HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING
1002 North School Street, Building E
Honolulu, Hawaii 96817

November 17, 2011
9:00 a.m.

AGENDA

I. CALL TO ORDER/ROLL CALL

II. APPROVAL OF MINUTES

A. Special Meeting Minutes, October 6, 2011 (Pgs. 001-006)
B. Regular Meeting Minutes, October 20, 2011 (Pgs. 007-018)
C. Executive Session, September 22, 2011
D. Executive Session, October 20, 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. FOR ACTION

A. Motion: To Approve the Hawaii Public Housing Authority's Five Year Capital Plan for the Period July 2012 to June 2017 (Pgs 019-064)

B. Motion: To Adopt the Hawaii Public Housing Authority's Policy on Internal Control (Pgs. 065-073)

C. Motion: To Adopt Revisions to the Admissions and Continued Occupancy Policy to Ban Medical Use Marijuana in Federal Public Housing (Pgs. 074-111)

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 Revisions to the Admissions and Continued Occupancy Policy to Ban Medical Use Marijuana in Federal Public Housing.

D. Motion: Requesting Approval to Amend the Section 8 Administrative Plan Requirements for Reinspection When the Landlord Documents That Required Repairs Were Completed (Pgs. 112-114)

E. Motion: To Accept the HPHA's Public Housing Assessment System Score Issued by the U.S. Department of Housing and Urban Development for the Fiscal Year Ended June 30, 2010 (Pgs. 115-120)

F. Motion: To Adopt Board Resolution No. 55 To Close the Oahu Federal Family Public Housing Waitlist for One (1) Year Starting January 1, 2012, and To Authorize the Executive Director to Extend the Closure of the Waitlist for up to an Additional 12 Months (Pgs. 121-124)

V. REPORTS

A. Board Task Force Reports: Update from the Executive Director Search Task Force (Pg. 125)

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(2), to consider the hiring of an Executive Director, where consideration of matters affecting privacy will be involved.

B. Executive Director's Report (Pgs. 126-168)

Accomplishments for the Month of October 2011 and Planned Activities for Month of November 2011 for Activities Related to Public Housing; to Section 8 Subsidy Programs; Construction Management Branch; Compliance Office; Planning & Evaluation Office: media inquiries, legislative; Fiscal Management Office; Contracts & Procurement; Information Technology Office; Personnel: turnover, recruitment, safety/workers compensation; and Hearing Office.

VI. FOR DISCUSSION/INFORMATION

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. 169)

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 Information: Ameresco Presentation on Results of the Energy Audit and Energy Services Agreement (Pgs. 170-201)

C. For Discussion: Report on HUD's Quality Assurance Review of the American Recovery and Reinvestment Act (ARRA) Capital Fund Program Grant and the Section 8 Housing Choice Voucher Program (Pgs. 202-206)

D. For Discussion: Report on the Hawaii Public Housing Authority's Physical Sub-System Scores Based on Inspections Conducted by the Real Estate Assessment Center (Pgs. 207 – 211)

E. For Discussion: Board Discussion on Issues Regarding Communication Between Management and Staff, Length of Residency in Public Housing, and Problems with Public Housing Visitors/Guests, Security, Illegal Parking and Drinking in Common Areas (Pgs. 212-213)

F. For Information: Best Practices in Security Efforts (Pgs. 214-219)

G. For Information: Update on Tenant Monitor Pilot Program (Pgs. 220-222)

H. For Discussion: Volunteers Instilling Pride (VIP) Program and Volunteer Protocol (Pgs. 223-225)

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 HPHA utilizing volunteer services.

I. For Discussion: Location of HPHA Board Meetings and Possible Alternate Sites or Rotation at Public Housing Complexes (Pgs. 226-231)

If any person requires special needs (i.e., large print, taped materials, sign language interpreter, etc.) please call Ms. Deesha Piiohia 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.

HAWAII PUBLIC HOUSING AUTHORITY
MINUTES OF THE SPECIAL MEETING
HELD AT 1002 N. SCHOOL STREET, BUILDING E
HONOLULU, HAWAII 96817
ON THURSDAY, OCTOBER 6, 2011
IN THE COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority met for their Regular Board Meeting at 1002 N. School Street, on Thursday, October 6, 2011 at 9:07 a.m.

The meeting was called to order by Chairperson Gierlach at 9:07 a.m. and, on roll call, those present and absent were as follows:

PRESENT:
Director David Gierlach, Chairperson
Director Jason Espero, Secretary
Director Roger Godfrey
Director Patricia McManaman
Director Debbie Shimizu
Director Travis Thompson
Director George Yokoyama

Executive Director, Denise Wise
Deputy Attorney General, Jennifer Sugita

EXCUSED:
Director Desiree Kihano
Director Trevor Tokishi
Director Matilda Yoshioka, Vice-Chair

STAFF PRESENT:
Barbara Arashiro, Executive Assistant
Shirley Befitel, Personnel Supervisor
Becky Choi, State Housing Development Administrator
Kiriko Oishi, Housing Compliance and Evaluation Specialist
Rick Sogawa, Contracts and Procurement Officer
Dionicia Piiohia, Secretary to the Board

OTHERS:
Shaye Yamashiro, Kalihi Valley Homes Board member
Sandra Menzsa, Kalihi Valley Homes Board member

Proceedings

Chairperson Gierlach declared a quorum present and opened the floor for public testimony. There being none, Chairperson Gierlach moved to item III. For Action.

For Action

Motion: **Establish Criteria and Procedures for the Hiring of a New Executive Director for the Hawaii Public Housing Authority and to Begin an Executive Director Search.**

Motion: **To go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(2), as related to personnel matters where consideration of matters affecting privacy will be involved.**

Chairperson Gierlach called for a motion to go into Executive Session at 9:09 a.m.

Director Shimizu moved and Director Espero seconded.

The motion was unanimously carried.

The Board moved out of Executive Session and the meeting reconvened at 9:28 a.m.

Chairperson Gierlach reported that during the Executive Session there was a brief discussion about process in terms of the nature of the search whether it should be local or national, the types of media involved, and the general qualifications of an executive director.

Director Thompson asked about the role of the Hawaii Public Housing Authority's (HPHA) Personnel Office and the Department of Human Services (DHS) in the recruitment process. Ms. Denise Wise, Executive Director introduced Ms. Shirley Befitel, Personnel Supervisor, who documents outlining the previous process to hire an executive director, which included a list of recruitment postings, a description of the screening and interview process, and the task force that was put together by the Board.

Director McManaman requested the position description and qualifications for the Executive Director position. Ms. Befitel clarified that the handout includes the position description ("Position Description"), selection instrument and interview questions. Director McManaman asked whether it would be appropriate for the executive search committee to review the qualifications, and present the Board with recommended changes and a hiring timeline.

Director Thompson asked if the U.S. Department of Housing and Urban Development (HUD) has additional qualifications. Ms. Wise explained that the Corrective Action Order (CAO) requires HUD concurrence on the hiring, but does not require approval of the Position Description. Ms. Wise suggested keeping HUD informed of the recruitment process. Ms. Barbara Arashiro, Executive Assistant, added that HUD will likely interview the selected applicant.

