0.41 | Asset Management Project - 32 | 689,526 | 422,169 | 267,357 | 0.63 | 576,400 | 113,125 | 0.20 | | | |
| (13,220) | (2,911) | (10,309) | (3.54) | Asset Management Project - 33 | (141,777) | (32,021) | (109,756) | (3.43) | (72,244) | (69,533) | (0.96) | | | |
| (25,876) | 50,901 | (76,777) | (1.51) | Asset Management Project - 34 | 327,182 | 559,911 | (232,729) | (0.42) | 441,930 | (114,748) | (0.26) | | | |
| 54,257 | 3,317 | 50,940 | 15.36 | Asset Management Project - 35 | 75,666 | 36,487 | 39,179 | 1.07 | 653,855 | (578,190) | (0.88) | | | |
| (133,370) | (31,217) | (102,153) | (3.27) | Asset Management Project - 37 | (1,236,782) | (343,387) | (893,395) | (2.60) | (580,688) | (656,093) | (1.13) | | | |
| 43,121 | 25,784 | 17,337 | 0.67 | Asset Management Project - 38 | 511,746 | 283,624 | 228,122 | 0.80 | 465,509 | 46,237 | 0.10 | | | |
| (57,501) | (78,825) | 21,324 | 0.27 | Asset Management Project - 39 | (329,055) | (867,075) | 538,020 | 0.62 | 59,710 | (388,765) | (6.51) | | | |
| (507,977) | (13,027) | (494,950) | (37.99) | Asset Management Project - 40 | (1,678,440) | (143,297) | (1,535,143) | (10.71) | 707,951 | (2,386,391) | (3.37) | | | |
| 72,756 | (7,963) | 80,719 | 10.14 | Asset Management Project - 43 | (443,228) | (87,593) | (355,635) | (4.06) | (139,512) | (303,716) | (2.18) | | | |
| (85,786) | (311) | (85,475) | (274.84) | Asset Management Project - 44 | (355,532) | (3,421) | (352,111) | (102.93) | (749,762) | 394,230 | 0.53 | | | |
| (31,626) | (5,623) | (26,003) | (4.62) | Asset Management Project - 45 | (577,233) | (61,853) | (515,380) | (8.33) | (191,047) | (386,186) | (2.02) | | | |
| (35,156) | (22,603) | (12,553) | (0.56) | Asset Management Project - 46 | (323,615) | (248,633) | (74,982) | (0.30) | (227,962) | (95,653) | (0.42) | | | |
| (26,052) | 8,759 | (34,811) | (3.97) | Asset Management Project - 49 | (183,298) | 96,349 | (279,647) | (2.90) | (171,870) | (11,428) | (0.07) | | | |
| 13,903 | 12,615 | 1,288 | 0.10 | Asset Management Project - 50 | 295,982 | 138,765 | 157,217 | 1.13 | 226,226 | 69,756 | 0.31 | | | |
| \$ (988,668) | \$ (73,462) | \$ (915,206) | (12.46) | Total Net Income(Loss) | \$ (5,668,823) | \$ (808,082) | \$ (4,860,741) | (6.02) | \$ 101,847 | \$ (5,770,670) | (56.66) | | | |

057

VI. FOR INFORMATION/DISCUSSION

- A. For Information: *Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise in her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795) (pg. 039)*

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 *Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise in her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795)*

To be discussed at meeting. There will be no handouts for this item.

FOR DISCUSSION

SUBJECT: Report on the HPHA's Corrective Action Plan in Response to the Legislative Audit and the HPHA's Single Audit Findings

I. FACTS

- A. During the 2009 Legislative Session, Senate Concurrent Resolution No. 31, (SD2, HD1) and House Concurrent Resolution No. 94 (HD1, SD 1) requested a management audit of the Hawaii Public Housing Authority (HPHA).
- B. The audit was conducted by the Office of the Auditor for the period July 1, 2006 through June 30, 2010.
- C. Additionally, the HPHA commissions an independent financial and single audit on an annual basis, as required by state and federal requirements. The audit for the fiscal period July 1, 2009 to June 30, 2010 was conducted by KMH LLP.
- D. The staff has reviewed the findings from both audits and drafted the attached corrective action plan. The corrective action plan is intended to address major findings from both audits and identifies tasks, responsible parties, due dates, and tracks progress on each task.
- E. The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(2) 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.

| Action | Due Date | Responsible Parties | Status |
|--|----------|---------------------|---|
| 1.0 Demonstrate that HPHA is responsibly administering its contracts and ensuring compliance with the terms of the contract | | | |
| 1.1 Establishment of a monitoring plan for all AMPs and implementation of site visit monitoring | | PMMSB | Monitoring reports are being completed on a monthly basis for all privately managed AMPs. It was determined that the AMPs who needed the most improvement would be monitored on a monthly basis |
| 1.2 Resolution of findings in the REAC inspections, including implementation of corrective action plan (CAP) from previous REAC inspections | | PMMSB | PMMSB: PMMSB is still implementing CAP from 2010. Monitoring needs to be done to determine that AMPs are complying with 2010 CAP |
| 1.3 Resolution of monitoring findings from PMMSB monitors conducting site visits | | PMMSB | |
| 1.4 Revision of property management contract to include terms which require the contractor to forfeit its management fees for failure to perform | | PMMSB | |
| 1.5 Completion of the procedures manual, which includes procedures for monitoring AMP staff /contractors. | | PMMSB | Ongoing. PMMSB continues to tweak the procedures and refine the process. |
| 1.6 Establishment of a system to track and repair type "C" units | | PMMSBCMB | CMB: CMB retains a log for Type C unit identification, however, a formal tracking system with a construction respond element has not been established PMMSB: PMMSB is tracking requests sent to CMS. PMMSB checks that the unit is properly coded. Discussed with CMS the creation of a system that will include monitoring unit to completion, which funds are set aside for the unit and the projected completion date |
| 1.7 Establish procedures for maintaining tenant complaint log | | PMMSB | |

| | | | | |
|---|---|------------|-------------------------|---------------------------|
| 1.8 | Ensure that inventories are current and that procedures are established for inventory control. That site visits include inspection of inventory areas | | PMMSB | |
| 2.0 Demonstrate that HPHA is planning for the effective use of Capital Fund Program activities | | | | |
| 2.1 | Completion and submittal of a well thought out 5-year plan for the use of CFP for next fiscal year | | PEO/PMMSB/CMB | |
| 2.2 | Implement and formalize annual Capital Planning process that includes all branches and incorporates CFP and CIP funds. | In process | PMMSB/ CMS/CPO, FMO/PEO | This started August 2010. |
| 3.0 Demonstrate that HPHA has appropriate internal fiscal controls | | | | |
| 3.1 | Assess trainings attended and given to staff. Assess additional training needs and commence reviewing position descriptions to be filled. | | FMO | |
| 3.2 | Perform internal assessment of missing controls and develop checklists to ensure monthly routines are completed timely. | Ongoing | FMO | |
| 3.3 | Implementation of training plan for HPHA staff | | FMO | |
| 3.4 | Production of monthly closing schedules with assigned accountabilities | | FMO | |
| 3.5 | Implement audit routine to ensure effectiveness, including the timely review and approvals by appropriate personnel. | | FMO | |
| 3.6 | Production of monthly closing schedules with assigned accountabilities | | FMO | |

| | | | | |
|--|--|--|-----|--|
| 3.7 | Implement audit routine to ensure effectiveness, including the timely review and approvals by appropriate personnel | | FMO | |
| 4.0 Demonstrate that HPHA can consistently produce accurate and timely financial reports and statements | | | | |
| 4.1 | Produce timely financial statements | | FMO | |
| 4.2 | Monthly production of accurate financial statements for all AMPS | | FMO | |
| 4.3 | Manage activity in the PIC so that HPHA can upload information for calculation of the operating subsidy on a timely basis | | FMO | |
| 4.4 | Full functioning general ledger and production of monthly reconciliations this will enable: -reliable monthly financial statements -Assets properly capitalized -Budget to Actual Comparisons | | FMO | |
| 4.5 | FDS submitted timely and correctly (including establishing timelines, training needs, responsible parties) | | | |
| 4.6 | All HUD submissions are submitted timely (including identifying training needs and responsible parties) | | | |
| 5.0 Demonstrate proper use of accounting standards and methods | | | | |
| 5.1 | Maintain monthly detailed fixed assets and CIP records and reconcile records on a timely basis to ensure accurate accounting for these assets | | | |
| 5.2 | Project based accounting to be utilized for financial performance for all AMPs. This includes the allocation of costs from the COCC and proper classification of all expenses. | | | |

| | | | | |
|--|---|--|---------|------------------|
| 5.3 | Manage conversion from EmPHASys to Elite. Ensure staff receives training to ensure smooth conversion when system crosses over. | | | |
| 5.4 | Utilize the accrual method of accounting appropriately on accounts and financial statements. | | | |
| 5.5 | Transfer and classify assets properly. Ensure that projects are transferred to assets once project is complete | | FMO/CMB | |
| 6.0 Demonstrate that the HPHA has implemented Project Based Accounting as proscribed by HUD | | | | |
| 6.1 | Capability to produce financial statements by AMP and for each project within the AMP. To include budgets, profit and loss statements and balance sheets. | | | |
| 6.2 | Provide AMPs with monthly budget to actuals to assess financial performance of AMP to include projects within the AMP | | | |
| 6.3 | Develop, maintain and update fee for service schedules. This details the charges to the AMPs for various services, e.g., bookkeeping fees, etc... | | | FMO: Progressing |
| 6.4 | Ensure all charges to the COCC and revenue earned by the COCC are properly classified and charged | | | |

July 21, 2011

FOR INFORMATION

SUBJECT: U.S. Department of Housing and Urban Development's Public Housing Section 8 Housing Choice Voucher Program and the Section 8 Management Assessment Program (SEMAP)

I. FACTS

- A. The section 8 housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects.

- B. Housing choice vouchers are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.
- C. A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. This unit may include the family's present residence. Rental units must meet minimum standards of health and safety, as determined by the PHA.
- D. A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. Under certain circumstances, if authorized by the PHA, a family may use its voucher to purchase a modest home.
- E. The Section 8 Management Assessment Program (SEMAP) measures the performance of the public housing agencies (PHAs) that administer the housing choice voucher program in 14 key areas. Regulations are found at volume 24 CFR part 985.

- F. SEMAP helps HUD target monitoring and assistance to PHA programs that need the most improvement. SEMAP is used to remotely measure PHA performance and administration of the housing choice voucher program. SEMAP uses HUD's national database of tenant information and information from audits conducted annually by independent auditors.
- G. HUD will annually assign each PHA a rating on each of the 14 indicators and an overall performance rating of high, standard, or troubled.
- H. There are 14 indicators of performance that HUD looks at to see if PHAs help eligible families afford decent rental units at a reasonable subsidy cost as intended by Federal housing legislation.

The 14 key indicators of PHA performance are:

1. Proper selection of applicants from the housing choice voucher waiting list
2. Sound determination of reasonable rent for each unit leased
3. Establishment of payment standards within the required range of the HUD fair market rent
4. Accurate verification of family income
5. Timely annual reexaminations of family income
6. Correct calculation of the tenant share of the rent and the housing assistance payment
7. Maintenance of a current schedule of allowances for tenant utility costs
8. Ensure units comply with the housing quality standards before families enter into leases and PHAs enter into housing assistance contracts
9. Timely annual housing quality inspections
10. Performing of quality control inspections to ensure housing quality
11. Ensure that landlords and tenants promptly correct housing quality deficiencies
12. Ensure that all available housing choice vouchers are used
13. Expand housing choice outside areas of poverty or minority concentration
14. Enroll families in the family self-sufficiency (FSS) program as required and help FSS families achieve increases in employment income.

(Source: http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/hcv/semmap/semmap)

- I. If a PHA does not perform adequately on any of the 14 indicators or is assigned an overall performance rating of troubled the PHA is required to take corrective action. HUD will conduct on-site reviews of PHAs rated troubled to assess the magnitude and seriousness of the problems. The

PHA must implement a thorough corrective action plan that HUD will monitor, to ensure improvement in program management.

II. DISCUSSION

- A. PHAs must submit a SEMAP certification no later than 60 days after the close of the fiscal year to the U.S. Department of Housing and Urban Development. The Hawaii Public Housing Authority's (HPHA) fiscal year ended June 30 and the SEMAP certification is due no later than August 30, 2011.
- B. Attached is a copy of the certification form that must be completed and submitted to HUD. During next month's regular Board meeting, the Board will be asked to approve a resolution accepting the SEMAP certification and to authorize the Executive Director to submit the certification to HUD.

Attachment: Section 8 Management Assessment Program (SEMAP) Certification form HUD-52648 (8/2000)

Prepared by: Stephanie Fo, Acting Section 8 Subsidy Programs Branch Chief _____

Section 8 Management Assessment Program (SEMAP) Certification

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

OMB Approval No. 2577-0215
(exp. 9/30/2013)

Public reporting burden for this collection of information is estimated to average 12 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.

This collection of information is required by 24 CFR sec 985.101 which requires a Public Housing Agency (PHA) administering a Section 8 tenant-based assistance program to submit an annual SEMAP Certification within 60 days after the end of its fiscal year. The information from the PHA concerns the performance of the PHA and provides assurance that there is no evidence of seriously deficient performance. HUD uses the information and other data to assess PHA management capabilities and deficiencies, and to assign an overall performance rating to the PHA. Responses are mandatory and the information collected does not lend itself to confidentiality.

Instructions Respond to this certification form using the PHA's actual data for the fiscal year just ended.

| | | |
|----------|--------------------------------|------------------------------|
| PHA Name | For PHA FY Ending (mm/dd/yyyy) | Submission Date (mm/dd/yyyy) |
|----------|--------------------------------|------------------------------|

Check here if the PHA expends less than \$300,000 a year in Federal awards

Indicators 1 - 7 will not be rated if the PHA expends less than \$300,000 a year in Federal awards and its Section 8 programs are not audited for compliance with regulations by an independent auditor. A PHA that expends less than \$300,000 in Federal awards in a year must still complete the certification for these indicators.

Performance Indicators

- Selection from the Waiting List. (24 CFR 982.54(d)(1) and 982.204(a))

(a) The PHA has written policies in its administrative plan for selecting applicants from the waiting list.

PHA Response Yes No

(b) The PHA's quality control samples of applicants reaching the top of the waiting list and of admissions show that at least 98% of the families in the samples were selected from the waiting list for admission in accordance with the PHA's policies and met the selection criteria that determined their places on the waiting list and their order of selection.

PHA Response Yes No
- Reasonable Rent. (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)

(a) The PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units (i) at the time of initial leasing, (ii) before any increase in the rent to owner, and (iii) at the HAP contract anniversary if there is a 5 percent decrease in the published FMR in effect 60 days before the HAP contract anniversary. The PHA's method takes into consideration the location, size, type, quality, and age of the program unit and of similar unassisted units, and any amenities, housing services, maintenance or utilities provided by the owners.