Director McManaman recommended appointing three members to the executive director search task force to review the Position Description, establish a timeline, and to advise the Board. Ms. Jennifer Sugita, Deputy Attorney General, commented that if a task force was appointed to perform these duties, there would be a delay in the hiring process.. Under the Sunshine Law, there must be at least three (3) meetings before the Board can take action. At the first Board meeting, the task force is created. At the second Board meeting, the task force presents its findings and recommendations to the Board, but the Board cannot discuss or take any action. At the third Board meeting, the Board may discuss and take action on the task force recommendations. As this may not accomplish what the Board needs in a timely manner, the other option would be for the Board to review, recommend changes , and approve the documents related to the Position Description, qualifications, hiring criteria and vacancy announcement during the Board meeting today. A task force could then be assigned to conduct the executive director search, hold interviews, and submit their recommendations to the Board.

Director McManaman requested to go over the Position Description, qualifications, management and development skills. Ms. Befitel added that a draft will be made and given to DHS Personnel to finalize and approve the Position Description.

Chairperson Gierlach called for a recess to allow the Board to review the documents related to the Position Description, Vacancy Announcement, and qualifications at 9:43 a.m. and the meeting reconvened at 9:52 a.m.

The Board continued the discussion to make changes to the Position Description.

Director Thompson asked Ms. Wise to describe the amount of time spent on managing public housing units versus the redevelopment of the Kuhio Park Terrace (KPT). Ms. Wise explained that she spent approximately 70 percent of her time maintaining and managing the properties and 30 percent on the KPT redevelopment, especially when making conference calls to the east coast due to the difference in time zones.

Director Yokoyama asked if the executive director supervises all the people on the list provided in the Position Description. Ms. Wise explained the positions, identified the staff occupying those positions, and updated the list. Director Yokoyama recommended that the executive director should supervise no more than 7-8 positions.

Director Shimizu, Chairperson Gierlach, and Director Yokoyama recommended several clarifications and housekeeping changes to the Position Description. The clarifications and changes to the Position Description are as follows:

- Page 1, Section II. 2nd paragraph, delete phrase "Teacher Housing Program".
- Page 2, Section II A. 4. 2nd line from the bottom of the paragraph, insert the phrase "the Governor's Office" after the word "with" and before the phrase "the Attorney General's Office".
- Page 2, Section II B. 4. Delete the phrase "for 400+ positions"
- Page 3, Under the title "Supervises:" delete Pos# and Title of Executive Assistant; change Secretary III to IV; remove delete Pos # and Title of Homeless Coordinator; change HCDCH to HPHA; delete "Special Assistant (to be redescribed)" and replace with "Personnel Supervisor/Special Assistant"; delete Pos# and Title of Homeless Programs Branch Administrator
- Page 3, Section III. First line, change "employee" to "Executive Director".

- Page 3, Section III. A. 1. 2nd to the last line change "employee" to "Executive Director".
- Page 4, Section III. B. 2. 1st line, change "employee" to "Executive Director". 2nd line, delete phrase "know and".
- Page 4, Section III. B. 1. Add the phrase "and applicable" after "Action Transmittals".
- Page 4, Section V. A. Delete the phrase "housing, slum reclamation and the rehabilitation of blighted areas" and replace with "real estate or housing, and rehabilitation and renovation of housing developments".
- Page 5 D. 1. In the third line, add the word "residential" before "housing" and add the phrase "or real estate development" after "operation,". The sentence should read: "... residential housing project construction and operation, or real estate development, including such activities as:"
- Page 5, in the paragraph "Supervisory Experience:", add the phrase "or real estate development" after the phrase "field of housing".
- Page 5 D. 2. In the third line of the paragraph "Managerial Experience:", replace the word "manpower" with "workforce".

Director Thompson moved, and Director McManaman seconded to approve the revisions to the Position Description for the Executive Director.

The motion was unanimously carried.

Chairperson Gierlach asked that the Board review the HPHA Anticipated Vacancy notice/document. The Board proposed the following revisions:

- In the paragraph "Supervisory Experience", 1st line, add the phrase "or real estate development" after "in the field of housing".
- In the paragraph "Managerial Experience", 2nd line, delete the phrase "a strong background in" and replace "familiar with".
- In the first paragraph, last line, delete the phrase "State's Public Housing Programs." and replace with "federal and state public housing programs."
- 2nd paragraph remove "dollars of state and federal funds" and add "...$120 million in operating budget, 6102 units..."
- In the "Education Requirement" paragraph, strike the entire sentence and replace with "Graduation from an accredited college or university or its equivalent in work experience.".
- 2nd paragraph, last line, delete the phrase "; and operates a statewide homeless assistance program".
- Last paragraph, delete 2nd sentence: "Salary is commensurate with training and experience."
- Second paragraph, 3rd line, after the phrase "Section 8", add "Housing Choice Vouchers and Project Based".
- Last paragraph, 3rd line, delete the sentence: "Continuous recruitment until need is met." In the last sentence, after the phrase "Personnel Office at 832-1864" add "Interested applicants must submit a resume by close of business November 4, 2011 (Hawaii Standard Time) to the following:"

- Second to the last paragraph, after "general community", continue sentence by adding the phrase "and must demonstrate compassion, sensitivity and fairness to tenants and low income." Also add this phrase to the Position Description.
- Add an email address to submit resumes.
- In the heading of the notice, delete the word "Anticipated" before the word "Vacancy".

Chairperson Gierlach called for a motion to approve the vacancy announcement as amended.

Director McManaman moved, and Director Shimizu seconded.

The motion was unanimously carried.

Chairperson Gierlach called for a motion to amend the previously approved Position Description of the Executive Director to include that the Executive Director "must demonstrate compassion, sensitivity and fairness to tenants and low income".

Director McManaman moved, and Director Shimizu seconded.

The motion was unanimously carried.

Chairperson Gierlach commented on the geographic scope of the advertisement. Suggestions were to advertise locally, statewide, nationwide, in the Public Housing Authority Director's Association (PHADA), Council of Large Public Housing Authorities (CLPHA), and other organizations that have public websites with no charge.

Chairperson Gierlach called for a motion to restrict the geographical reach to a statewide recruitment effort with the first advertisement.

Director Yokoyama moved, and Director McManaman seconded.

The motion was unanimously carried.

Chairperson Gierlach asked for volunteers or nominations to the task force. Director Yoshioka, Director Shimizu, and Director Espero were nominated.

Ms. Wise suggested that a tenant representative be on the task force. Director Shimizu commented that Director Kihano submitted a Letter of Resignation to the Governor.

Ms. Wise suggested that a senior HPHA management employee also be on the task force.

Ms. Sugita asked what the task force will be doing. Chairperson Gierlach clarified that the task force will receive and review resumes, review and revise the interview questions, conduct and have the authority to interview at their discretion, and recommend a short list of candidates to the Board.

For Discussion: Fulfilling Executive Director's function during position vacancy.

Chairperson Gierlach stated that Ms. Barbara Arashiro, Executive Assistant, would fill in during a vacancy in the Executive Director's position. Director Thompson inquired about the salary for the temporary appointment. Director McManaman requested that staff check as to whether the Board may increase the salary of the Executive Assistant to that of the Executive Director during the vacancy of the Executive Director position.