PHA Response Yes No

(b) The PHA's quality control sample of tenant files for which a determination of reasonable rent was required shows that the PHA followed its written method to determine reasonable rent and documented its determination that the rent to owner is reasonable as required for (check one):

PHA Response At least 98% of units sampled 80 to 97% of units sampled Less than 80% of units sampled
- Determination of Adjusted Income. (24 CFR part 5, subpart F and 24 CFR 982.516)

The PHA's quality control sample of tenant files shows that at the time of admission and reexamination, the PHA properly obtained third party verification of adjusted income or documented why third party verification was not available; used the verified information in determining adjusted income; properly attributed allowances for expenses; and, where the family is responsible for utilities under the lease, the PHA used the appropriate utility allowances for the unit leased in determining the gross rent for (check one):

PHA Response At least 90% of files sampled 80 to 89% of files sampled Less than 80% of files sampled
- Utility Allowance Schedule. (24 CFR 982.517)

The PHA maintains an up-to-date utility allowance schedule. The PHA reviewed utility rate data that it obtained within the last 12 months, and adjusted its utility allowance schedule if there has been a change of 10% or more in a utility rate since the last time the utility allowance schedule was revised.

PHA Response Yes No
- HQS Quality Control Inspections. (24 CFR 982.405(b))

A PHA supervisor (or other qualified person) reinspected a sample of units during the PHA fiscal year, which met the minimum sample size required by HUD (see 24 CFR 985.2), for quality control of HQS inspections. The PHA supervisor's reinspected sample was drawn from recently completed HQS inspections and represents a cross section of neighborhoods and the work of a cross section of inspectors.

PHA Response Yes No
- HQS Enforcement. (24 CFR 982.404)

The PHA's quality control sample of case files with failed HQS inspections shows that, for all cases sampled, any cited life-threatening HQS deficiencies were corrected within 24 hours from the inspection and, all other cited HQS deficiencies were corrected within no more than 30 calendar days from the inspection or any PHA-approved extension, or, if HQS deficiencies were not corrected within the required time frame, the PHA stopped housing assistance payments beginning no later than the first of the month following the correction period, or took prompt and vigorous action to enforce the family obligations for (check one):

PHA Response At least 98% of cases sampled Less than 98% of cases sampled

7. Expanding Housing Opportunities. (24 CFR 982.54(d)(5), 982.153(b)(3) and (b)(4), 982.301(a) and 983.301(b)(4) and (b)(12)).
Applies only to PHAs with jurisdiction in metropolitan FMR areas.
Check here if not applicable
- (a) The PHA has a written policy to encourage participation by owners of units outside areas of poverty or minority concentration which clearly delineates areas in its jurisdiction that the PHA considers areas of poverty or minority concentration, and which includes actions the PHA will take to encourage owner participation.
PHA Response Yes No
- (b) The PHA has documentation that shows that it took actions indicated in its written policy to encourage participation by owners outside areas of poverty and minority concentration.
PHA Response Yes No
- (c) The PHA has prepared maps that show various areas, both within and neighboring its jurisdiction, with housing opportunities outside areas of poverty and minority concentration; the PHA has assembled information about job opportunities, schools and services in these areas; and the PHA uses the maps and related information when briefing voucher holders.
PHA Response Yes No
- (d) The PHA's information packet for voucher holders contains either a list of owners who are willing to lease, or properties available for lease, under the voucher program, or a list of other organizations that will help families find units and the list includes properties or organizations that operate outside areas of poverty or minority concentration.
PHA Response Yes No
- (e) The PHA's information packet includes an explanation of how portability works and includes a list of neighboring PHAs with the name, address and telephone number of a portability contact person at each.
PHA Response Yes No
- (f) The PHA has analyzed whether voucher holders have experienced difficulties in finding housing outside areas of poverty or minority concentration and, where such difficulties were found, the PHA has considered whether it is appropriate to seek approval of exception payment standard amounts in any part of its jurisdiction and has sought HUD approval when necessary.
PHA Response Yes No

8. Payment Standards. The PHA has adopted current payment standards for the voucher program by unit size for each FMR area in the PHA jurisdiction and, if applicable, for each PHA-designated part of an FMR area, which do not exceed 110 percent of the current applicable FMR and which are not less than 90 percent of the current FMR (unless a lower percent is approved by HUD). (24 CFR 982.503)

PHA Response Yes No

Enter current FMRs and payment standards (PS)

0-BR FMR _____ 1-BR FMR _____ 2-BR FMR _____ 3-BR FMR _____ 4-BR FMR _____
 PS _____ PS _____ PS _____ PS _____ PS _____

If the PHA has jurisdiction in more than one FMR area, and/or if the PHA has established separate payment standards for a PHA-designated part of an FMR area, attach similar FMR and payment standard comparisons for each FMR area and designated area.

9. Annual Reexaminations. The PHA completes a reexamination for each participating family at least every 12 months. (24 CFR 982.516)
PHA Response Yes No
10. Correct Tenant Rent Calculations. The PHA correctly calculates tenant rent in the rental certificate program and the family rent to owner in the rental voucher program. (24 CFR 982, Subpart K)
PHA Response Yes No
11. Precontract HQS Inspections. Each newly leased unit passed HQS inspection before the beginning date of the assisted lease and HAP contract. (24 CFR 982.305)
PHA Response Yes No
12. Annual HQS Inspections. The PHA inspects each unit under contract at least annually. (24 CFR 982.405(a))
PHA Response Yes No
13. Lease-Up. The PHA executes assistance contracts on behalf of eligible families for the number of units that has been under budget for at least one year.
PHA Response Yes No
- 14a. Family Self-Sufficiency Enrollment. The PHA has enrolled families in FSS as required. (24 CFR 984.105)
Applies only to PHAs required to administer an FSS program.
Check here if not applicable

PHA Response

a. Number of mandatory FSS slots (Count units funded under the FY 1992 FSS incentive awards and in FY 1993 and later through 10/20/1998. Exclude units funded in connection with Section 8 and Section 23 project-based contract terminations; public housing demolition, disposition and replacement; HUD multifamily property sales; prepaid or terminated mortgages under section 236 or section 221(d)(3); and Section 8 renewal funding. Subtract the number of families that successfully completed their contracts on or after 10/21/1998.)

or, Number of mandatory FSS slots under HUD-approved exception

b. Number of FSS families currently enrolled

c. Portability: If you are the **initial** PHA, enter the number of families currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Percent of FSS slots filled (b + c divided by a)

14b. Percent of FSS Participants with Escrow Account Balances. The PHA has made progress in supporting family self-sufficiency as measured by the percent of currently enrolled FSS families with escrow account balances. (24 CFR 984.305)

Applies only to PHAs required to administer an FSS program .

Check here if not applicable

PHA Response Yes No

Portability: If you are the **initial** PHA, enter the number of families with FSS escrow accounts currently enrolled in your FSS program, but who have moved under portability and whose Section 8 assistance is administered by another PHA

Deconcentration Bonus Indicator (Optional and only for PHAs with jurisdiction in metropolitan FMR areas).

The PHA is submitting with this certification data which show that:

(1) Half or more of all Section 8 families with children assisted by the PHA in its principal operating area resided in low poverty census tracts at the end of the last PHA FY;

(2) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area during the last PHA FY 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 the last PHA FY;

or

(3) The percent of Section 8 mover families with children who moved to low poverty census tracts in the PHA's principal operating area over the last two PHA FYs 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 the second to last PHA FY.

PHA Response Yes No **If yes, attach completed deconcentration bonus indicator addendum.**

I hereby certify that, to the best of my knowledge, the above responses under the Section 8 Management Assessment Program (SEMAP) are true and accurate for the PHA fiscal year indicated above. I also certify that, to my present knowledge, there is not evidence to indicate seriously deficient performance that casts doubt on the PHA's capacity to administer Section 8 rental assistance in accordance with Federal law and regulations.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Executive Director, signature

Chairperson, Board of Commissioners, signature

Date (mm/dd/yyyy) _____

Date (mm/dd/yyyy) _____

The PHA may include with its SEMAP certification any information bearing on the accuracy or completeness of the information used by the PHA in providing its certification.

SEMAP Certification - Addendum for Reporting Data for Deconcentration Bonus Indicator

Date (mm/dd/yyyy) _____

PHA Name _____

Principal Operating Area of PHA _____
(The geographic entity for which the Census tabulates data)

Special Instructions for State or regional PHAs Complete a copy of this addendum for each metropolitan area or portion of a metropolitan area (i.e., principal operating areas) where the PHA has assisted 20 or more Section 8 families with children in the last completed PHA FY. HUD will rate the areas separately and the separate ratings will then be weighted by the number of assisted families with children in each area and averaged to determine bonus points.

1990 Census Poverty Rate of Principal Operating Area _____

Criteria to Obtain Deconcentration Indicator Bonus Points

To qualify for bonus points, a PHA must complete the requested information and answer yes for only one of the 3 criteria below. However, State and regional PHAs must always complete line 1) b for each metropolitan principal operating area.

- 1) _____ a. Number of Section 8 families with children assisted by the PHA in its principal operating area at the end of the last PHA FY who live in low poverty census tracts. A low poverty census tract is a tract with a poverty rate at or below the overall poverty rate for the principal operating area of the PHA, or at or below 10% whichever is greater.
- _____ b. Total Section 8 families with children assisted by the PHA in its principal operating area at the end of the last PHA FY.
- _____ c. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the last PHA FY (line a divided by line b).
- Is line c 50% or more? Yes No

- 2) _____ a. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the last completed PHA FY.
- _____ b. Number of Section 8 families with children who moved to low poverty census tracts during the last completed PHA FY.
- _____ c. Number of Section 8 families with children who moved during the last completed PHA FY.
- _____ d. Percent of all Section 8 mover families with children who moved to low poverty census tracts during the last PHA fiscal year (line b divided by line c).
- Is line d at least two percentage points higher than line a? Yes No

- 3) _____ a. Percent of all Section 8 families with children residing in low poverty census tracts in the PHA's principal operating area at the end of the second to last completed PHA FY.
- _____ b. Number of Section 8 families with children who moved to low poverty census tracts during the last two completed PHA FYs.
- _____ c. Number of Section 8 families with children who moved during the last two completed PHA FYs.
- _____ d. Percent of all Section 8 mover families with children who moved to low poverty census tracts over the last two completed PHA FYs (line b divided by line c).
- Is line d at least two percentage points higher than line a? Yes No

If one of the 3 criteria above is met, the PHA may be eligible for 5 bonus points.

See instructions above concerning bonus points for State and regional PHAs.

FOR INFORMATION

SUBJECT: U.S. Department of Housing and Urban Development's Public Housing Program and the Public Housing Assessment System (PHAS)

I. **FACTS**

- A. The Public Housing Assessment System (PHAS) regulations codified in 24 CFR part 902 were established by a final rule published on September 1, 1998 (63 FR 46596). Prior to 1998, a public housing agency (PHA) was evaluated by HUD with respect only to its management operations.

The PHAS expanded assessment of a PHA to four key areas of a PHA's operations:

- (1) the physical condition of the PHA's properties;
- (2) the PHA's financial condition;
- (3) the PHA's management operations; and
- (4) the residents' service and satisfaction assessment (through a resident survey).

On the basis of these four indicators, a PHA received a composite score that represents a single score for a PHA's entire operation and a corresponding performance designation.

- B. PHAs that are designated high performers receive public recognition and relief from some HUD requirements. PHAs that are designated standard performers may be required to take corrective action to remedy identified deficiencies. PHAs that are designated substandard performers are required to take corrective action to remedy identified deficiencies. PHAs that are designated troubled performers are subject to remedial action.

- high performer = overall PHAS score of 90 percent

- C. On February 23, 2011, HUD issued changes to the PHAS under the Interim PHAS Rules.

Below is a table that gives a high level view of the changes.

| Current PHAS | | Interim PHAS | |
|----------------------------------|--------|------------------------------|--------|
| Indicator | Points | Indicator | Points |
| Physical | 30 | Physical | 40 |
| Financial | 30 | Financial | 25 |
| Management Operations | 30 | Management Operations | 25 |
| Resident Services & Satisfaction | 10 | Capital Fund | 10 |
| Total | 100 | Total | 100 |

(Bold = Discussion will focus on the Management Assessment Subsystem.)

D. PHAS Indicator Explanation:

1. Physical Assessment Subsystem (PASS)

The objective of the physical condition indicator is to determine whether a PHA is meeting the standard of decent, safe, sanitary housing in good repair as this standard is defined in 24 CFR 5.703. The physical condition assessment is based on an independent physical inspection of a PHA's projects provided by HUD and performed by contract inspectors. REAC inspections

2. Financial Assessment Subsystem (FASS)

The objective of the financial condition indicator is to measure the financial condition of each public housing project within a PHA's public housing portfolio for the purpose of evaluating whether there are sufficient financial resources to support the provision of housing that is decent, safe and sanitary.

Individual project scores for financial condition, as well as overall financial condition scores, will be issued. A PHA's financial condition will be assessed under this indicator by measuring the combined performance of all public housing projects in each of the subindicators listed in § 902.35, on the basis of the annual financial report provided in accordance with § 902.33. Mixed-finance projects are excluded from the financial condition indicator, this is KPT.

3. Management Operations Subsystem (MASS)

The objective of the management operations indicator is to measure the PHA's performance of management operations

through the management performance of each project. Mixed-finance projects are excluded from the management operations indicator.

The following subindicators listed in this section will be used to assess the management operations of projects and PHAs. Individual project scores for management operations, as well as overall PHA management operations scores, will be issued.

What are the subindicators

There are three subindicators for the management operations assessment they are:

(1) Occupancy. This subindicator measures the occupancy for the project's fiscal year, adjusted for allowable vacancies.

(2) Tenant accounts receivable. This subindicator measures the tenant accounts receivable of a project against the tenant charges for the project's fiscal year.

(3) Accounts payable. This subindicator measures the money that a project owes to vendors at the end of the project's fiscal year for products and services purchased on credit against total operating expenses.

Overall PHA management operations indicator score. The overall management operations indicator score is a unit-weighted average of project scores. The sum of the weighted values is divided by the total number of units in the PHA's portfolio to derive the overall management operations indicator score. The PHA's management operations score is based on a maximum of 25 points. In order to receive a passing score under the management operations indicator, a PHA must achieve a score of at least 15 points or 60 percent. A PHA that receives fewer than 15 points will be categorized as a substandard management operations agency.

4. Capital Fund

The objective of the Capital Fund program indicator examines the period of time taken by a PHA to obligate funds and occupy units in relation to statutory deadlines for obligation for all Capital Fund program grants for which fund balances remain during the assessed fiscal year.

This indicator is applicable on a PHA-wide basis, and not to individual projects. This indicator is not applicable to PHAs that choose not to participate in the Capital Fund program.

The assessment required under the Capital Fund program indicator will be performed through analysis of obligated amounts in HUD's eLOCCS (or its successor) for all Capital Fund program grants that were open during the assessed fiscal year. This subindicator measures a statutory requirement for the Capital Fund program. Other aspects of the Capital Fund program will be monitored by HUD through other types of reviews, and in this indicator through considering occupancy rates.

The Capital Fund program indicator score provides an assessment of a PHA's ability to obligate Capital Fund program grants in a timely manner on capital and modernization needs. The PHA's Capital Fund program score is based on a maximum of 10 points. In order to receive a passing score under the Capital Fund program indicator, a PHA must achieve a score of at least 5 points, or 50 percent.