Chairperson Gierlach read a Proclamation for Ms. Wise expressing appreciation for her service.

Chairperson Gierlach called for a recess at 11:11 a.m. With no further business for the Board to conduct, the meeting adjourned at 11:13 a.m.

MINUTES CERTIFICATION

Minutes Prepared by:

Dionicia Piiohia | NOV 17 2011

Dionicia Piiohia
Secretary to the Board/Recording Secretary

Date

Approved by the HPHA Board of Directors at their Regular Meeting on November 17, 2011.

Jason Espero | NOV 17 2011

Jason Espero
Director/Board Secretary

Date

NEIL ABERCROMBIE
GOVERNOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
Honolulu, Hawaii 96817
FAX: (808) 832-4679

DENISE M. WISE
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

IN REPLY PLEASE REFER TO:

Proclamation

WHEREAS, Ms. Denise Wise served as the Executive Director for the Hawaii Public Housing Authority from March 1, 2010 to October 12, 2011; and

WHEREAS, Executive Director Wise brought with her a wealth of experience in the maintenance, modernization and financing of low income and affordable housing; and

WHEREAS, Executive Director Wise took positive steps to reinvigorate the agency working tirelessly with the Board and the staff to improve management and operations; and

WHEREAS, in her role as the Executive Director, Ms. Wise was passionate about improving the lives of the poor, the elderly, the immigrants and those we serve; and

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

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority wish Ms. Denise Wise the very best in her future endeavors and wish her a fond aloha on this 6th day of October 2011;

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

David Gierlach, Chairperson

Matilda A. Yoshioka, Vice Chair

Jason Espero, Secretary

Roger Godfrey, Member

Desiree Kihano, Member

Patricia McManaman, Member

Debbie Shimizu, Member

Travis Thompson, Member

Trevor Tokishi, Member

George Yokoyama, Member

HAWAII PUBLIC HOUSING AUTHORITY
MINUTES OF THE REGULAR MEETING
HELD AT 1002 NORTH SCHOOL STREET, BUILDING E,
HONOLULU, HAWAII 96817
ON THURSDAY, OCTOBER 20, 2011
IN THE COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority met for their Regular Board Meeting at 1002 North School Street, on Thursday, October 20, 2011 at 9:01 a.m.

The meeting was called to order by Chairperson David Gierlach and on roll call, those present and excused were as follows:

PRESENT:	Director David Gierlach, Chairperson Director Matilda Yoshioka, Vice-Chair Director Jason Espero, Secretary Director Debbie Shimizu Director Travis O. Thompson Director Trevor Tokishi Director George Yokoyama
	Acting Executive Director, Barbara E. Arashiro Deputy Attorney General, Jennifer Sugita Deputy Attorney General Nalani Wilson-Ku Deputy Attorney General John Wong
EXCUSED:	Director Roger K. Godfrey Director Desiree Kihano Director Patricia McManaman
STAFF PRESENT:	Clarence Allen, Fiscal Officer Nicholas Birck, Housing Planner Rick Sogawa, Contracts and Procurement Officer Stephanie Fo, Property Management & Maintenance Services Branch Chief Becky Choi, State Housing Development Administrator Kiriko Oishi, Housing Compliance and Evaluation Specialist Shirley Befitel, Personnel Supervisor Renee Blondin-Nip, Hearings Officer Deidra Ahakuelo-Kepa, Recording Secretary
OTHERS:	Fetu Kolio, Mayor Wright Homes Tenant Pius Casiano, Puahala Homes Tenant David Moakley, Ameresco

Ryan Okahara, U.S. Department of Housing and Urban Development
Michael Flores, U.S. Department of Housing and Urban Development
Marie Miguel-Cortez, U.S. Department of Housing and Urban Development

Proceedings:

Chairperson Gierlach declared a quorum present.

The business of the Board proceeded with approval of the Regular Meeting Minutes of September 22, 2011. Director Yoshioka moved and Director Thompson seconded to approve the minutes.

The minutes were unanimously approved.

The approval of the Executive Session Minutes of September 22, 2011 and October 6, 2011 were deferred until later in the meeting.

Public Testimony

Mr. Fetu Kolio, Mayor Wright Homes tenant testified that residents continue to drink in common areas, make loud noises, and park in other tenants' stalls even with the 10:00 p.m. "quiet time" rule recently put in place. He explained that he witnessed this activity near his unit and also while doing community security patrol. He alleged that security guards allow unauthorized vehicles to enter the premises. He alleged that a security guard (withheld name due to privacy rules) congregates with troubled residents during his off-duty hours and has favoritism towards his friends. He stated that he brought his concerns to the security company, but was told that nothing can be done because this person has strong ties with Management. He feels that this security officer does not follow proper protocol when reporting incidents.

Director Yoshioka asked if he discussed his concerns with Management and if today's testimony is that Management is not dong anything for him.

Mr. Kolio responded that he addressed his concerns with the former Executive Director Denise Wise, and also at a meeting two weeks ago with the Managers. He feels that HPHA is well aware of the issues, and this individual continues to behave like he is "untouchable".

For Action:

Motion: **To Authorize the Executive Director to Conduct Public Hearings on Proposed Revisions to Section 17-2021, Hawaii Administrative Rules, Removing State Housing Projects from the Federal Grievance Procedure for the Hawaii Public Housing Authority ("HPHA").**

Director Yoshioka moved and Director Shimizu seconded.

Chairperson Gierlach requested to consolidate Agenda Item IV. A. with Agenda Item VI. C. For Discussion/Information: Medical Use of Marijuana in Federal and State Public Housing Projects.

Ms. Barbara E. Arashiro, Acting Executive Director explained that the For Action is mainly for housekeeping measures. The For Discussion/Information relating to Medical Use Marijuana is the clarification of definition in the Hawaii Administrative Rules (HAR) to include that drug related criminal activity includes the use of a controlled substance as defined in the Uniformed Controlled Substances Act.

Ms. Jennifer Sugita, Deputy Attorney General stated that the entire HAR as presented to the Board today has been reviewed by the Attorney General's office; however what was not reviewed or included is the definition of drug related criminal activity in relation to the use of medical marijuana in federal public housing. At the time of the review, the issue of the medical use of marijuana in public housing was not before the Board. She explained that if the Board decides to ban the use of medical marijuana, the Attorney General and the Hawaii Public Housing Authority are proposing to include the medical use of marijuana in the definition of "drug related criminal activity" in the HAR..

Director Yoshioka asked if it would be included as a prohibited act in both the State and Federal public housing.

Ms. Sugita responded affirmatively.

Director Shimizu stated that medical use marijuana is legal in the State of Hawaii, but if it could be separated because of the federal law.

Ms. Sugita clarified that this specific amendment to the HAR 17-2021-23 is for the federal projects.

Ms. Arashiro explained that the State public housing is governed by the Landlord-Tenant Code and that there is a clear distinction from the federal public housing. Federal public housing program goes through an administrative hearing process and not to the courts. She also clarified that we want to remove the State public housing from the federal grievance process.

Chairperson Gierlach stated that his understanding is that the HAR will continue to apply to the State public housing properties and that it will not provide the grievance process because the Landlord-Tenant Code applies to State properties.

Ms. Sugita mentioned that in February 2011 the U.S. Department of Housing and Urban Development (HUD) came out with guidelines for medical use marijuana for Federal public housing, requiring Public Housing Authorities (PHA) to create a policy regarding the medical use of marijuana. HUD ordered PHAs to not admit medical marijuana users and to make amendments to the Admissions and Continued Occupancy Policy (ACOP). Also with respect to fair housing and discrimination issues, medical use marijuana is not a Reasonable Accommodation.

Director Thompson asked if the timeline would be affected if this item is tabled.

Mr. Nicholas Birck, Housing Planner explained that we could move forward with the draft and at a later date do a single amendment on the definition section once we have a policy on medical use marijuana. Tabling the For Action item would derail the amendment. Mr. Birck suggested we move forward with the draft and would be able to make definitional changes at a later date.

Ms. Arashiro mentioned that in addition to the amendment, we would also need to make changes to the ACOP, PHA Plan and possibly other administrative rules. It may also include notice to tenants, allow for public comment and Board approval.

The motion was unanimously carried.

<u>For Action</u>:

Motion: To Adopt Revisions to the HPHA's Policy on Communication

Director Thompson moved and Director Yoshioka seconded.

Ms. Arashiro explained that a revised Communication Policy was brought to the Board in July 2011 and the Board requested revisions to clarify that inquiries from the media should be channeled through the Office of the Executive Director; there are no other changes to the Policy.

Director Yokoyama mentioned that there may be miscommunication between top level and middle level management.

Chairperson Gierlach responded that this Policy is not relating to communication within the HPHA.

The motion was unanimously carried.

<u>Reports</u>:

Chairperson Gierlach requested that the Board Task Force Reports, Personnel Reports and Program Status Reports be deferred and discussed in Executive Session later in the meeting.

<u>Executive Director's Report</u>:

Ms. Arashiro explained that there was a format change listing: 1) accomplishments for the month; 2) activity that will undertake the following month; and 3) follow up responses to previous Board meetings.

Chairperson Gierlach requested to defer the Executive Director's Report and move to Agenda Item VI. B. Presentation/Training by the U.S. Department of Housing and Urban Development since officials from the U.S. Department of Housing and Urban Development (HUD) just arrived at the meeting.

Chairperson Gierlach called for a recess at 9:43 a.m. and reconvened at 9:50 a.m.

For Discussion/Information:

Discussion: Presentation/Training by the U.S. Department of Housing and Urban Development.

Chairperson Gierlach expressed his appreciation to the HUD officials for attending and providing the presentation.

Mr. Michael Flores, Director of the Office of Pubic and Indian Housing (PIH) stated that they appreciated the opportunity to speak with the Board about HUD's programs. He introduced Mr. Ryan Okahara, Honolulu Field Office Director and Ms. Marie Miguel-Cortez of the local HUD office.

Mr. Okahara thanked the Board for allowing them the opportunity to present an overview of their programs, and also thanked the Board for serving the Hawaii Public Housing Authority. Mr. Okahara and Mr. Flores presented the power point presentation (refer to handout) that covered an overview of HUD programs including the following:

- Objectives of the Briefing
- Current HUD Organization
- HUD's Mission
- HUD's Strategic Goals
- U.S. Housing Act of 1937
- Public Housing Authority
- HPHA Public Housing
- Asset Management
- Public Housing Objectives
- Public Housing Assessment System
- FY 2010 Scores
- Housing Choice Voucher
- Section 8 Management Assessment Program
- Board Oversight Priorities
- Redevelopment of Public Housing
- Rental Assistance Demonstration

Director Jason Espero entered the meeting at 10:01 a.m.

Mr. Flores mentioned based on the Public Housing Assessment System (PHAS) Score for FY 2010 that was reported on September 15, 2011, the HPHA is designated as a "troubled" PHA. The HPHA did not file an appeal that was due 30 days from receipt of report. HUD anticipates receiving the list of Housing Authorities designated as troubled in January 2012 and will work with the PHAs and enter into a Recovery and Sustainability Agreement.

Mr. Flores summarized the Housing Choice Voucher program and explained that a voucher holder is able to rent a unit in the marketplace and would pay 30% of their income for rent, and the HPHA, as the administrator of the program, provides the owner with the Housing Assistance Payments. The optimal utilization of funding is the number one emphasis for this program. The HPHA is considered a high performer for the Section 8 program.

Asset Management Project (AMP) is critical for public housing as a result of the Quality Housing and Work Responsibility Act (QHWRA) 1998. It is a grouping of projects into developments and HUD funds the developments. The HPHA has not yet fully implemented Asset Management.

Mr. Flores presented a handout listing current data listing the number of days the units are vacant. HUD will be working with HPHA staff with a plan of action to address the vacant units.

Director Yoshioka asked if the units for demolition and modernization are included.

Mr. Flores responded negatively and mentioned that 26 are approved for non residential use, 16 are approved for modernization and 56 are approved for demolition.

Mr. Flores suggested that the Board should review the plan and determine if they would like to continue with the units that are approved for demolition.

Director Gierlach stated that it seems that there has been a break down when it comes to the kind of oversight and accountability, especially when reviewing the handout from HUD that listed vacant unit for over 2000 days. He further stated that he is not finding fault but would like to set up a system of accountability and assist the staff to resolve this.

Mr. Flores reported in regards to the Condition of Units and Projects, a re-count of the 16 AMPs for the 2011 Real Estate Assessment Center (REAC) scores, refer to handout. The Kekaha project score was adjusted to 61. He mentioned that three of 16 Developments failed which also means that 13 of the 16 passed of which eight scored 70 or better.

Mr. Flores mentioned in regards to the Capital Fund Program, the HPHA is given two years to obligate and four years to expend funds. Refer to handout for a current summary. The HPHA received a seven month extension. Depending on Congress, funding may be an issue for future programs.

The HOPE VI and Choice Neighborhood Initiatives have also been programs to transform public housing; however the programs may be affected due to limited funding in the future.

Mr. Flores mentioned in regards to Integrated Pest Management (IPM) in public housing projects, it is important and will require residents' involvement. Three ways in dealing with pests: 1) remove the food source; 2) plug or patch the holes; and 3) use limited amount of pesticide.

Mr. Flores mentioned in regards to Rental Assistance Demonstration, this would allow HUD to use the operating subsidy and Capital Funds that are being provided to the public housing developments and transform that type of assistance into some voucher type or program. It would provide the power of Net Operating Income. Palolo Homes is an excellent example.

Ms. Kim Nash is HUD's regional counsel and has offered to do Ethics Training for the Board tentatively scheduled for the November Board meeting.

Mr. Flores and Mr. Okahara offered to attend future Board meetings and provide updates. The Board gladly accepted and suggested they attend every quarter. Ms. Arashiro will coordinate the schedule with HUD and include on future Board agendas.

Chairperson Gierlach called for a recess at 11:11 a.m. and reconvened at 11:37 a.m.

Chairperson Gierlach mentioned that the meeting would continue with Agenda Item V. B. Staff Reports, Executive Director' Report.

Executive Director's Report

Ms. Arashiro explained that Ms. Stephanie Fo is the Branch Chief for the Property Management and Maintenance Services Branch and also overseeing the Section 8 Subsidy Programs Branch, which are both major programs for the Authority.