II. DISCUSSION

- A. PHAs must submit a MASS certification no later than 60 days after the close of its fiscal year to the U.S. Department of Housing and Urban Development. The Hawaii Public Housing Authority's (HPHA) fiscal year ended June 30 and the MASS certification is due no later than August 30, 2011.
- B. During next month's regular Board meeting, the Board will be asked to approve a resolution to adopt the MASS certification and to authorize the Executive Director to submit the certification to HUD. In the coming months, the Board will be provided with additional information on the subindicators for each of the other three PHAS components.
- C. Given the change in PHAS indicators, there may be changes to the way the HPHA provides its status reports to the Board. This change is not only precipitated by the PHAS change it is also a result of counsel received by the AGs.
- D. Attached is a copy of HUD's Real Estate Assessment Center (REAC) Powerpoint Presentation on the MASS. Copies of the presentation for all subindicators can be found on the HUD website at the following link: <http://www.hud.gov/offices/reac/products/prodphasinrule.cfm>



Public Housing Assessment System (PHAS) Interim Rule

Management Operations Indicator (MASS)

April 12, 2011



MASS: PHAS Interim Rule Areas To Be Covered

Background

MASS

MASS Indicator

Scoring

MASS Sub-indicators

What are they? What do they mean?

Case Studies

Individual project scores & Entity-wide weighted average

PCNE

Adjustment Factor Case Study



Background

MASS Indicator

- Overall MASS score is based on weighted average of project level scores
- A score is calculated for each project



MASS Sub-Indicators

- PHA self-certification was eliminated
- MASS sub-indicators are derived from the PHA's FDS
- 2 out of 3 of the new sub-indicators were previously FASS indicators



Financial Data Schedule (FDS)

- MASS score is calculated from unaudited and audited submissions
- Late Penalty points and Late Presumptive Failure (LPF) do not apply to MASS Indicator score



MASS Scoring

Occupancy Rate

• 16 points

Tenant Accounts Receivable

• 5 points

Accounts Payable

• 4 points

Total MASS

25 points



PHAS Interim Rule Score by Indicator

Physical Condition

• 40 points

Financial Condition

• 25 points

Management Operations*

• 25 points

Capital Fund Program

• 10 points

Overall PHAS score

100 points

*** Threshold score for this indicator must be at least 15 points, or 60% of maximum number of points (25).**



MASS Sub-Indicators

Occupancy

Emphasizes & measures project's performance in keeping available units occupied

Higher rate = higher score

Maximum 16 points

Tenant Accounts Receivable

Represents the amount of tenant accounts receivable against tenant revenue

Lower ratio = higher score

Maximum 5 points

Accounts Payable

Measures total vendor accounts payable, both current and past due against total monthly operating expenses

Lower ratio = higher score

Maximum 4 points

**N
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Occupancy Computation

FDS 11210*
Unit Months Leased

NUMERATOR

DENOMINATOR

FDS 11190
Unit Months
Available

**Henceforth, FDS##### refers to FDS line items.*



How Occupancy is scored

| | |
|--------------------------|-----------|
| $\geq 98\%$ | 16 Points |
| $< 98\%$ but $\geq 96\%$ | 12 Points |
| $< 96\%$ but $\geq 94\%$ | 8 Points |
| $< 94\%$ but $\geq 92\%$ | 4 Points |
| $< 92\%$ but $\geq 90\%$ | 1 Point |
| $< 90\%$ | 0 Points |



Tenant Accounts Receivable Computation

FDS 126
Accounts Receivable-
Tenants

NUMERATOR

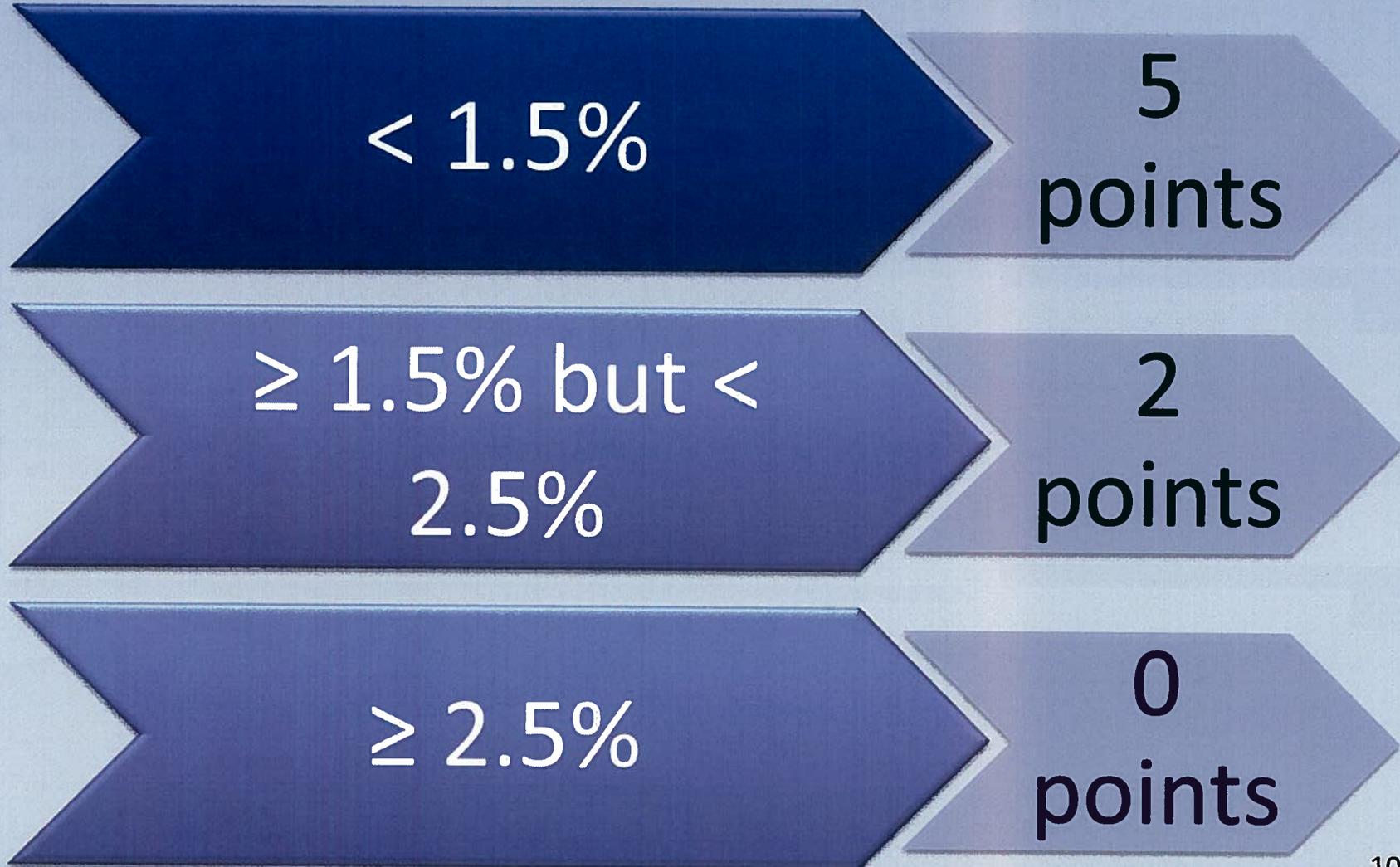
DENOMINATOR

FDS 70500
Total Tenant
Revenue*

**Includes rents and other charges to the tenants*



How Tenant Accounts Receivable is scored





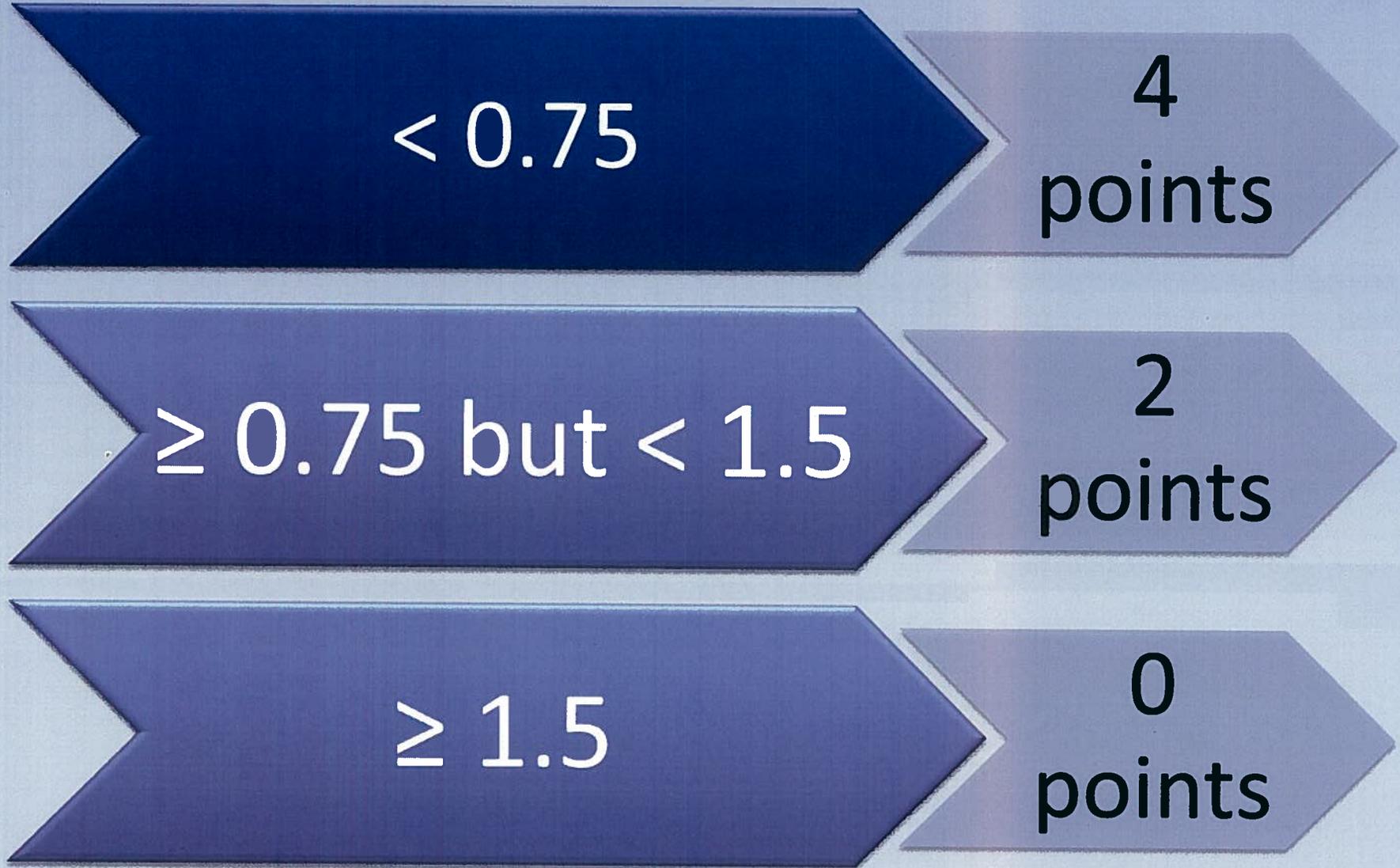
Accounts Payable (AP) Computation

$$\frac{\left(\begin{array}{l} \text{FDS 312} \\ \text{(Current) Accounts} \\ \text{Payable < 90 Days} \end{array} + \begin{array}{l} \text{FDS 313} \\ \text{(Past Due) Accounts} \\ \text{Payable > 90 Days} \end{array} \right)}{\left(\begin{array}{l} \text{FDS 96900} \\ \text{Total Operating} \\ \text{Expenses} \end{array} \div 12 \right)}$$

The diagram illustrates the computation of Accounts Payable (AP). The numerator is the sum of FDS 312 (Current) Accounts Payable < 90 Days and FDS 313 (Past Due) Accounts Payable > 90 Days. The denominator is FDS 96900 Total Operating Expenses divided by 12. Arrows labeled 'NUMERATOR' and 'DENOMINATOR' indicate the scope of each part of the formula.



How Accounts Payable is scored





Case Study

FACTS:

PHA Name: SAMPLE County PHA

FYE 12/31/2009

Has 3 projects

WHAT WE WILL DEMONSTRATE:

How individual project scores are calculated

How weighted average score is calculated



Case Study: Project #ZZ014000001

- Occupancy Rate*

$$\frac{\text{FDS 11210}}{\text{FDS 11190}} = \frac{\text{Unit Months Leased}}{\text{Unit Months Available}} = \frac{684}{684} = 100\% \rightarrow \text{16 points}$$

- Tenant Accounts Receivable

$$\frac{\text{FDS 126}}{\text{FDS 70500}} = \frac{\text{Accounts Receivable-Tenants}}{\text{Total Tenant Revenue}} = \frac{\$1,602}{\$89,844} = 1.8\% \rightarrow \text{2 points}$$

- Accounts Payable

$$\frac{\text{FDS 312+313}}{\text{FDS 96900/12}} = \frac{\text{(Current) Accounts Payable} + \text{(Past Due) Accounts Payable}}{\text{Total Operating Expenses} \div 12} = \frac{\$3,536 + 0}{\$508,680/12} = \frac{3536}{42,396} = 0.083 \rightarrow \text{4 points}$$

*57 units

TOTAL: **22 points**



Case Study: Project #ZZ014000002

- Occupancy Rate*

$$\frac{\text{FDS 11210}}{\text{FDS 11190}} = \frac{\text{Unit Months Leased}}{\text{Unit Months Available}} = \frac{855}{900} = 95\% \rightarrow \text{8 points}$$

- Tenant Accounts Receivable

$$\frac{\text{FDS 126}}{\text{FDS 70500}} = \frac{\text{Accounts Receivable-Tenants}}{\text{Total Tenant Revenue}} = \frac{\$1,295}{\$205,445} = 0.60\% \rightarrow \text{5 points}$$

- Accounts Payable

$$\frac{\text{FDS 312+313}}{\text{FDS 96900/12}} = \frac{\text{(Current) Accounts Payable} + \text{(Past Due) Accounts Payable}}{\text{Total Operating Expenses} \div 12} = \frac{\$49,504 + 3,984}{\$407,958/12} = \frac{53,488}{33,917} = 1.577 \rightarrow \text{0 points}$$

*75 units

TOTAL: **13 points**

15



Case Study: Project #ZZ014000003

- Occupancy Rate*

$$\frac{\text{FDS 11210}}{\text{FDS 11190}} = \frac{\text{Unit Months Leased}}{\text{Unit Months Available}} = \frac{1034}{1068} = 96.82\% \rightarrow \text{12 points}$$

- Tenant Accounts Receivable

$$\frac{\text{FDS 126}}{\text{FDS 70500}} = \frac{\text{Accounts Receivable-Tenants}}{\text{Total Tenant Revenue}} = \frac{\$3,130}{\$134,674} = 2.3\% \rightarrow \text{2 points}$$

- Accounts Payable

$$\frac{\text{FDS 312+313}}{\text{FDS 96900/12}} = \frac{\text{(Current) Accounts Payable} + \text{(Past Due) Accounts Payable}}{\text{Total Operating Expenses} \div 12} = \frac{\$18,584 + 8,874}{\$404,148/12} = \frac{27,458}{33,679} = 0.815 \rightarrow \text{2 points}$$

*89 units

TOTAL: **16 points**



Case Study: Overall MASS Score*

*without PCNE Adjustment Factor

| Project # | Project Score | X | # of Units | = | Product |
|---------------|---------------|---|------------|---|-------------|
| ZZ014000001 | 22 | | 57 | | 1254 |
| ZZ014000002 | 13 | | 75 | | 975 |
| ZZ014000003 | 16 | | 89 | | 1424 |
| TOTALS | --- | | 221 | | 3653 |

Overall Weighted Average Score

$$\frac{\text{Total Product}}{\text{Total \# of Units}} = \frac{3,653}{221} = 16.53$$



Physical Condition & Neighborhood Environment (PCNE)

Physical Condition (PC)

Projects **at least 28 years** old,
based on the unit-weighted
average Date of Full
Availability (DOFA) date

Maximum 1 point

Neighborhood Environment (NE)

Projects in census tracts in
which **at least 40%** of families
have an income below
poverty rate

Maximum 1 point



Prior and Interim PCNE

Prior PHAS

3 points maximum

Category under PASS

PC: 10 years

NE: 51%

Via PHA certification

Interim PHAS

2 points maximum

Category under MASS

PC: at least 28 years

NE: at least 40%

Via data from PIC



Calculation of PCNE points

| Line | Points | Project #1 | Project #2 | Project #3 | Project #4 |
|----------|--|------------|------------|------------|------------|
| 1 | Project Score | 24 | 13 | 10 | 17 |
| 2 | Physical Condition Points | 1 | 0 | 1 | 0 |
| 3 | Neighborhood Environment Points | 1 | 1 | 0 | 0 |
| 4 | Project score with PCNE Adjustment Factor | 25* | 14 | 11 | 17 |

**PCNE adjustments can not exceed the maximum number of 25 points available for the management operations indicator for a project.*

The PCNE adjustments will be made to individual project scores *before* calculating the overall weighted average/MASS score.