Ms. Arashiro pointed out that the handout from HUD designating the HPHA as a troubled PHA is from the 2010 PHAS score for Fiscal Year ending June 30, 2010. The 2011 scores have not yet been issued.

Ms. Arashiro mentioned that staff is submitting database adjustments for the new physical report for FY 2011, that was handed out by HUD. The HPHA has 45 days to appeal after receipt of the actual score.

Chairperson Gierlach asked if we should have filed an appeal for the 2010 PHAS score.

Ms. Arashiro responded that the Authority just received the report in September 2011 and that eight of the 16 AMPs failed and although the Authority submitted database adjustments at that time, the scores still stand. She believed that an appeal will not have changed the scores a year and half later.

Ms. Arashiro mentioned that once the HPHA is under the Recovery and Sustainability Agreement with HUD, it will require a tremendous amount of staff time for meetings, reports, etc.

Director Thompson asked if we knew when the 2011 scores would be out and what would happen if we are not designated as troubled.

Ms. Arashiro responded that HUD did not provide the agency with that information. She also mentioned that they changed the PHAS criteria between 2010 and 2011, so PHAs are rated on different categories.

Ms. Arashiro explained that the difficulty for the staff is prioritizing and addressing the concerns. For example, they may be using all of their resources fixing the vacant units, but still fail REAC because as reported by HUD during their presentation one project failed due to site conditions. These are considerations for the Board Capital Planning Task Force to consider.

Director Yokoyama commented that there must be a waiting list for public housing.

Ms. Arashiro responded that the waitlist is estimated at 9,000 to 11,000 families.

Director Thompson commented that the issue is not the waitlist, but that the units are not ready for move-in.

Ms. Arashiro handed out the HPHA's report on Vacant Units.

Chairperson Gierlach mentioned that there is a community group called VIP that organizes and coordinates various volunteers to prepare (clean up or painting) units for occupancy.

Ms. Arashiro mentioned that they did some units for the privately management AMPs and that the maintenance staff completed the repairs for occupancy. The volunteers are limited in the type of work that they can perform. They are mainly used for privately-managed AMPs, rather than AMPs that employ government workers due to union issues that need to be resolved. Staff met with the United Public Workers union on those two events.

Director Espero asked if something could be done at the legislative level to create a law allowing volunteers to renovate units.

Ms. Arashiro responded that it may require civil service reform.

Ms. Stephanie Fo mentioned that the contract for the privately managed AMPs requires them to fix the vacant units, and that there are sanctions if they are not performing. In the past, the agency has withheld management fees and terminated agreements for non-compliance.

Chairperson Gierlach asked for clarification of vacant units from the handout from HUD versus the handout from the HPHA.

Ms. Arashiro stated that this is the first time that staff saw HUD's handout and that they don't believe the list included the Type C (require major renovation or repairs outside of the scope of the maintenance person) units assigned to the Construction Management Branch.

Director Yokoyama asked how long the private management contracts are.

Ms. Arashiro responded that the contracts are for two years with three one-year options to renew. The contract cannot exceed five years.

Discussion ensued regarding the vacant unit lists and that the numbers don't match the HUD report. Ms. Fo reported that the Property Management monitors go out to the properties and look at each vacant unit.

Director Tokishi suggested that staff should have the opportunity to respond and comment on each unit since this is the first time that they viewed the report. Staff will present a report at the November Board meeting. Chairperson Gierlach thanked the staff and mentioned that the Board would need to focus on this area.

Director Thompson asked for the status of the personnel vacancies and hiring.

Ms. Arashiro responded that there are an estimated 100 vacant positions agency-wide. However, there is a concern if the agency is able to sustain that with HUD's budget. She mentioned that another concern would be if the type of position is suited for the specific AMP.

Chairperson Gierlach stated that he is sympathetic to the personnel concerns and understands that there is a process, however he feels that the AMP Managers should notify upper level management on what their needs are and that it doesn't seem like that is happening. He also commented that he appreciated what staff is doing and that the Board just wants to get a handle on the organization and fix it.

Director Yoshioka commented that she received complaints from the general public about the condition of the public housing properties on Kauai, specifically Hui O Hanamaulu and Eleele Homes. There are abandoned vehicles on both properties. Property Management will follow up with these concerns.

Director Tokishi asked for clarification on the financials.

Mr. Clarence Allen, Fiscal Officer referred to the handout for July and August.

Director Tokishi noted a correction to page 70, Variance should be 8% and not .08%.

Ms. Arashiro referred to another handout about the possibility of HUD intending to recapture operating reserves from public housing authorities for the previous fiscal year.

Director Yoshioka asked if HUD provided guidance and if there is a cap on the reserves.

Ms. Arashiro responded that there is no cap and they generally look for the housing authority to have four months of operating reserves.

Director Shimizu asked for the status of the Board vacancies, in particular the Resident Board member.

Ms. Arashiro responded that the HPHA did not receive official word from the Office of the Board and Commissions on acceptance of Desiree Kihano's resignation. The Resident Advisory Board (RAB) would need to submit the nominations to the Governor for his consideration.

Director Shimizu asked if the Governor would be able to use the previous list, or if a new list would need to be submitted.

Ms. Sugita mentioned that the current statute requires five nominees from the RAB. Ms. Sugita stated that she would check, but she believed that the RAB needed to submit a new list containing five (5) names to the Governor, and could not use the previous list.

Director Shimizu requested an update on the Weed and Seed Program.

Ms. Arashiro mentioned that staff is working with the Department of Public Safety and that a draft of the lease is being reviewed by their Counsel and Union. She stated that the HPHA will still need to set up the selection process and submit a request to HUD to deprogram a unit for a police officer occupancy that will be done concurrently.

Director Shimizu asked for the status of the Memorandum of Understanding (MOU).

Ms. Arashiro responded that she requested for a sample copy from Ms. Maile Shimabukuro that was previously used at Mayor Wright Homes and is awaiting a response.

Director Shimizu asked for the status in regards to the seven month extension for the Capital Fund.

Ms. Arashiro responded that the rules require that we obligate 90% of the grant before the due date and we're currently at 93%, therefore we met the obligation. She further stated that the expenditure deadline is two years from now plus the additional seven months.

Director Yokoyama asked if we could contract the work out to fix the vacant units since the construction industry is slow.

Ms. Arashiro responded that the units that require major repairs and qualify for the Capital Fund Program or the Capital Improvement Program (CIP) are contracted out.

Director Tokishi asked if it could be contracted out for normal AMP repairs.

Ms. Arashiro responded that it would be a violation of the union's collective bargaining agreement for government AMPS with civil service employees.

Director Shimizu requested staff to update the Board regarding the meeting with the Department of Budget and Finance (B&F) and also the meeting with Representative Pono Chong.

Ms. Arashiro mentioned that staff met with Representative Chong to primarily discuss the status of the CIP expenditures and also the proposed conversion of the existing CIP appropriation to a lump sum CIP during the next legislative session. Representative Chong mentioned that he didn't think the legislature would support it without B&F concurrence.

Mr. Birck reported that staff met with officials from B&F on September 26, 2011 and they are currently reviewing our proposal.

Ms. Arashiro mentioned the discussion with B&F were mainly about three major issues: 1) Request to use a portion of the State CIP monies to cover associated costs; 2) Request to convert the individual appropriations into a lump sum award which would allow us more flexibility; and 3) Hiring constraints.

Director Yoshioka requested to include the Hearing Office status report in the Executive Director's Report.

Motion: **To go into Executive Session at 12:34 p.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 personnel to discuss:**

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

2. **Staff Reports: Program Status Reports, including Vacant Unit Report.**

3. **Approval of Minutes Executive Session, September 22, 2011 and October 6, 2011.**

To go into Executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys or questions and issues pertaining to the Board's powers, duties, privileges, immunities and liabilities as related to:

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

2. **For Discussion: Management Audit of the HPHA by the Office of the Auditor, State of Hawaii.**

Director Thompson moved and Director Yoshioka seconded.

The motion was unanimously carried.

The Board reconvened from Executive Session at 1:27 p.m.

Chairperson Gierlach explained that during the Executive Session the Board considered and approved personnel matters of adjusting the Acting Executive Director salary so that it matched the former Executive Director's salary.

Chairperson Gierlach requested to amend the Agenda to add the Salary Adjustment of the Acting Executive Director to the Agenda. All of the members agreed.

Ms. Sugita clarified that during Executive Session a motion to increase the salary was approved and unanimously carried.

Chairperson Gierlach deferred Item VI. F. For Discussion: Location of HPHA Board Meetings and Possible Alternate Sites or Rotation at Public Housing Complexes, to the November Board meeting,

The meeting adjourned at 1:29 p.m.

MINUTES CERTIFICATION

Minutes Prepared by:

Deidra L. Ahakuelo-Kepa
Recording Secretary

NOV 17 2011
Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on NOV 17 2011.

Jason Espero
Director/Board Secretary

NOV 17 2011
Date

Approved by the Acting Executive Director
November 17, 2011

FOR ACTION

MOTION: To Approve the Hawaii Public Housing Authority's Five Year Capital Plan for the Period July 2012 to June 2017

I. FACTS

A. The Capital Fund Program provides funds annually to Public Housing Agencies (PHAs) for capital and management activities, including modernization and development of public housing.

B. Use of the funds is subject to the completion of a Physical Needs Assessment (PNA) every five years, completion of the Environmental Review (ER) requirements, an approved Annual Plan (or Annual Statement) and approved Five-Year Action Plan.

C. The funds may be used for the development, financing and modernization of public housing developments, capital planning activities, vacancy reduction, non-routine maintenance, addressing accessibility needs, security and safety measures, energy conserving measures, hazmat abatement and for management improvements.

D. The funds may not be used for luxury improvements, direct social services, costs funded by other programs, and ineligible activities as determined by HUD on a case-by-case basis.

E. For the past several years, the Capital Fund Program has provided the HPHA with approximately $12M annually for capital improvements. However due to the current state of the economy, the 2011budget was reduced to a little more than $10M. Therefore, the HPHA is projecting the decreased annual amount forward for the next five years as well. In future years, if the amount of capital funds are reduced, the HPHA will submit revised capital fund budgets to HUD as appropriate.

F. The FY 2012 – 2017 Five Year Capital Plan modifies and updates the projects identified in the Capital Plan portion of the 2009 – 2014 Five Year and Annual Plan as approved by the Board on April 16, 2009 and the modifications and updates as identified in the FY 2011 – 2012 Annual Public Housing Agency (PHA) Plan as approved by the Board on March 17, 2011.

II. DISCUSSION

A. In order to determine the priority of projects to be budgeted with the Capital Fund Program, the HPHA holds several meetings with key staff members: the Executive Director, Executive Assistant, Property Management Branch Chief, Fiscal Officer, Budget Analyst, Planner, Procurement Officer, and the Construction Management Branch Chief.

B. Additionally, prior to the Capital Fund Program planning meetings with key staff, the Construction Management Branch Chief also holds several meetings with the engineering and inspection staff who work closely with the AMP Managers regarding their capital needs.

C. The HPHA key staff reviews the priorities as identified in the Physical Needs Assessment and Energy Audit (which is performed every five years and was last performed in 2007-2008), the CIP appropriations and the Capital Planning Spreadsheet, input from the Property Management Branch and input from the Construction Management Branch.

D. Projects are prioritized by Health and Life Safety issues, conformance and compliance to codes and regulations (such as those imposed by the Environmental Protection Agency, the Hawaii Department of Health, the Americans with Disabilities Act, the Fire Department, State and Federal statutes, rules and regulations, etc.), legal settlement agreements, issues that impact the building structure (leaking roofs, concrete crack and spall repair, etc.), energy efficiency measures and the history of deferred maintenance at the various projects.

E. Additionally, development opportunities (public-private partnerships, special funding availability, etc.), market trends, social-economic developments (Transit Oriented Development impacts) and various other situations or opportunities that may present themselves are considered.

F. Finally, since emergencies are unforeseen, the PHA Plan also identifies that all projects are candidates for the use of Capital Funds.

III. STAFF RECOMMENDATION

That the HPHA Board of Directors approve the Hawaii Public Housing Authority's Five Year Capital Plan for the Period July 2012 to June 2017

Attachment A:	Five Year Capital Plan for the Period July 2012 to June 2017
Attachment B:	Executive Summary of the 2008 Physical Needs Assessment and Energy Audit
Attachment C:	Capital Planning Spreadsheet (which shows all funding sources)

Prepared by: Becky L. Choi, State Housing Development Administrator

Adopted:

David Gierlach, Chair

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							FEDERAL PLANNED CFP PROJECTS (Included in HPHA's Five Year Plan)				
Amp	**SEN**	**HSE**	**Project Title**	**D/C/B**	**S/F/O**	**Status**	**722**	**723**	**724**	**725**	**726**
30	20	42	Salt Lake Apartment and Elevator Renovation (1) Plus Install (1) New Elevat	C	F	Open		2,500,000			
30	18	36	Hale Laulima, Major Mod (Const)	C	F	Open			1,262,823		
30	18	36	Hale Laulima, Major Mod (Design)	D	F	Open			900,000		
30	18	36	Hale Laulima, Major Mod (Const)	C	F	Open				2,737,177	
31	14	30	Kalihi Valley Homes, Reconstruct Kalena Drive (Const)	C	F	Open			1,000,000		
32	12	28	Mayor Wright Homes, Modernization - Ph 1 (Const)	C	F	Open			404,478		
32	12	28	Mayor Wright Homes, Modernization - Ph 1 (Const)	C		Open					1,144,000
32	12	28	Mayor Wright Homes, Modernization - Ph 2 (Const)	C		Open					4,693,177
35	11	25	Pumehana, Makamae & Punchbowl Homes Interior & Exterior Repairs, Tras	C	F	Open			300,000		
38	7	15	Hui O Hanamaulu, Physical Improvements (Const)	C	F	Open	1,916,051				
39	4	8	Piilani Homes, Physical Improvements (Const)	C	F	Open	1,400,000				
43	3	6	Hale Hookipa Physical Improvements to Exterior Repairs and Interior Moder	D	F	Open			300,000		
43	3	6	Hale Hookipa Physical Improvements to Exterior Repairs and Interior Moder	C	F	Open				3,000,000	
43	3	5	Nani Olu, Additional Parking (Design)	D	F	Open				100,000	
50	9	20	Palolo Valley Homes Physical Improvements Ph2 (Const)	C	F	Open	1,021,126				
50	9	20	Palolo Valley Homes Physical Improvements Ph3 (Const)	C	F	Open	1,500,000				
50	9	20	Palolo Valley Homes Physical Improvements Ph3 (Const)	C	F	Open		1,757,053			
50	9	20	Palolo Valley Homes Physical Improvements Ph4 (Const)	C	F	Open		1,580,124			
50	9	20	Palolo Valley Homes Physical Improvements Ph4 (Const)	C	F	Open			1,669,876		
PHA			**PHA Wide CMS Support Services Technical Salaries (Const)**	**C**	**S/F**	**Open**	**300,000**				
PHA			**PHA Wide CMS Support Services Technical Salaries (Const)**	**C**	**S/F**	**Open**		**300,000**			
PHA			**PHA Wide CMS Support Services Technical Salaries (Const)**	**C**	**S/F**	**Open**			**300,000**		
PHA			**PHA Wide CMS Support Services Technical Salaries (Const)**	**C**	**S/F**	**Open**				**300,000**	
PHA			**PHA Wide CMS Support Services Technical Salaries (Const)**	**C**	**S/F**	**Open**					**300,000**
			BLI 1406 Operations (may not exceed 20% of Grant)				2,060,380	2,060,380	2,060,380	2,060,380	2,060,380
			BLI 1408 Management Improvements				250,000	250,000	250,000	250,000	250,000
			BLI 1410 Administration (may not exceed 10% of Grant)				1,030,190	1,030,190	1,030,190	1,030,190	1,030,190
			BLI 1411 Audit								
			BLI 1495.1 Relocation Costs								
			BLI 1502 Contingency (may not exceed 8% of Grant)				823,472	823,462	823,502	823,472	823,452
			PHA WIDE ADA, 1460, Vacant Units, Place Holder ON 5 YEAR PLAN				680	690	650	680	700
							10,301,898	10,301,898	10,301,898	10,301,898	10,301,898

Part I: Summary						
PHA: Hawaii Public Housing Authority/HI001			Locality: Honolulu/Hawaii		☒ Original 5-Year Plan ☐ Revision No:	
A.	Development Number and Name: **Hawaii Public Housing Authority HI001**	Work Statement for Year 1 FFY 2012	Work Statement for Year 2 FFY 2013	Work Statement for Year 3 FFY 2014	Work Statement for Year 4 FFY 2015	Work Statement for Year 5 FFY 2016
B.	Physical Improvements Subtotal	**Annual Statement** 6,137,857	6,137,867	6,137,827	6,137,857	6,137,877
C.	Management Improvements	250,000	250,000	250,000	250,000	250,000
D.	PHA-Wide Non-dwelling Structures and Equipment					
E.	Administration	1,030,190	1,030,190	1,030,190	1,030,190	1,030,190
F.	Other	823,472	823,462	823,502	823,472	823,452
G.	Operations	2,060,380	2,060,380	2,060,380	2,060,380	2,060,380
H.	Demolition					
I.	Development					
J.	Capital Fund Financing – Debt Service					
K.	Total CFP Funds	10,301,898	10,301,898	10,301,898	10,301,898	10,301,898
L.	Total Non-CFP Funds					
M.	Grand Total	10,301,898	10,301,898	10,301,898	10,301,898	10,301,898

Part I: Summary (Continuation)

PHA: Hawaii Public Housing Authority/HI001			Locality: Honolulu/Hawaii		☒ Original 5-Year Plan ☐ Revision No:	
A.	Development Number and Name	Work Statement for Year 1 FFY 2012	Work Statement for Year 2 FFY 2013	Work Statement for Year 3 FFY 2014	Work Statement for Year 4 FFY 2015	Work Statement for Year 5 FFY 2016
		Annual Statement				
AMP 30						
1026	Puuwai Momi	10	10	10	10	10
1027	Hale Laulima	10	10	2,162,823	2,737,177	10
1038	Waipahu I	10	10	10	10	10
1039	Waipahu II	10	10	10	10	10
1066	Salt Lake	10	2,500,000	10	10	10
AMP 31						
1005	Kalihi Valley Homes	10	10	1,000,000	10	10
AMP 32						
1003	Mayor Wright Homes	10	10	404,478	10	5,837,177
AMP 33						
1009	Kaahumanu Homes	10	10	10	10	10
1099	Kamehameha Homes	10	10	10	10	10
AMP 34						
1012	Makua Alii	10	10	10	10	10
1036	Paoakalani	10	10	10	10	10
1062	Kalakaua Homes	10	10	10	10	10
AMP 35						
1011	Punchbowl Homes	10	10	10	10	10
1024	Kalanihuia	10	10	10	10	10
1046	Makamae	10	10	10	10	10
1047	Pumehana	10	10	300,000	10	10
1073	Spencer House	10	10	10	10	10
AMP 37						
1004	Lanakila Homes I	10	10	10	10	10
1013	Lanakila Homes II	10	10	10	10	10
1014	Lanakila Homes III	10	10	10	10	10
1028	Punahele Homes	10	10	10	10	10
1029	Pomaikai Homes	10	10	10	10	10

Capital Fund Program—Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Expires 4/30/20011

Part I: Summary (Continuation)

PHA: Hawaii Public Housing Authority/HI001			Locality: Honolulu/Hawaii		☒ **Original 5-Year Plan** ☐ **Revision No:**	
A.	Development Number and Name	Work Statement for Year 1 FFY 2012	Work Statement for Year 2 FFY 2013	Work Statement for Year 3 FFY 2014	Work Statement for Year 4 FFY 2015	Work Statement for Year 5 FFY 2016
		Annual Statement				
1045	Pahala	10	10	10	10	10
1051	Hale Aloha O'Puna	10	10	10	10	10
1052	Hale Olaloa	10	10	10	10	10
1097	Kauhale O'Hanakahi	10	10	10	10	10
1104	Lanakila Homes IV	10	10	10	10	10
AMP 38						
1018	Kapaa	10	10	10	10	10
1019	Hale Hoolulu	10	10	10	10	10
1020	Eleele Homes	10	10	10	10	10
1021	Hui O'Hanamaulu	1,916,051	10	10	10	10
1022	Kalaheo	10	10	10	10	10
1023	Home Nani	10	10	10	10	10
1054	Hale Nana Kai O'Kea	10	10	10	10	10
1055	Hale Hoonanea	10	10	10	10	10
1064	Kekaha Haaheo	10	10	10	10	10
1086	Kawailehua – Federal	10	10	10	10	10
AMP 39						
1016	David Malo Circle	10	10	10	10	10
1017	Kahekili Terrace	10	10	10	10	10
1044	Piilani Homes	1,400,000	10	10	10	10
1088	Kahale Mua	10	10	10	10	10
1092	Makani Kai Hale	10	10	10	10	10
1097	Makani Kai Hale II	10	10	10	10	10
AMP 40						
1007	Kuhio Homes	10	10	10	10	10
1010	Kuhio Park Terrace	10	10	10	10	10
AMP 43						
1032	Kaimalino	10	10	10	10	10
1053	Hale Hookipa	10	10	300,000	3,000,000	10
1061	Ka Hale Kahaluu	10	10	10	10	10