MASS score with PCNE Adjustment Factor

| Project # | Project Score w/PCNE Adjustment Factor | X | # of Units | = | Product |
|---------------|--|---|------------|---|-------------|
| 1 | 25 | | 133 | | 3325 |
| 2 | 14 | | 65 | | 910 |
| 3 | 11 | | 89 | | 979 |
| 4 | 17 | | 25 | | 425 |
| TOTALS | --- | | 312 | | 5639 |

Overall Weighted Average/MASS Score

$$\frac{\text{Total Product}}{\text{Total \# of Units}} = \frac{5,639}{312} = 18.07$$



Summary

Management Operations Indicator (MASS)

- Up to **25 points**
- Threshold score is at least **15 points**

3 Sub-Indicators

- Occupancy Rate - **16 points**
- Tenant Accounts Receivable - **5 points**
- Accounts Payable - **4 points**

Scoring

- MASS score is an **overall weighted average of project scores**
- **Late Penalty Points** and **Late Presumptive Failure** will not be applied to the **MASS indicator** even though the MASS information is derived from the Financial Data Schedule (FDS)
- PCNE adjustment factor points are **added at the project level**, before calculating the overall weighted average



MASS Resources & Contacts

- **Management Operations Homepage**

<http://www.hud.gov/offices/reac/products/prodmo.cfm>

- **MASS e-mail address**

REAC_MASS@hud.gov

- **Technical Assistance Center (TAC)**

(7:00 am-8:30 p.m., EST, M-F)

1(888)245-4860

REAC_TAC@hud.gov

July 21, 2011

FOR INFORMATION

SUBJECT: U.S. Department of Housing and Urban Development's (HUD) Annual Requirement to Submit Unaudited and Audited Financial Statements (FDS) to the Federal Audit Clearinghouse for the Fiscal Year Ended June 30

I. FACTS

- A. Public Housing Agencies (PHAs) are required, at year-end, to submit to HUD financial statements on all programs and business activities. These financial statements are submitted electronically through a prescribed Financial Data Schedule, or FDS.
- B. Because of the change to asset management, and in particular the need to report project-level activity, HUD redesigned the FDS. Unaudited and audited submissions for reporting periods ended June 30 are to be submitted through HUD's on-line system.
- C. HUD's assessment of a PHA's financial condition and analysis is based upon the Financial Data Schedule (FDS) submitted electronically by the PHA using the Financial Assessment Subsystem – Public Housing (FASS-PH).

The PHA is required to report this financial data in accordance with generally accepted accounting principles (GAAP), as required by the Uniform Financial Reporting Standards Rule (UFRS) at 24 CFR Part 5. The Interim PHAS Financial Condition sub-indicators is automatically calculated and scored using data submitted to FASS-PH.

- D. The FDS is a HUD prescribed template. The underlying data must be accounted for and reported in accordance with GAAP; however the FDS may not be used as an entity's top-level financial statements. The format of the FDS does not allow for compliance with the presentation guidelines outlined within NCGA Statement #1 and GASB 34 nor does it include a statement of cash flows.

- D. The FDS submission is required under the Public Housing Assessment System (PHAS).

A full reading of the Interim PHAS Rule is available at the following link: <http://edocket.access.gpo.gov/2011/pdf/2011-2659.pdf>

- E. The Financial Condition Indicator Scoring Notice is available at the following link: <http://www.hud.gov/offices/reac/products/phas/fass-scoring.pdf>

II. DISCUSSION

- A. During a normal annual cycle, the HPHA staff prepare the unaudited FDS and submit it to HUD via the on-line system no later than 45 days after the end of the fiscal year. This year, the unaudited FDS will be submitted to HUD no later than August 15, 2011.
- B. Once the independent financial audit is completed, HPHA will submit an audited FDS to HUD. The HPHA's auditor is required to provide the following:
 - 1. Notes to the Financial Statements;
 - 2. The required A-133 or non-A133 reports;
 - 3. Top-level financial statements;
 - 4. Schedule of Expenditures of Federal Awards;
 - 5. Schedule of Findings and Questioned Costs; and
 - 6. Action Plan.

The auditor must also perform the attestation, comparing the hard copy audit report to the electronic information in the draft submission. The auditor should not be the individual creating the submission for the PHA. The PHA is the entity that should create the submission, attach the ".rtf" files and transmit it to REAC.

HPHA will receive a hard copy of the audit from the auditor. Either the HPHA or its designate inputs the audited information into the FASS system. Once submitted, the auditor reviews the information and performs agreed-upon procedures relative to the electronic submission via the audit certification screen in FASS. The auditor can do one of two things:

- 1. Transmit the audited data back to the HPHA for corrections; or
- 2. Verify the data's accuracy and transmit it back to the PHA so that the HPHA can forward its audited data to the REAC via FASS.

- C. Staff has prepared this packet of information to brief the new HPHA Board members on the FDS submission process for future Board actions. No additional Board action is required at this time. It is recommended that the Board convene a Finance Task Force to review the audited FDS when completed prior to submission to HUD.

Attachment: FY 2009-2010 FDS Schedule

Prepared by: Clarence Allen, Fiscal Officer _____

| | AMP30 | AMP31 | AMP32 | AMP33 | AMP34 | AMP35 |
|--|----------------------|----------------------|---------------------|----------------------|---------------------|----------------------|
| 111 Cash - Unrestricted | 1,458,995.00 | 939,479.00 | 2,260,329.00 | 1,244,615.00 | 1,589,236.00 | 1,642,971.00 |
| 112 Cash - Restricted - Modernization and Development | | | | | | |
| 113 Cash - Other Restricted | | | | | | |
| 114 Cash - Tenant Security Deposits | 51,997.00 | 41,717.00 | 51,205.00 | 51,893.00 | 78,413.00 | 78,761.00 |
| 115 Cash - Restricted for Payment of Current Liabilities | | | | | | |
| 100 Total Cash | 1,510,992.00 | 981,196.00 | 2,311,534.00 | 1,296,508.00 | 1,667,649.00 | 1,721,732.00 |
| 121 Accounts Receivable - PHA Projects | | | | | | |
| 122 Accounts Receivable - HUD Other Projects | 141,820.00 | 387,414.00 | 391,618.00 | 419,094.00 | 626,538.00 | 615,087.00 |
| 124 Accounts Receivable - Other Government | | | | | | |
| 125 Accounts Receivable - Miscellaneous | | | | | | |
| 126 Accounts Receivable - Tenants | 213,270.00 | 280,354.00 | 123,093.00 | 100,122.00 | 14,912.00 | 142,390.00 |
| 126 .1 Allowance for Doubtful Accounts - Tenants | (182,223.00) | (254,432.00) | (102,688.00) | (78,462.00) | (7,392.00) | (123,978.00) |
| 126 .2 Allowance for Doubtful Accounts - Other | | | | | | |
| 127 Notes, Loans, & Mortgages Receivable - Current | | | | | | |
| 128 Fraud Recovery | | | | | | |
| 128 .1 Allowance for Doubtful Accounts - Fraud | | | | | | |
| 129 Accrued Interest Receivable | | | | | | |
| 120 Total Receivables, Net of Allowances for Doubtful Accounts | 172,867.00 | 413,336.00 | 412,023.00 | 440,754.00 | 634,058.00 | 633,499.00 |
| 131 Investments - Unrestricted | | | | | | |
| 132 Investments - Restricted | | | | | | |
| 135 Investments - Restricted for Payment of Current Liability | | | | | | |
| 142 Prepaid Expenses and Other Assets | | | | | | |
| 143 Inventories | 28,746.00 | 74,407.00 | 83,973.00 | 71,040.00 | 67,890.00 | 58,791.00 |
| 143 .1 Allowance for Obsolete Inventories | (2,613.00) | (6,764.00) | (7,634.00) | (6,458.00) | (6,153.00) | (5,345.00) |
| 144 Inter Program Due From | 624.00 | 106,000.00 | 19,396.00 | 32,912.00 | 16,268.00 | 17,086.00 |
| 145 Assets Held for Sale | | | | | | |
| Total Other CA | 26,757.00 | 173,643.00 | 95,735.00 | 97,494.00 | 77,795.00 | 70,532.00 |
| 150 Total Current Assets | 1,710,616.00 | 1,568,175.00 | 2,819,292.00 | 1,834,756.00 | 2,379,502.00 | 2,425,763.00 |
| 161 Land | 2,534,474.00 | 550,848.00 | 207,679.00 | 319,507.00 | 297,702.00 | 1,953,866.00 |
| 162 Buildings | 34,319,979.00 | 47,778,289.00 | 19,354,048.00 | 35,346,412.00 | 22,311,465.00 | 27,801,326.00 |
| 163 Furniture, Equipment & Machinery - Dwellings | 379,777.00 | 629,112.00 | 1,465,936.00 | 438,116.00 | 465,795.00 | 486,111.00 |
| 164 Furniture, Equipment & Machinery - Administration | | | | | | |
| 165 Leasehold Improvements | | | | | | |
| 166 Accumulated Depreciation | (25,525,313.00) | (18,176,719.00) | (16,071,953.00) | (18,975,290.00) | (17,469,109.00) | (14,387,855.00) |
| 167 Construction in Progress | 1,841,116.00 | 3,197,241.00 | 1,079,717.00 | 80,861.00 | 1,828,440.00 | 95,943.00 |
| 168 Infrastructure | | | | | | |
| 160 Total Capital Assets, Net of Accumulated Depreciation | 13,550,033.00 | 33,978,771.00 | 6,035,427.00 | 17,209,606.00 | 7,434,293.00 | 15,949,391.00 |
| 171 Notes, Loans and Mortgages Receivable - Non-Current | | | | | | |
| 172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due | | | | | | |
| 173 Grants Receivable - Non Current | | | | | | |
| 174 Other Assets | | | | | | |
| 176 Investments in Joint Ventures | | | | | | |
| Total Other NCA | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 180 Total Non-Current Assets | 13,550,033.00 | 33,978,771.00 | 6,035,427.00 | 17,209,606.00 | 7,434,293.00 | 15,949,391.00 |
| 190 Total Assets | 15,260,649.00 | 35,546,946.00 | 8,854,719.00 | 19,044,362.00 | 9,813,795.00 | 18,375,154.00 |
| 311 Bank Overdraft | | | | | | |
| 312 Accounts Payable <= 90 Days | 445,037.00 | 346,052.00 | 402,934.00 | 394,958.00 | 595,832.00 | 544,574.00 |
| 313 Accounts Payable >90 Days Past Due | | | | | | |
| 321 Accrued Wage/Payroll Taxes Payable | 129,100.00 | 258,201.00 | 85,446.00 | 92,002.00 | 140,000.00 | 134,997.00 |
| 322 Accrued Compensated Absences - Current Portion | 544.00 | 621.00 | 685.00 | 179.00 | 949.00 | 1,218.00 |
| 324 Accrued Contingency Liability | | | | | | |
| 325 Accrued Interest Payable | | | | | | |
| 331 Accounts Payable - HUD PHA Programs | | | | | | |
| 332 Account Payable - PHA Projects | | | | | | |
| 333 Accounts Payable - Other Government | | | | | | |
| 341 Tenant Security Deposits | 51,997.00 | 41,717.00 | 51,205.00 | 51,893.00 | 78,413.00 | 78,761.00 |
| 342 Deferred Revenues | 10,702.00 | 64,955.00 | 6,284.00 | 24,316.00 | 7,548.00 | 10,165.00 |
| 343 Current Portion of Long-term Debt - Capital Projects/Mortgage | | | | | | |
| 344 Current Portion of Long-term Debt - Operating Borrowings | | | | | | |
| 345 Other Current Liabilities | | | | | | |
| 346 Accrued Liabilities - Other | | | | | | |
| 347 Inter Program - Due To | 61,112.00 | 419.00 | 70,054.00 | 98,253.00 | 357,961.00 | 149,456.00 |
| 348 Loan Liability - Current | | | | | | |
| 310 Total Current Liabilities | 698,492.00 | 711,965.00 | 616,608.00 | 661,601.00 | 1,180,703.00 | 919,171.00 |
| 351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue | | | | | | |
| 352 Long-term Debt, Net of Current - Operating Borrowings | | | | | | |
| 353 Non-current Liabilities - Other | | | | | | |
| 354 Accrued Compensated Absences - Non Current | 100,085.00 | 84,857.00 | 68,582.00 | 71,381.00 | 136,643.00 | 117,485.00 |
| 355 Loan Liability - Non Current | | | | | | |
| 356 FASB 5 Liabilities | | | | | | |
| 357 Accrued Pension and OPEB Liabilities | | | | | | |
| 350 Total Non-Current Liabilities | 100,085.00 | 84,857.00 | 68,582.00 | 71,381.00 | 136,643.00 | 117,485.00 |
| 300 Total Liabilities | 798,577.00 | 796,822.00 | 685,190.00 | 732,982.00 | 1,317,346.00 | 1,036,656.00 |
| 508.1 Invested in Capital Assets, Net of Related Debt | | | | | | |
| 509.2 Fund Balance Reserved | 13,550,033.00 | 33,978,771.00 | 6,035,427.00 | 17,209,606.00 | 7,434,293.00 | 15,949,391.00 |
| 511.1 Restricted Net Assets | | | | | | |
| 511.2 Unreserved, Designated Fund Balance | | | | | | |
| 512.1 Unrestricted Net Assets | 912,039.00 | 771,353.00 | 2,134,102.00 | 1,101,774.00 | 1,062,156.00 | 1,389,107.00 |
| 512.2 Unreserved, Undesignated Fund Balance | | | | | | |
| 513 Total Equity/Net Assets | 14,462,072.00 | 34,750,124.00 | 8,169,529.00 | 18,311,380.00 | 8,496,449.00 | 17,338,498.00 |
| 600 Total Liabilities and Equity/Net Assets | 15,260,649.00 | 35,546,946.00 | 8,854,719.00 | 19,044,362.00 | 9,813,795.00 | 18,375,154.00 |
| 70300 Net Tenant Rental Revenue | 1,699,493.00 | 910,163.00 | 1,198,083.00 | 1,078,898.00 | 1,533,391.00 | 1,631,864.00 |
| 70400 Tenant Revenue - Other | 87,250.00 | 4,945.00 | 27,933.00 | 45,210.00 | 10,878.00 | 22,226.00 |
| 70500 Total Tenant Revenue | 1,786,743.00 | 915,108.00 | 1,226,016.00 | 1,124,108.00 | 1,544,269.00 | 1,654,090.00 |
| 70600 HUD PHA Operating Grants | 1,999,994.00 | 1,917,279.00 | 1,888,748.00 | 1,454,659.00 | 2,370,267.00 | 2,709,597.00 |
| 70610 Capital Grants | 90,471.00 | 1,247,667.00 | 371,535.00 | 411,412.00 | 908,004.00 | 486,281.00 |
| 70710 Management Fee | | | | | | |
| 70720 Asset Management Fee | | | | | | |
| 70730 Book Keeping Fee | | | | | | |
| 70740 Front Line Service Fee | | | | | | |
| 70750 Other Fees | | | | | | |
| 70700 Total Fee Revenue | 2,090,465.00 | 3,164,946.00 | 2,260,283.00 | 1,866,071.00 | 3,278,271.00 | 3,195,878.00 |
| 70800 Other Government Grants | | | | | | |
| 71100 Investment Income - Unrestricted | 6,891.00 | 5,816.00 | 12,245.00 | 8,479.00 | 10,237.00 | 11,231.00 |

| | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 71200 Mortgage Interest Income | | | | | | |
| 71300 Proceeds from Disposition of Assets Held for | | | | | | |
| 71310 Cost of Sale of Assets | | | | | | |
| 71400 Fraud Recovery | | | | | | |
| 71500 Other Revenue | | | | | | |
| 71600 Gain or Loss on Sale of Capital Assets | 15,045.00 | 39,627.00 | 15,243.00 | 6,706.00 | 65,223.00 | 53,376.00 |
| 72000 Investment Income - Restricted | | | | | | |
| Total Other Revenue | 21,936.00 | 45,443.00 | 27,488.00 | 15,185.00 | 75,460.00 | 64,607.00 |
| 70000 Total Revenue | 3,899,144.00 | 4,125,497.00 | 3,513,787.00 | 3,005,364.00 | 4,898,000.00 | 4,914,575.00 |
| 91100 Administrative Salaries | 182,618.00 | 113,384.00 | 114,855.00 | 123,840.00 | 215,169.00 | 194,854.00 |
| 91200 Auditing Fees | 8,563.00 | 8,504.00 | 8,564.00 | 8,564.00 | 8,564.00 | 8,564.00 |
| 91300 Management Fee | 430,911.00 | 406,485.00 | 429,385.00 | 445,720.00 | 682,726.00 | 676,302.00 |
| 91310 Book-keeping Fee | 32,181.00 | 29,239.00 | 32,016.00 | 33,328.00 | 50,596.00 | 49,833.00 |
| 91400 Advertising and Marketing | | | | | | |
| 91500 Employee Benefit contributions - Administrat | 77,131.00 | 68,046.00 | 57,435.00 | 59,756.00 | 107,233.00 | 91,368.00 |
| 91600 Office Expenses | 29,414.00 | 28,039.00 | 12,458.00 | 22,386.00 | 21,080.00 | 48,418.00 |
| 91700 Legal Expense | 1,219.00 | 3,216.00 | 1,177.00 | 142.00 | 3,733.00 | 4,422.00 |
| 91800 Travel | | | | | | |
| 91810 Allocated Overhead | | | | | | |
| 91900 Other | 172,584.00 | 16,160.00 | 15,770.00 | 103,190.00 | 25,264.00 | 510,041.00 |
| 91000 Total Operating - Administrative | 934,621.00 | 673,073.00 | 671,660.00 | 796,928.00 | 1,114,365.00 | 1,583,802.00 |
| 92000 Asset Management Fee | | | | | | |
| 92100 Tenant Services - Salaries | | | | | | |
| 92200 Relocation Costs | | 78,309.00 | | | | |
| 92300 Employee Benefit Contributions - Tenant Services | | | | | | |
| 92400 Tenant Services - Other | | 1,800.00 | 1,400.00 | 1,700.00 | 370.00 | 5,100.00 |
| 92500 Total Tenant Services | 0.00 | 80,109.00 | 1,400.00 | 1,700.00 | 370.00 | 5,100.00 |
| 93100 Water | 165,190.00 | 150,995.00 | 206,032.00 | 142,816.00 | 115,485.00 | 185,867.00 |
| 93200 Electricity | 710,791.00 | 63,444.00 | 86,561.00 | 35,902.00 | 391,188.00 | 400,555.00 |
| 93300 Gas | 23,388.00 | 0.00 | 110,900.00 | 122,330.00 | 90,646.00 | 195,122.00 |
| 93400 Fuel | | 880.00 | | | | |
| 93500 Labor | | | | | | |
| 93600 Sewer | 270,511.00 | 211,190.00 | 311,922.00 | 281,277.00 | 363,760.00 | 446,638.00 |
| 93700 Employee Benefit Contributions - Utilities | | | | | | |
| 93800 Other Utilities Expense | | | | | | |
| 93000 Total Utilities | 1,169,880.00 | 426,509.00 | 715,415.00 | 582,325.00 | 961,079.00 | 1,227,982.00 |
| 94100 Ordinary Maintenance and Operations - Labor | 613,908.00 | 447,758.00 | 436,615.00 | 455,638.00 | 643,241.00 | 571,694.00 |
| 94200 Ordinary Maintenance and Operations - Materia | 142,278.00 | 207,616.00 | 169,868.00 | 100,963.00 | 134,687.00 | 92,868.00 |
| 94300 Ordinary Maintenance and Operations Contracts | 151,738.00 | 198,398.00 | 167,447.00 | 139,537.00 | 542,465.00 | 129,240.00 |
| 94500 Employee Benefit Contributions - Ordinary Mai | 220,151.00 | 171,527.00 | 163,795.00 | 170,368.00 | 212,293.00 | 218,097.00 |
| 94000 Total Maintenance | 1,128,075.00 | 1,025,299.00 | 937,725.00 | 866,506.00 | 1,532,686.00 | 1,011,899.00 |
| 95100 Protective Services - Labor | | | | | | |
| 95200 Protective Services - Other Contract Costs | 14,472.00 | 561,876.00 | 399,096.00 | 177,362.00 | 72,133.00 | 290,592.00 |
| 95300 Protective Services - Other | | 38.00 | | | | 464.00 |
| 95500 Employee Benefit Contributions - Protective Services | | | | | | |
| 95000 Total Protective Services | 14,472.00 | 561,914.00 | 399,096.00 | 177,362.00 | 72,133.00 | 291,056.00 |
| 96110 Property Insurance | 34,797.00 | 35,755.00 | 34,893.00 | 35,755.00 | 55,886.00 | 56,270.00 |
| 96120 Liability Insurance | 3,338.00 | 2,451.00 | 2,289.00 | 2,392.00 | 3,072.00 | 3,338.00 |
| 96130 Workmen's Compensation | 15,789.00 | 13,165.00 | 12,171.00 | 16,060.00 | 4,731.00 | 15,991.00 |
| 96140 All Other Insurance | 1,916.00 | 802.00 | 578.00 | 601.00 | 590.00 | 884.00 |
| 96100 Total Insurance Premiums | 55,840.00 | 52,173.00 | 49,931.00 | 54,798.00 | 64,279.00 | 76,483.00 |
| 96200 Other General Expenses | | | | | | |
| 96210 Compensated Absences | 10,009.00 | 24,373.00 | 5,966.00 | 28,709.00 | 8,090.00 | 8,902.00 |
| 96300 Payments in Lieu of Taxes | | | | 6,207.00 | 575.00 | 13,622.00 |
| 96400 Bad debt - Tenant Rents | 10,384.00 | 23,832.00 | 19,251.00 | 40,379.00 | 2,176.00 | 22,864.00 |
| 96500 Bad debt - Mortgages | | | | | | |
| 96600 Bad debt - Other | | | | | | |
| 96800 Severance Expense | 15,362.00 | | | | | |
| 96000 Total Other General Expenses | 35,755.00 | 48,205.00 | 25,217.00 | 75,295.00 | 10,841.00 | 45,388.00 |
| 96710 Interest of Mortgage (or Bonds) Payable | | | | | | |
| 96720 Interest on Notes Payable (Short and Long Ter | | | | | | |
| 96730 Amortization of Bond Issue Costs | | | | | | |
| 96700 Total Interest Expense and Amortization Cost | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 96900 Total Operating Expenses | 3,338,643.00 | 2,867,282.00 | 2,800,444.00 | 2,554,912.00 | 3,755,753.00 | 4,241,710.00 |
| 97000 Excess (Deficiency) of Total Revenue Over (Under) Total Operating Expenses | 560,501.00 | 1,258,215.00 | 713,343.00 | 450,452.00 | 1,143,247.00 | 672,865.00 |
| 97100 Extraordinary Maintenance | 8,825.00 | 12,892.00 | 7,850.00 | | 8,588.00 | 1,304.00 |
| 97200 Casualty Losses - Non-capitalized | | | | | | |
| 97300 Housing Assistance Payments | | | | | | |
| 97350 HAP Portability-In | | | | | | |
| 97400 Depreciation Expense | 1,215,916.00 | 1,416,030.00 | 375,257.00 | 627,287.00 | 485,088.00 | 1,127,752.00 |
| 97500 Fraud Losses | | | | | | |
| 97600 Capital Outlays - Governmental Funds | | | | | | |
| 97700 Debt Principal Payment - Governmental Funds | | | | | | |
| 97800 Dwelling Units Rent Expense | | | | | | |
| Subtotal | 1,224,741.00 | 1,428,922.00 | 383,107.00 | 627,287.00 | 493,676.00 | 1,129,056.00 |
| 90000 Total Expenses | 4,563,384.00 | 4,296,204.00 | 3,183,551.00 | 3,182,199.00 | 4,249,429.00 | 5,370,766.00 |
| 10010 Operating Transfer In | | | | | | |
| 10020 Operating transfer Out | | 406,004.00 | 169,227.00 | | 311,697.00 | |
| 10030 Operating Transfers from/to Primary Governmen | | | | | | |
| 10040 Operating Transfers from/to Component Unit | | | | | | |
| 10050 Proceeds from Notes, Loans and Bonds | | | | | | |
| 10060 Proceeds from Property Sales | | | | | | |
| 10070 Extraordinary Items, Net Gain/Loss | | | | | | |
| 10080 Special Items (Net Gain/Loss) | | | | | | |
| 10091 Inter Project Excess Cash Transfer In | | | | | | |
| 10092 Inter Project Excess Cash Transfer Out | | | | | | |
| 10093 Transfers between Program and Project - In | | | | | | |
| 10094 Transfers between Project and Program - Out | | | | | | |
| 10100 Total Other financing Sources (Uses) | 0.00 | 406,004.00 | 169,227.00 | 0.00 | 311,697.00 | 0.00 |
| 10000 Excess (Deficiency) of Total Revenue Over (Under) Total | 236,267.00 | 499,463.00 | 330,236.00 | 267,253.00 | 943,818.00 | 302,109.00 |
| 11020 Required Annual Debt Principal Payments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 11030 Beginning Equity | 14,798,268.00 | 34,177,755.00 | 7,341,123.00 | 18,151,143.00 | 6,342,501.00 | 17,264,229.00 |
| 11040 Prior Period Adjustments, Equity Transfers an | 328,044.00 | 337,072.00 | 328,943.00 | 337,072.00 | 1,193,680.00 | 530,460.00 |
| 11050 Changes in Compensated Absence Balance | | | | | | |
| 11060 Changes in Contingent Liability Balance | | | | | | |

| | | | | | | |
|---|------------|--------------|--------------|------------|------------|--------------|
| 11070 Changes in Unrecognized Pension Transition Liability | | | | | | |
| 11080 Changes in Special Term/Severance Benefits Liability | | | | | | |
| 11090 Changes in Allowance for Doubtful Accounts - Dwelling Rents | | | | | | |
| 11100 Changes in Allowance for Doubtful Accounts - Other | | | | | | |
| 11170 Administrative Fee Equity | | | | | | |
| 11180 Housing Assistance Payments Equity | | | | | | |
| 11190 Unit Months Available | 4,332 | 3,698 | 4,285 | 4,430 | 6,804 | 6,684 |
| 11210 Number of Unit Months Leased | 4,280 | 3,331 | 4,198 | 4,342 | 6,683 | 6,273 |
| 11270 Excess Cash | 724,557.00 | 566,881.00 | 1,909,753.00 | 915,469.00 | 851,451.00 | 1,126,851.00 |
| 11610 Land Purchases | | | | | | |
| 11620 Building Purchases | 90,471.00 | 1,247,667.00 | 371,535.00 | 411,412.00 | 908,004.00 | 486,281.00 |
| 11630 Furniture & Equipment - Dwelling Purchases | | | | | | |
| 11640 Furniture & Equipment - Administrative Purcha | | | | | | |
| 11650 Leasehold Improvements Purchases | | | | | | |
| 11660 Infrastructure Purchases | | | | | | |
| 13510 CFFP Debt Service Payments | | | | | | |
| 13901 Replacement Housing Factor Funds | | | | | | |

RATIOS

| | | | | | | | |
|----|---|---|---|---|---|---|---|
| #1 | Current Ratio | 2.64 | 1.96 | 4.98 | 3.08 | 2.80 | 3.06 |
| | Calculation: | | | | | | |
| | $\frac{\text{Cash} + \text{Cash Equivalents} + \text{Current Receivables}}{\text{Current Liabilities}}$ | $\frac{1,683,859.00}{637,380.00}$ | $\frac{1,394,532.00}{711,546.00}$ | $\frac{2,723,557.00}{546,554.00}$ | $\frac{1,737,262.00}{563,348.00}$ | $\frac{2,301,707.00}{822,742.00}$ | $\frac{2,355,231.00}{769,715.00}$ |
| #2 | Months Expendable Fund Balance | 3.75 | 2.85 | 9.30 | 5.51 | 4.71 | 4.48 |
| | Calculation: | | | | | | |
| | $\frac{\text{Expendable Fund Balance}}{\text{Average Monthly Operation and Other Expenses}}$ | $\frac{1,046,479.00}{278,955.67}$ | $\frac{682,986.00}{240,014.50}$ | $\frac{2,177,003.00}{234,024.50}$ | $\frac{1,173,914.00}{212,909.33}$ | $\frac{1,478,965.00}{313,695.08}$ | $\frac{1,585,516.00}{353,584.50}$ |
| #3 | Debt Service Coverage Ratio | N/A | N/A | N/A | N/A | N/A | N/A |
| | Calculation: | | | | | | |
| | $\frac{\text{Net Income}}{\text{Total Debt Service}}$ | $\frac{664,240.00}{0.00}$ | $\frac{235,297.00}{0.00}$ | $\frac{499,463.00}{0.00}$ | $\frac{(176,835.00)}{0.00}$ | $\frac{960,268.00}{0.00}$ | $\frac{(456,191.00)}{0.00}$ |
| #4 | Tenant Receivable Outstanding | 1.43 | 3.68 | 1.20 | 1.07 | 0.12 | 1.03 |
| | Calculation: | | | | | | |
| | $\frac{\text{Tenant receivable}}{\text{Average Daily Rental Income / 12 mos}}$ | $\frac{213,270.00}{148,895.25}$ | $\frac{280,354.00}{76,259.00}$ | $\frac{123,093.00}{102,168.00}$ | $\frac{100,122.00}{93,675.67}$ | $\frac{14,912.00}{128,689.08}$ | $\frac{142,390.00}{137,840.83}$ |
| #5 | Occupancy Loss | 0.01 | 0.10 | 0.02 | 0.02 | 0.02 | 0.06 |
| | Calculation: | | | | | | |
| | $1 - \left(\frac{\text{Units Months Leased}}{\text{Unit Months Available}} \right)$ | $1 - \frac{4,280}{4,332}$ | $1 - \frac{3,331}{3,698}$ | $1 - \frac{4,198}{4,285}$ | $1 - \frac{4,342}{4,430}$ | $1 - \frac{6,683}{6,804}$ | $1 - \frac{6,273}{6,684}$ |
| | Detail Line Item Calculation: | | | | | | |
| | Calculation: | | | | | | |
| | $\left(1 - \frac{\text{Units Months Leased}}{\text{Unit Months Available}} \right) \times 100$ | $\left(1 - \frac{4,280}{4,332} \right) \times 100$ | $\left(1 - \frac{3,331}{3,698} \right) \times 100$ | $\left(1 - \frac{4,198}{4,285} \right) \times 100$ | $\left(1 - \frac{4,342}{4,430} \right) \times 100$ | $\left(1 - \frac{6,683}{6,804} \right) \times 100$ | $\left(1 - \frac{6,273}{6,684} \right) \times 100$ |
| #6 | Expense Management / Utility consumption | 98.37 | 126.19 | 92.87 | 88.61 | 84.68 | 86.36 |
| | Calculation: | | | | | | |
| | $\frac{\text{Sum of Weighted Expenses}}{\text{Unit months leased}}$ | $\frac{421,021.98}{4,280}$ | $\frac{420,329.43}{3,331}$ | $\frac{389,877.43}{4,198}$ | $\frac{384,729.65}{4,342}$ | $\frac{565,944.79}{6,683}$ | $\frac{541,706.79}{6,273}$ |
| #6 | Net Income or Loss | 0.44 | (0.00) | 0.15 | 0.03 | 0.15 | 0.12 |
| | Calculation: | | | | | | |
| | $\frac{\text{Net Income or Loss}}{\text{Expendable fund balance}}$ | $\frac{461,205.00}{1,046,479.00}$ | $\frac{(2,344.00)}{682,986.00}$ | $\frac{333,958.00}{2,177,003.00}$ | $\frac{39,040.00}{1,173,914.00}$ | $\frac{225,655.00}{1,478,965.00}$ | $\frac{185,280.00}{1,585,516.00}$ |

| AMP37 | AMP38 | AMP39 | AMP40 | AMP43 | AMP44 | AMP45 | AMP46 | AMP49 | AMP50 | |
|--------------------------------------|--------------------------------------|----------------------------|----------------------------|---------------------------|----------------------------|----------------------------|----------------------------|--------------------------|-------------------------------------|---|
| 653,174.00 | 1,033,867.00 | 431,774.00 | 1,146,632.00 | 217,255.00 | 563,256.00 | 1,843,134.00 | 104,562.00 | 330,718.00 | 827,061.00 | 16,287,058.00 |
| 37,513.00 | 37,277.00 | 19,445.00 | 101,599.00 | 26,409.00 | 29,115.00 | 29,943.00 | 11,733.00 | 17,146.00 | 15,841.00 | 680,007.00 |
| 690,687.00 | 1,071,144.00 | 451,219.00 | 1,248,231.00 | 243,664.00 | 592,371.00 | 1,873,077.00 | 116,295.00 | 347,864.00 | 842,902.00 | 16,967,065.00 |
| 360,578.00 | 391,096.00 | 85,764.00 | 634,903.00 | 252,667.00 | 327,853.00 | 110,404.00 | 106,268.00 | 144,551.00 | 153,178.00 | 5,148,833.00 |
| 149,029.00 (127,198.00) | 211,471.00 (181,346.00) | 520,545.00 (511,301.00) | 431,581.00 (368,733.00) | 115,018.00 (99,610.00) | 411,206.00 (373,967.00) | 297,679.00 (280,387.00) | 164,436.00 (156,107.00) | 43,578.00 (40,426.00) | 57,618.00 (46,457.00) | 3,276,302.00 (2,934,708.00) |
| 382,408.00 | 421,221.00 | 95,008.00 | 697,751.00 | 268,075.00 | 365,092.00 | 127,696.00 | 114,597.00 | 147,703.00 | 164,339.00 | 5,490,427.00 |
| 37,254.00 (3,387.00) 13,598.00 | 32,579.00 (2,962.00) 16,048.00 | 4,342.00 (395.00) | 161,368.00 (14,670.00) | 66,217.00 (6,020.00) | 19,336.00 (1,758.00) | 63,460.00 (5,769.00) | | 17,426.00 (1,584.00) | 29,173.00 (2,652.00) 3,152.00 | 815,792.00 (74,164.00) 225,084.00 |
| 47,465.00 | 45,665.00 | 3,947.00 | 146,698.00 | 60,197.00 | 17,578.00 | 57,691.00 | 0.00 | 15,842.00 | 29,673.00 | 966,712.00 |
| 1,120,660.00 | 1,536,030.00 | 550,174.00 | 2,092,680.00 | 571,936.00 | 975,041.00 | 2,058,464.00 | 230,892.00 | 511,409.00 | 1,036,914.00 | 23,424,204.00 |
| 1,707,058.00 | 548,446.00 | 512,658.00 | 419,374.00 | 955,313.00 | 815,673.00 | 125,890.00 | 192,885.00 | 1,639,118.00 | 313,138.00 | 13,093,629.00 |
| 48,794,270.00 | 22,200,548.00 | 15,880,091.00 | 26,614,781.00 | 28,252,232.00 | 31,880,025.00 | 29,153,823.00 | 11,737,803.00 | 14,219,768.00 | 3,806,836.00 | 419,451,696.00 |
| 509,367.00 | 450,210.00 | 257,601.00 | 538,321.00 | 205,520.00 | 287,229.00 | 241,785.00 | 176,229.00 | 116,912.00 | 152,578.00 | 6,800,599.00 |
| (19,111,517.00) | (19,132,232.00) | (12,002,177.00) | (25,666,987.00) | (13,180,601.00) | (17,318,649.00) | (20,181,803.00) | (4,669,934.00) | (10,081,576.00) | (3,553,297.00) | (255,504,812.00) |
| 6,941,881.00 | 209,947.00 | 1,731,774.00 | 4,286,146.00 | 2,689,311.00 | 67,465.00 | 53,463.00 | 219,061.00 | 276,525.00 | 14,027.00 | 24,614,918.00 |
| 38,841,059.00 | 4,276,919.00 | 6,379,947.00 | 6,193,635.00 | 18,921,775.00 | 15,731,743.00 | 9,393,358.00 | 7,656,044.00 | 6,170,747.00 | 733,282.00 | 208,456,030.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 38,841,059.00 | 4,276,919.00 | 6,379,947.00 | 6,193,635.00 | 18,921,775.00 | 15,731,743.00 | 9,393,358.00 | 7,656,044.00 | 6,170,747.00 | 733,282.00 | 208,456,030.00 |
| 39,961,619.00 | 5,814,949.00 | 6,930,121.00 | 8,286,315.00 | 19,493,711.00 | 16,706,784.00 | 11,451,822.00 | 7,886,936.00 | 6,682,156.00 | 1,770,196.00 | 231,880,234.00 |
| 454,595.00 | 367,158.00 | 232,721.00 | 1,043,378.00 | 208,253.00 | 241,118.00 | 243,213.00 | 105,623.00 | 172,581.00 | 109,906.00 | 5,907,933.00 |
| 143,001.00 | 104,105.00 | 75,020.00 | 17,340.00 | 5,807.00 | | 1,280.00 | 12,419.00 | 1,009.00 | 29,060.00 | 1,228,787.00 |
| 1,774.00 | 4,130.00 | 2,323.00 | | | | | | 107.00 | 12,530.00 | |
| 37,513.00 | 37,277.00 | 19,443.00 | 101,601.00 | 26,409.00 | 29,115.00 | 29,943.00 | 11,733.00 | 17,146.00 | 15,841.00 | 680,007.00 |
| 6,823.00 | 13,583.00 | 23,950.00 | 34,688.00 | 11,172.00 | 14,899.00 | 25,426.00 | 2,313.00 | 4,511.00 | 10,700.00 | 272,035.00 |
| 544,596.00 | 53,991.00 | 246,919.00 | 750,075.00 | 916.00 | 160,808.00 | 120,150.00 | 85,500.00 | 115,175.00 | 29,814.00 | 2,845,199.00 |
| 1,188,302.00 | 580,244.00 | 600,376.00 | 1,947,082.00 | 252,557.00 | 445,940.00 | 420,012.00 | 217,588.00 | 310,422.00 | 195,428.00 | 10,946,491.00 |
| 50,371.00 | 49,763.00 | 54,089.00 | | | | | | | 27,987.00 | 761,243.00 |
| 50,371.00 | 49,763.00 | 54,089.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 27,987.00 | 761,243.00 |
| 1,238,673.00 | 630,007.00 | 654,465.00 | 1,947,082.00 | 252,557.00 | 445,940.00 | 420,012.00 | 217,588.00 | 310,422.00 | 223,415.00 | 11,707,734.00 |
| 38,841,059.00 | 4,276,919.00 | 6,379,947.00 | 6,193,635.00 | 18,921,775.00 | 15,731,743.00 | 9,393,358.00 | 7,656,044.00 | 6,170,747.00 | 733,282.00 | 208,456,030.00 |
| (118,113.00) | 908,023.00 | (104,291.00) | 145,598.00 | 319,379.00 | 529,101.00 | 1,638,452.00 | 13,304.00 | 200,987.00 | 813,499.00 | 11,716,470.00 |
| 38,722,946.00 | 5,184,942.00 | 6,275,656.00 | 6,339,233.00 | 19,241,154.00 | 16,260,844.00 | 11,031,810.00 | 7,669,348.00 | 6,371,734.00 | 1,546,781.00 | 220,172,500.00 |
| 39,961,619.00 | 5,814,949.00 | 6,930,121.00 | 8,286,315.00 | 19,493,711.00 | 16,706,784.00 | 11,451,822.00 | 7,886,936.00 | 6,682,156.00 | 1,770,196.00 | 231,880,234.00 |
| 727,005.00 | 871,711.00 | 493,996.00 | 2,952,560.00 | 425,586.00 | 389,509.00 | 730,734.00 | 170,229.00 | 477,052.00 | 248,180.00 | 15,538,454.00 |
| 49,257.00 | 8,649.00 | 21,482.00 | 48,605.00 | 11,314.00 | 6,359.00 | 10,016.00 | 10,392.00 | 12,127.00 | 12,825.00 | 389,469.00 |
| 776,262.00 | 880,360.00 | 515,478.00 | 3,001,165.00 | 436,900.00 | 395,868.00 | 740,750.00 | 180,621.00 | 489,179.00 | 261,006.00 | 15,927,923.00 |
| 1,497,708.00 | 1,415,711.00 | 982,730.00 | 4,240,139.00 | 888,175.00 | 1,208,908.00 | 1,016,012.00 | 453,764.00 | 656,794.00 | 664,860.00 | 25,365,345.00 |
| 2,201,876.00 | 410,608.00 | 323,918.00 | 2,131,240.00 | 1,522,393.00 | 300,805.00 | 82,046.00 | 94,339.00 | 130,628.00 | 156,480.00 | 10,869,703.00 |
| 3,699,584.00 | 1,826,319.00 | 1,306,648.00 | 6,371,379.00 | 2,410,568.00 | 1,509,713.00 | 1,098,058.00 | 548,103.00 | 787,422.00 | 821,340.00 | 36,235,048.00 |
| 4,567.00 | 5,806.00 | 3,159.00 | 10,316.00 | 2,529.00 | 5,106.00 | 9,614.00 | 1,377.00 | 1,883.00 | 4,777.00 | 104,033.00 |

| | | | | | | | | | | |
|---------------|--------------|--------------|--------------|---------------|---------------|---------------|--------------|--------------|--------------|----------------|
| 6,583.00 | 17,074.00 | 5,320.00 | 27,146.00 | 21,454.00 | 20,361.00 | 8,687.00 | 12,062.00 | 12,963.00 | 2,018.00 | 328,888.00 |
| 11,150.00 | 22,880.00 | 8,479.00 | 37,462.00 | 23,983.00 | 25,467.00 | 18,301.00 | 13,439.00 | 14,846.00 | 6,795.00 | 432,921.00 |
| 4,486,996.00 | 2,729,559.00 | 1,830,605.00 | 9,410,006.00 | 2,871,451.00 | 1,931,048.00 | 1,857,109.00 | 742,163.00 | 1,291,447.00 | 1,089,141.00 | 52,595,892.00 |
| 252,181.00 | 159,088.00 | 76,894.00 | | | | | | | 39,542.00 | 1,472,425.00 |
| 8,564.00 | 8,564.00 | 8,564.00 | 8,564.00 | 8,564.00 | 8,564.00 | 8,564.00 | 8,564.00 | 8,564.00 | 8,565.00 | 8,564.00 |
| 416,446.00 | 373,559.00 | 182,972.00 | 662,721.00 | 111,308.00 | 159,368.00 | 215,236.00 | 36,660.00 | 125,872.00 | 136,803.00 | 5,492,474.00 |
| 29,970.00 | 27,636.00 | 11,964.00 | 63,551.00 | 17,297.00 | 19,773.00 | 19,978.00 | 7,734.00 | 11,565.00 | 10,042.00 | 446,703.00 |
| 106,020.00 | 70,473.00 | 86,970.00 | | | | | | | 17,195.00 | 741,627.00 |
| 14,147.00 | 11,587.00 | 7,750.00 | 27,003.00 | 30,719.00 | 22,736.00 | 17,354.00 | 20,202.00 | 14,219.00 | 4,263.00 | 331,775.00 |
| 1,835.00 | 502.00 | 2,595.00 | 169,945.00 | 480.00 | 128.00 | 4,072.00 | 6,083.00 | 331.00 | 118.00 | 199,798.00 |
| 5,980.00 | 4,096.00 | 4,799.00 | | 1,094.00 | | | 96.00 | | | 16,065.00 |
| 17,107.00 | 13,907.00 | 8,491.00 | 32,399.00 | 611,025.00 | 654,825.00 | 428,631.00 | 57,894.00 | 112,095.00 | 5,113.00 | 2,784,496.00 |
| 852,050.00 | 669,412.00 | 390,999.00 | 964,183.00 | 780,487.00 | 865,394.00 | 693,835.00 | 137,233.00 | 272,646.00 | 221,641.00 | 11,622,327.00 |
| | | 7,259.00 | | | | | | | | 85,568.00 |
| 1,700.00 | | | | 1,700.00 | | 1,100.00 | | | 1,700.00 | 16,570.00 |
| 1,700.00 | 0.00 | 7,259.00 | 0.00 | 1,700.00 | 0.00 | 1,100.00 | 0.00 | 0.00 | 1,700.00 | 102,138.00 |
| 95,528.00 | 223,407.00 | 95,505.00 | 437,571.00 | 102,533.00 | 117,149.00 | 109,360.00 | 49,550.00 | 51,822.00 | 60,986.00 | 2,309,598.00 |
| 130,407.00 | 196,064.00 | 200,428.00 | 721,616.00 | 163,255.00 | 24,468.00 | 39,852.00 | 51,923.00 | 144,371.00 | 19,082.00 | 3,379,907.00 |
| 31,245.00 | 146,097.00 | 64,781.00 | 906,045.00 | 110,129.00 | 30,585.00 | 19,810.00 | 39,168.00 | 48,581.00 | 22,879.00 | 1,961,726.00 |
| | | | | | | | 93.00 | | | 973.00 |
| 59,826.00 | 120,616.00 | 98,686.00 | 605,141.00 | 25,284.00 | 181,894.00 | 198,473.00 | 27,812.00 | 83,349.00 | 116,577.00 | 3,402,956.00 |
| | | 366.00 | | | | | | | | 366.00 |
| 317,006.00 | 686,184.00 | 459,766.00 | 2,670,373.00 | 401,201.00 | 354,096.00 | 367,495.00 | 168,566.00 | 328,123.00 | 219,524.00 | 11,055,524.00 |
| 272,698.00 | 212,495.00 | 253,233.00 | | | | | | | 135,949.00 | 4,043,229.00 |
| 75,932.00 | 144,370.00 | 95,362.00 | 405,250.00 | 115,452.00 | 122,208.00 | 120,449.00 | 75,917.00 | 55,411.00 | 13,890.00 | 2,072,521.00 |
| 220,978.00 | 80,146.00 | 1,139,033.00 | 1,724,043.00 | 470,552.00 | 521,634.00 | 370,916.00 | 253,959.00 | 408,162.00 | 68,316.00 | 6,586,564.00 |
| 102,796.00 | 77,228.00 | 106,145.00 | | | | | | | 45,124.00 | 1,487,524.00 |
| 672,404.00 | 514,239.00 | 1,593,773.00 | 2,129,293.00 | 586,004.00 | 643,842.00 | 491,365.00 | 329,876.00 | 463,573.00 | 263,279.00 | 14,189,838.00 |
| 98.00 | | | 820,520.00 | | | | | | | 2,336,149.00 |
| 757.00 | | 168.00 | | | | | | | | 1,427.00 |
| 855.00 | 0.00 | 168.00 | 820,520.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2,337,576.00 |
| 37,960.00 | 30,771.00 | 18,789.00 | 71,703.00 | 9,682.00 | 34,606.00 | 21,664.00 | 9,874.00 | 14,379.00 | 11,311.00 | 514,095.00 |
| 2,112.00 | 2,388.00 | 1,470.00 | 0.00 | | | | 612.00 | | | 23,452.00 |
| 3,820.00 | 1,916.00 | 7,463.00 | 42,103.00 | | | 9,130.00 | | 6,088.00 | 2,951.00 | 151,378.00 |
| 1,234.00 | 619.00 | 884.00 | 13,551.00 | | 11,956.00 | 4,184.00 | 147.00 | 2,790.00 | | 40,736.00 |
| 45,126.00 | 35,694.00 | 28,606.00 | 127,357.00 | 9,682.00 | 46,562.00 | 34,978.00 | 10,633.00 | 23,257.00 | 14,262.00 | 729,661.00 |
| 7,192.00 | 9,842.00 | | 53,955.00 | | | | 1,404.00 | 7,621.00 | | 125,715.00 |
| 5,037.00 | 4,976.00 | 5,409.00 | | | | | | | 5,572.00 | 81,746.00 |
| 54,761.00 | 26,359.00 | 46,998.00 | 74,457.00 | 22,076.00 | 2,787.00 | 37,878.00 | 25,140.00 | 29,243.00 | 16,608.00 | 455,193.00 |
| 1,262.00 | 15,906.00 | | | | | | | | | |
| 68,252.00 | 57,083.00 | 52,407.00 | 128,412.00 | 22,076.00 | 2,787.00 | 37,878.00 | 26,544.00 | 36,864.00 | 22,180.00 | 32,530.00 |
| | | | | | | | | | | 695,184.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1,957,393.00 | 1,962,612.00 | 2,532,978.00 | 6,840,138.00 | 1,801,150.00 | 1,912,681.00 | 1,626,651.00 | 672,852.00 | 1,124,463.00 | 742,586.00 | 40,732,248.00 |
| 2,620,603.00 | 766,977.00 | 782,773.00 | 2,652,868.00 | 1,070,301.00 | 18,367.00 | 280,468.00 | 62,311.00 | 788,094.00 | 846,666.00 | 11,382,644.00 |
| | | 1,945.00 | 3,742.00 | | | | | 1,299.00 | 15,002.00 | 61,447.00 |
| 1,578,921.00 | 297,722.00 | 184,847.00 | 61,434.00 | 728,421.00 | 1,047,589.00 | 739,942.00 | 363,210.00 | 507,675.00 | 13,890.00 | 10,770,981.00 |
| 1,578,921.00 | 297,722.00 | 186,792.00 | 65,176.00 | 728,421.00 | 1,047,589.00 | 739,942.00 | 363,210.00 | 508,974.00 | 28,892.00 | 10,832,428.00 |
| 3,536,314.00 | 2,260,334.00 | 2,719,770.00 | 6,905,314.00 | 2,529,571.00 | 2,960,270.00 | 2,366,593.00 | 1,036,062.00 | 1,633,437.00 | 771,478.00 | 51,564,676.00 |
| 2,265,682.00 | 32,059.00 | 1,971,130.00 | 98,325.00 | | | | | | 28,889.00 | 5,283,013.00 |
| 2,265,682.00 | 32,059.00 | 1,971,130.00 | 98,325.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 28,889.00 | 5,283,013.00 |
| 3,216,364.00 | 501,284.00 | 1,081,965.00 | 2,603,017.00 | 341,880.00 | | | | | 346,552.00 | 6,314,229.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | | | | | | | |
| 35,177,639.00 | 4,393,590.00 | 5,016,560.00 | 1,481,353.00 | 18,716,743.00 | 17,055,102.00 | 11,337,076.00 | 7,870,167.00 | 6,578,198.00 | 1,093,619.00 | 206,795,066.00 |
| 328,943.00 | 290,068.00 | 177,131.00 | 2,254,863.00 | 182,531.00 | 234,964.00 | 204,218.00 | 93,080.00 | 135,526.00 | 106,610.00 | 7,063,205.00 |

| | | | | | | | | | | |
|--------------|------------|--------------|--------------|--------------|------------|--------------|-------------|------------|------------|---------------|
| 4,555 | 3,781 | 2,330 | 8,732 | 2,215 | 3,062 | 2,590 | 1,201 | 1,777 | 1,404 | 61,880 |
| 3,145 | 3,670 | 1,678 | 8,419 | 2,114 | 2,659 | 2,528 | 1,021 | 1,622 | 1,326 | 57,289 |
| (247,694.00) | 779,471.00 | (255,386.00) | (526,549.00) | 118,438.00 | 364,059.00 | 1,455,654.00 | (43,130.00) | 98,371.00 | 758,529.00 | 8,596,725.00 |
| 2,201,876.00 | 410,608.00 | 323,918.00 | 2,131,240.00 | 1,522,393.00 | 300,805.00 | 82,046.00 | 94,339.00 | 130,628.00 | 156,480.00 | 10,869,703.00 |



| | | | | | | | | | | |
|---------------------|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|--------------------|-------------------|---------------------|----------------------|
| 1.67 | 2.84 | 1.55 | 1.63 | 2.03 | 3.36 | 6.67 | 1.75 | 2.54 | 6.08 | 2.77 |
| <u>1,073,095.00</u> | <u>1,492,365.00</u> | <u>546,227.00</u> | <u>1,945,982.00</u> | <u>511,739.00</u> | <u>957,463.00</u> | <u>2,000,773.00</u> | <u>230,892.00</u> | <u>495,567.00</u> | <u>1,007,241.00</u> | <u>22,457,492.00</u> |
| 643,706.00 | 526,253.00 | 353,457.00 | 1,197,007.00 | 251,641.00 | 285,132.00 | 299,862.00 | 132,088.00 | 195,247.00 | 165,614.00 | 8,101,292.00 |
| 2.63 | 5.91 | 0.91 | 1.31 | 1.73 | 4.22 | 12.55 | 1.76 | 3.20 | 13.33 | 4.22 |
| 429,389.00 | 966,112.00 | 192,770.00 | 748,975.00 | 260,098.00 | 672,331.00 | 1,700,911.00 | 98,804.00 | 300,320.00 | 841,627.00 | 14,356,200.00 |
| 163,116.08 | 163,551.00 | 211,243.58 | 570,323.33 | 150,095.83 | 159,390.08 | 135,554.25 | 56,071.00 | 93,813.50 | 63,132.33 | 3,399,474.58 |
| N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 3,216,364.00 | 501,284.00 | 1,081,965.00 | 2,603,017.00 | 341,880.00 | (1,029,222.00) | (509,484.00) | (293,899.00) | (341,990.00) | 346,552.00 | 6,314,229.00 |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2.30 | 2.88 | 12.12 | 1.73 | 3.16 | 12.46 | 4.82 | 10.92 | 1.07 | 2.65 | 2.47 |
| <u>149,029.00</u> | <u>211,471.00</u> | <u>520,545.00</u> | <u>431,581.00</u> | <u>115,018.00</u> | <u>411,206.00</u> | <u>297,679.00</u> | <u>164,436.00</u> | <u>43,578.00</u> | <u>57,618.00</u> | <u>3,276,302.00</u> |
| 64,688.50 | 73,363.33 | 42,956.50 | 250,097.08 | 36,408.33 | 32,989.00 | 61,729.17 | 15,051.75 | 40,764.92 | 21,750.50 | 1,327,326.92 |
| 0.31 | 0.03 | 0.28 | 0.04 | 0.05 | 0.13 | 0.02 | 0.15 | 0.09 | 0.06 | 0.07 |
| <u>3,145</u> | <u>3,670</u> | <u>1,678</u> | <u>8,419</u> | <u>2,114</u> | <u>2,659</u> | <u>2,528</u> | <u>1,021</u> | <u>1,622</u> | <u>1,326</u> | <u>57,289</u> |
| 4,555 | 3,781 | 2,330 | 8,732 | 2,215 | 3,062 | 2,590 | 1,201 | 1,777 | 1,404 | 61,880 |
| 30.95 | 2.94 | 27.98 | 3.58 | 4.56 | 13.16 | 2.39 | 14.99 | 8.72 | 5.56 | 7.42 |
| <u>3,145</u> | <u>3,670</u> | <u>1,678</u> | <u>8,419</u> | <u>2,114</u> | <u>2,659</u> | <u>2,528</u> | <u>1,021</u> | <u>1,622</u> | <u>1,326</u> | <u>57,289</u> |
| 4,555 | 3,781 | 2,330 | 8,732 | 2,215 | 3,062 | 2,590 | 1,201 | 1,777 | 1,404 | 61,880 |
| 123.72 | 86.21 | 192.36 | 82.14 | 60.15 | 56.28 | 63.78 | 66.10 | 76.02 | 86.91 | 90.55 |
| <u>389,107.58</u> | <u>316,376.15</u> | <u>322,784.95</u> | <u>691,660.47</u> | <u>127,165.51</u> | <u>149,655.13</u> | <u>161,244.16</u> | <u>67,484.35</u> | <u>123,310.69</u> | <u>115,242.35</u> | <u>5,187,541.41</u> |
| 3,145 | 3,670 | 1,678 | 8,419 | 2,114 | 2,659 | 2,528 | 1,021 | 1,622 | 1,326 | 57,289 |
| 0.76 | 0.37 | (5.33) | 0.58 | (1.74) | (0.42) | 0.09 | (0.25) | 0.12 | 0.21 | 0.06 |
| <u>327,727.00</u> | <u>356,339.00</u> | <u>(1,028,236.00)</u> | <u>434,886.00</u> | <u>(452,092.00)</u> | <u>(282,438.00)</u> | <u>148,412.00</u> | <u>(25,028.00)</u> | <u>35,057.00</u> | <u>175,073.00</u> | <u>932,494.00</u> |
| 429,389.00 | 966,112.00 | 192,770.00 | 748,975.00 | 260,098.00 | 672,331.00 | 1,700,911.00 | 98,804.00 | 300,320.00 | 841,627.00 | 14,356,200.00 |

July 21, 2011

FOR INFORMATION

SUBJECT: Submission of the Hawaii Public Housing Authority's (HPHA) Capital Fund Program (CFP) Amendment # 145 to the Consolidated Annual Contributions Contract (form HUD 53012) to the U.S. Department of Housing and Urban Development (HUD)

I. FACTS

- A. The Office of Capital Improvement is one of three Offices under the Deputy Assistant Secretary for Public Housing Investments (PHI). The Office administers the Capital Fund program, which provides funds annually via a formula to approximately 3,200 public housing agencies (PHAs) across the country. PHAs may use Capital Fund grants for development, financing, modernization, and management improvements. The Office of Capital Improvements also oversees the Capital Fund Financing Program that authorizes PHAs to borrow funds conditioned on a promise to pay the debt service from Capital Fund grants.
- B. The Office is also responsible for the development of the Total Development Cost (TDC) limits and issuing a TDC Notice. The TDC provides the standard cost limits for developing public housing projects of various sizes, and types. The TDC limits also serve as a limit on the amount of money a PHA can spend to modernize their existing public housing.
- C. On July 13, 2011, the Office emailed the attached Capital Fund Program (CFP) Amendment to the Consolidated Annual Contributions Contract (form HUD 53012) to the HPHA in the amount of \$10,301,898.00.
- D. The HPHA, must submit three (3) original signed and dated ACC Amendments for each Capital Fund grant(s), along with the Capital Fund Annual Statement (form HUD-50075.1 OMB no. 2577-0226 expires 4/30/2011) Part I, Summary and Part II, Supporting Pages, to the local HUD Field Office.

The HPHA is also required to submit the Annual Statement for the first time as part of the PHA Annual Plan which is due 75 days before the beginning of the PHA's fiscal year, as required in §903.5(b). This PHA Annual Plan submission was completed in April 2011 and approved by HUD in June 2011.

- E. When the PHA Annual Plan is drafted and submitted, the actual grant amount is not known and HPHA prepares the CFP budget using the amount awarded in the previous fiscal year. The submission of the CFP amendment will include a revised budget based on the actual funding amount which was provided by HUD, as allowed under HUD's PIH Notice 2011-24 (HA).

II. DISCUSSION

- A. During a normal annual cycle, the HPHA Board would review the Capital Fund program budget during the PHA Plan review and approval process. Since HUD previously approved the HPHA's PHA Annual Plan, the Executive Director will execute and submit the required forms to HUD to accept the 2011 Capital Fund allocation.
- B. Staff has prepared this packet of information to brief the new HPHA Board members on the capital fund approval process for future Board actions. No additional Board action is required at this time.

Obligation and Expenditure Requirements in Section 9(j) of the Act. Section 9(j) of the Act and 24 CFR 905.120 of the regulations require that a PHA obligate 90 percent of a Capital Fund Program grant within 2 years of the date the funds are made available and expend 100 percent of the grant within 4 years of the date the funds are made available.

Failure to obligate 90 percent of the Capital Fund Program grant within 2 years of the date that funds are made available will result in penalties and sanctions. The Act and the regulation allow the Assistant Secretary for Public and Indian Housing to approve an extension of the obligation deadline based on limited criteria.

Withholding and Sanctions for Noncompliance. For PHAs that fail to comply with the obligation requirements, section 9(j) of the Act and 24 CFR section 905.120 require that HUD withhold the PHA's next Capital Fund Program grant(s) until the PHA obligates 90 percent of its past due grant. If the PHA cures its failure to comply with the obligation requirement during the year, HUD will release the withheld portion of the

Capital Fund Program grant(s), less any penalty. The penalty for noncompliance will be to reduce the new Capital Fund Program grant(s) by 1/12 for every month the PHA was in noncompliance. Additionally, any grant that was not in compliance in a prior fiscal year that became known to HUD since the Department distributed Capital Fund Program grants will be subject to sanctions and penalties this fiscal year.

Environmental Review Requirements. All PHAs must meet the environmental review requirements of 24 CFR Part 50 or 24 CFR Part 58. Until the PHA has met the environmental review requirements, the Capital Fund Program grant will remain in the LOCCS initial budget. PHAs are permitted to obligate and expend for activities and work items that are either categorically excluded and not subject to compliance requirements under related environmental laws and authorities under 24 CFR 50.19(b) or exempt/categorically excluded from the environmental review requirements under 24 CFR 58.34(a) and 24 CFR 58.35(b).

Public Housing Agencies Performance and Evaluation Report Requirements. All non-qualified public housing agencies are annually required to prepare and submit a Performance and Evaluation Report (form HUD-50075.1) for all open grants with the Annual Plan. (An open grant is a grant for which a final Actual Modernization Cost Certificate (AMCC) has not been submitted, and the Field Office has not entered a preaudit date in LOCCS). Non-qualified PHAs are required to submit the Performance and Evaluation Report on open grants as part of the PHA Annual Plan which is due 75 days before the beginning of the PHA's fiscal year, as required in §903.5(b).

Proposed Work Items and the Five-Year Action Plan. All work items contained in the Annual Statement must be included in the HUD-approved Capital Fund Five-Year Action Plan.

Attachment: Capital Fund program (CFP) Amendment # 145 to the consolidated Annual Contributions Contract (form HUD-53012)

Prepared by: Mark Buflo, Budget



**Capital Fund Program
(CFP) Amendment**

To The Consolidated Annual Contributions
Contract (form HUD-53012)

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

Whereas, (Public Housing Authority) Hawaii Public Housing Authority (HI001) (herein called the "PHA") and the United States of America, Secretary of Housing and Urban Development (herein called "HUD") entered into Consolidated Annual Contributions Contract(s) ACC(s) Numbers(s) SF-181 dated 7/1/1998

Whereas, HUD has agreed to provide CFP assistance, upon execution of this Amendment, to the PHA in the amount to be specified below for the purpose of assisting the PHA in carrying out capital and management activities at existing public housing developments in order to ensure that such developments continue to be available to serve low-income families. HUD reserves the right to provide additional CFP assistance in this FY to the PHA. HUD will provide a revised ACC Amendment authorizing such additional amounts.

\$ 10,301,898.00 for Fiscal Year 2011 to be referred to under Capital Fund Grant Number HI08P00150111

PHA Tax Identification Number (TIN): On File DUNS Number: On File

Whereas, HUD and the PHA are entering into the CFP Amendment Number _____

Now Therefore, the ACC(s) is (are) amended as follows:

1. The ACC(s) is (are) amended to provide CFP assistance in the amount specified above for capital and management activities of PHA developments. This amendment is a part of the ACC(s).

2. The capital and management activities shall be carried out in accordance with all HUD regulations and other requirements applicable to the Capital Fund Program.

3. (Check one)

a. For Non-qualified PHAs:

(i) In accordance with the HUD regulations, the Annual PHA Plan has been adopted by the PHA and approved by HUD, and may be amended from time to time. The capital and management activities shall be carried out as described in the CFP Annual Statement/Performance and Evaluation Report (HUD-50075.1).

OR

(ii) If the Annual PHA Plan has not been adopted by the PHA and approved by HUD, the PHA may use its CFP assistance under this contract for work items contained in its CFP-Five-Year Action Plan (HUD-50075.2), before the Annual PHA Plan is approved.

b. For Qualified PHAs:

(i) The CFP Annual Statement/Performance and Evaluation Report (HUD-50075.1) has been adopted by the PHA and verified by HUD. The capital and management activities shall be carried out as described therein.

OR

(ii) If the CFP Annual Statement/Performance and Evaluation Report has not been adopted by the PHA and/or verified by HUD, the PHA may use its CFP assistance under this contract for work items contained in its approved CFP 5-Year Action Plan (HUD-50075.2), before the CFP Annual Statement/Performance and Evaluation Report is adopted by the PHA and verified by HUD.

For cases where HUD has approved a Capital Fund Financing Amendment to the ACC (CFF Amendment attached), HUD will deduct the payment for amortization scheduled payments from the grant immediately on the effective date of this CFP Amendment. The payment of CFP funds due per the amortization scheduled will be made directly to a designated trustee (Trustee Agreement attached) within 3 days of the due date.

Regardless of the selection above, the 24 month time period in which the PHA must obligate this CFP assistance pursuant to section 9(j)(1) of the United States Housing Act of 1937, as amended, (the "Act") and 48 month time period in which the PHA must expend this CFP assistance pursuant to section 9(j)(5) of the Act starts with the effective date of this CFP amendment (the date on which CFP assistance becomes available to the PHA for obligation). Any additional CFP assistance this FY will start with the same effective date.

4. Subject to the provisions of the ACC(s) and paragraph 3. and to assist in the capital and management activities, HUD agrees to disburse to the PHA or the designated trustee from time to time as needed up to the amount of the funding assistance specified herein.

5. The PHA shall continue to operate each development as low-income housing in compliance with the ACC(s), as amended, the Act and all HUD regulations for a period of twenty years after the last disbursement of CFP assistance for modernization activities for any public housing or portion thereof and for a period of forty years after the last distribution of CFP assistance for development activities for any public housing and for a period of ten years following the last payment of assistance from the Operating Fund to the PHA. However, the provisions of Section 7 of the ACC shall remain in effect for so long as HUD determines there is any outstanding indebtedness of the PHA to HUD which arose in connection with any development(s) under the ACC(s) and which is not eligible for forgiveness, and provided further that, no disposition of any development covered by this amendment shall occur unless approved by HUD.

6. The PHA will accept all CFP assistance provided for this FY. If the PHA does not comply with any of its obligations under this Amendment and does not have its Annual PHA Plan approved within the period specified by HUD, HUD shall impose such penalties or take such remedial action as provided by law. HUD may direct the PHA to terminate all work described in the Capital Fund Annual Statement of the Annual PHA Plan. In such case, the PHA shall only incur additional costs with HUD approval.

7. Implementation or use of funding assistance provided under this Amendment is subject to the attached corrective action order(s).

(mark one) : Yes No

8. The PHA acknowledges its responsibility for adherence to this Amendment.

The parties have executed this Agreement, and it will be effective on 8/3/2011. This is the date on which CFP assistance becomes available to the PHA for obligation.

| | |
|---|---|
| U.S. Department of Housing and Urban Development By _____ Date: _____ | PHA Executive Director By _____ Date: _____ |
| Title _____ | Title _____ |

| Part I: Summary | | | | | | |
|---|--|---|----------------------|---|---|--|
| PHA Name: Hawaii Public Housing Authority | | Grant Type and Number Capital Fund Program Grant No: HI08P001501-11 Replacement Housing Factor Grant No: Date of CFFP: | | | FFY of Grant: 2011 FFY of Grant Approval: 2011 | |
| Type of Grant | | | | | | |
| <input type="checkbox"/> Original Annual Statement | | <input type="checkbox"/> Reserve for Disasters/Emergencies | | <input type="checkbox"/> Revised Annual Statement (revision no:) | | |
| <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/11 | | <input type="checkbox"/> Final Performance and Evaluation Report | | | | |
| Line | Summary by Development Account | Total Estimated Cost | | Total Actual Cost ¹ | | |
| | | Original | Revised ² | Obligated | Expended | |
| 1 | Total non-CFP Funds | 0 | 0 | 0 | 0 | |
| 2 | 1406 Operations (may not exceed 20% of line 21) ³ | 2,060,380 | 0 | 0 | 0 | |
| 3 | 1408 Management Improvements | 500,000 | 0 | 0 | 0 | |
| 4 | 1410 Administration (may not exceed 10% of line 21) | 1,030,190 | 0 | 0 | 0 | |
| 5 | 1411 Audit | 0 | 0 | 0 | 0 | |
| 6 | 1415 Liquidated Damages | 0 | 0 | 0 | 0 | |
| 7 | 1430 Fees and Costs | 0 | 0 | 0 | 0 | |
| 8 | 1440 Site Acquisition | 0 | 0 | 0 | 0 | |
| 9 | 1450 Site Improvement | 0 | 0 | 0 | 0 | |
| 10 | 1460 Dwelling Structures | 5,981,325 | 0 | 0 | 0 | |
| 11 | 1465.1 Dwelling Equipment—Nonexpendable | 0 | 0 | 0 | 0 | |
| 12 | 1470 Non-dwelling Structures | 0 | 0 | 0 | 0 | |
| 13 | 1475 Non-dwelling Equipment | 0 | 0 | 0 | 0 | |
| 14 | 1485 Demolition | 0 | 0 | 0 | 0 | |
| 15 | 1492 Moving to Work Demonstration | 0 | 0 | 0 | 0 | |
| 16 | 1495.1 Relocation Costs | 0 | 0 | 0 | 0 | |
| 17 | 1499 Development Activities ⁴ | 0 | 0 | 0 | 0 | |
| 18a | 1501 Collateralization or Debt Service paid by the PHA | 0 | 0 | 0 | 0 | |
| 18ba | 9000 Collateralization or Debt Service paid Via System of Direct Payment | 0 | 0 | 0 | 0 | |
| 19 | 1502 Contingency (may not exceed 8% of line 20) | 730,003 | 0 | 0 | 0 | |
| 20 | Amount of Annual Grant: (sum of lines 2 - 19) | 10,301,898 | 0 | 0 | 0 | |
| 21 | Amount of line 20 Related to LBP Activities | 0 | 0 | 0 | 0 | |

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Annual Statement/Performance and Evaluation Report
 Capital Fund Program, Capital Fund Program Replacement Housing Factor and
 Capital Fund Financing Program

U.S. Department of Housing and Urban Development
 Office of Public and Indian Housing
 OMB No. 2577-0226
 Expires 4/30/2011

| Part I: Summary | | | | | | |
|---|---|--|----------------------|---|---|--|
| PHA Name: Hawaii Public Housing Authority | | Grant Type and Number Capital Fund Program Grant No: HI08P001501-11 Replacement Housing Factor Grant No: Date of CFFP: | | | FFY of Grant: 2011 FFY of Grant Approval: 2011 | |
| Type of Grant | | | | | | |
| <input type="checkbox"/> Original Annual Statement | | <input type="checkbox"/> Reserve for Disasters/Emergencies | | <input type="checkbox"/> Revised Annual Statement (revision no:) | | |
| <input checked="" type="checkbox"/> Performance and Evaluation Report for Period Ending: 06/30/11 | | <input type="checkbox"/> Final Performance and Evaluation Report | | | | |
| Line | Summary by Development Account | Total Estimated Cost | | Total Actual Cost ¹ | | |
| | | Original | Revised ² | Obligated | Expended | |
| 22 | Amount of line 20 Related to Section 504 Activities | 0 | 0 | 0 | 0 | |
| 23 | Amount of line 20 Related to Security - Soft Costs | 0 | 0 | 0 | 0 | |
| 24 | Amount of line 20 Related to Security - Hard Costs | 0 | 0 | 0 | 0 | |
| 25 | Amount of line 20 Related to Energy Conservation Measures | 0 | 0 | 0 | 0 | |
| Signature of Executive Director | | | 7/15/2011 | Signature of Public Housing Director | | |
| | | | | 7/15/2011 | | |

¹ To be completed for the Performance and Evaluation Report.

² To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

³ PHAs with under 250 units in management may use 100% of CFP Grants for operations.

⁴ RHF funds shall be included here.

| Part II: Supporting Pages | | | | | | | | |
|---|---|--|----------|----------------------|----------------------|------------------------------|-----------------------------|----------------|
| PHA Name: Hawaii Public Housing Authority | | Grant Type and Number Capital Fund Program Grant No: HI08P001501-11 CFFP (Yes/ No): No Replacement Housing Factor Grant No: | | | | Federal FFY of Grant: 2011 | | |
| Development Number Name/PHA-Wide Activities | General Discription of Major Work Categories | Development Account No. | Quantity | Total Estimated Cost | | Total Actual Cost | | Status of Work |
| | | | | Original | Revised ¹ | Funds Obligated ² | Funds Expended ² | |
| 37/1045 Pahala Homes | ADA Units & Modernization (Const) | 1460 | | 800,000 | | | | |
| 50/1008 Palolo Valley Homes | Physical Improvements Ph 1 (Const) | 1460 | | 952,451 | | | | |
| 50/1008 Palolo Valley Homes | Physical Improvements Ph 2 (Const) | 1460 | | 2,228,874 | | | | |
| PHA-Wide | ADA Compliance for Various Federal Projects (Const) | 1460 | | 2,000,000 | | | | |
| PHA-Wide | Management Improvements | 1408 | | 500,000 | | | | |

¹ To be completed for the Performance and Evaluation Report or a Revised Annual Statement.

² To be completed for the Performance and Evaluation Report.

*Denotes non CFP Funding (state funds)

SAVE the DATE
Mixed Income Housing Roundtable
August 4 and 5, 2011

We are pleased to announce the opportunity to participate in a workshop to learn about redeveloping public housing and how the redevelopment effort can increase the amount of affordable housing and serve as a catalyst for neighborhood revitalization. The HUD Mixed Income Housing Roundtable will be held on Thursday, August 4, 2011 from 8:00 am to 4:00 pm in the Plumeria Room of the Ala Moana Hotel. You are invited to hear about the various HUD programs – HOPE VI, Mixed Finance Development, Mixed Income Development, Choice Neighborhoods Initiative, and more - that are available to help Public Housing Agencies and local communities redevelop and preserve existing public housing developments, leverage the redevelopment effort to create more affordable housing and economic development, and spur neighborhood revitalization. The Mixed Income Housing Roundtable will be facilitated by representatives of HUD's Office of Public Housing Investment, Roma Campanile and Luci Ann Blackburn, both of whom have extensive experience in public housing development programs and projects.

Who should attend: Staff and members of the Boards of Public Housing Agencies, local government officials, staff of housing and community/economic development agencies, staff of housing finance agencies, for profit and nonprofit housing developers, leaders of nonprofit organizations, bankers and others with interest in community revitalization.

Registration: A registration site will be opening soon on HUD's website with an agenda. We will let you know when that site is open. Until then, please send an e-Mail to Marie Miguel-Cortez at marie.miguel-cortez@hud.gov or call her at 808-522-8175 x266 to pre-register. Space is limited as the Plumeria Room will be able to accommodate 45 participants.

Extra Credit: A bonus session will be held on Friday, August 5, 2011 from 8:00 am to 12:00 noon at the Ala Moana Hotel for staff of Public Housing Agencies and others interested in walking through the details of putting together a proposal for mixed finance developments, HOPE VI and Choice Neighborhoods Initiative.