Part I: Summary (Continuation)

PHA: Hawaii Public Housing Authority/HI001			Locality: Honolulu/Hawaii		☒ Original 5-Year Plan	☐ Revision No:
A.	Development Number and Name	Work Statement for Year 1 FFY 2012	Work Statement for Year 2 FFY 2013	Work Statement for Year 3 FFY 2014	Work Statement for Year 4 FFY 2015	Work Statement for Year 5 FFY 2016
		Annual Statement				
1063	Nani Olu	10	10	10	100,000	10
1070	Kealakehe	10	10	10	10	10
AMP 44						
1033	Maile I	10	10	10	10	10
1035	Nanakuli Homes	10	10	10	10	10
1057	Waimaha Sunflower	10	10	10	10	10
1091	Kauiokalani	10	10	10	10	10
1108	Maile II	10	10	10	10	10
AMP 45						
1025	Waimanalo Homes	10	10	10	10	10
1030	Koolau Village	10	10	10	10	10
1069	Kaneohe Apartments	10	10	10	10	10
1072	Hookipa Kahaluu	10	10	10	10	10
1090	Kauhale O'Hana	10	10	10	10	10
1107	Waimanalo Homes II	10	10	10	10	10
AMP 46						
1031	Hale Hauoli	10	10	10	10	10
1071	Noelani I	10	10	10	10	10
1078	Noelani II	10	10	10	10	10
1097	Ke Kumu Ekolu	10	10	10	10	10
AMP 49						
1015	Wahiawa Terrace	10	10	10	10	10
1050	Kupuna O'Hana	10	10	10	10	10
1056	Kauhale Nani	10	10	10	10	10
AMP 50						
1008	Palolo Valley Homes	2,521,126	3,337,177	1,669,876	10	10
PHAWID						
	ADA Compliance	10	10	10	10	10
	Type C Units	10	10	10	10	10

Part I: Summary (Continuation)						
PHA: Hawaii Public Housing Authority/HI001			Locality: Honolulu/Hawaii		☒ **Original 5-Year Plan** ☐ **Revision No:**	
A.	Development Number and Name	Work Statement for Year 1 FFY 2012	Work Statement for Year 2 FFY 2013	Work Statement for Year 3 FFY 2014	Work Statement for Year 4 FFY 2015	Work Statement for Year 5 FFY 2016
		Annual Statement				
	CMS Support Services Technical Salaries (Const)	300,000	300,000	300,000	300,000	300,000

027

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: Replacement Housing Factor Grant No: Date of CFFP:	**FFY of Grant: 2012** **FFYof Grant Approval: 2012**

Type of Grant

☐ **Original Annual Statement** ☐ **Reserve for Disasters/Emergencies** ☐ **Revised Annual Statement (revision no:)**

☐ **Performance and Evaluation Report for Period Ending:** ☐ **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	250,000	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	6,137,857	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)	823,472	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**	**FFY of Grant: 2012**
	Capital Fund Program Grant No:	**FFYof Grant Approval: 2012**
	Replacement Housing Factor Grant No:	
	Date of CFFP:	

Type of Grant

☐ **Original Annual Statement** ☐ **Reserve for Disasters/Emergencies** ☐ **Revised Annual Statement (revision no:)**

☐ **Performance and Evaluation Report for Period Ending:** ☐ **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 **Signature of Public Housing Director**

[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.

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form **HUD-50075.1** (4/2008)

Part II: Supporting Pages

PHA Name: Hawaii Public Housing Authority	**Grant Type and Number** Capital Fund Program Grant No: CFFP (Yes/ No): No Replacement Housing Factor Grant No:					**Federal FFY of Grant: 2012**		
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]	
38/1021 Hui O Hanamaulu (Federal) Physical Improvements (Const)	Site and Dwelling Improvements, ADA & 504 (Interior & Exterior) Exterior Repairs, Exterior Paint, Re-Roof, Hurricane Ties, Fall Protection, Gutters & Downspouts, Window Replacement, Interior Renovation & Paint, Kitchen & Bath Renovation, Parking Lot Work (Const)	1460		1,916,051				Planning
39/1044 Piilani Homes, Physical Improvements (Const)	Site and Building Improvements for ADA accessibility, hazmat abatement, Interior renovation, including kitchen and bath, replace waterline	1460		1,400,000				Planning
50/1008 Palolo Valley Homes Physical Improvements Ph2 (Const)	Comprehensive MOD including interior and exterior renovations, electical, plumbing, baths, kitchens, windows, floors, ADA, site drainage, parking, sidewalks, landscaping, hazmat, etc. (Const)	1460		1,021,126				Planning
50/1008 Palolo Valley Homes Physical Improvements Ph3 (Const)	Comprehensive MOD including interior and exterior renovations, electical, plumbing, baths, kitchens, windows, floors, ADA, site drainage, parking, sidewalks, landscaping, hazmat, etc. (Const)	1460		1,500,000				Planning
PHA-Wide	PHA Wide Funding Place Holder for Remaining AMP/Projects (Const/Design)	1460		660				Planning
PHA-Wide	PHA Wide ADA	1460		10				Planning
PHA-Wide	PHA Wide Type "C" Funding Place Holder	1460		10				Planning

Part II: Supporting Pages								
PHA Name: Hawaii Public Housing Authority	**Grant Type and Number** Capital Fund Program Grant No: CFFP (Yes/ No): No Replacement Housing Factor Grant No:					**Federal FFY of Grant: 2012**		
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]	
PHA-Wide	CMS Support Services Technical Salaries (Const)	1460		300,000				Planning

[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)

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2008 Physical Needs Assessment and Energy Audit For Federally Assisted Projects

Master Executive Summary

Prepared by Architects Hawaii Ltd.
For
Hawaii Public Housing Authority

Tuesday, June 30, 2009

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INTRODUCTION & SYNOPSIS

Introduction:

This Master Executive Summary summarizes the analysis and describes the process used to gather, analyze, and report the Physical Needs Assessment (PNA) and Energy Audit data for 67 Federally Assisted projects for the Hawaii Public Housing Authority (HPHA). Architects Hawaii Ltd. (AHL), Honolulu, Hawaii was contracted in January of 2008 to conduct this PNA and Energy Audit. AHL's scope included surveying the projects, reporting the deficiencies, estimating the costs to repair the deficiencies, and estimating the capital costs to repair/replace major building elements over a twenty year period.

Synopsis:

General:
- In February, March and April of 2008, AHL surveyed all **67** projects.
- AHL inspected **555** units, or **10.55%**, of the total **5,259** units.
- HPHA Federally Assisted Housing has aged.
- The housing stock has not been adequately maintained and repaired over the years.
- The oldest project is Mayor Wright Homes in Honolulu on Oahu, built in **1952**.
- The newest project is Lanakila IV in Hilo on Hawaii, completely re-built from the ground up in **2005**.

Deficiency Costs:
- The total estimated Deficiency Costs of **$70,737,426** is an average of **$127,454** for each of the inspected units, or **11.34** times the 2003 PNA estimated costs.
- When the unit Deficiency Costs are projected across the entire housing stock, the total Deficiency Costs are estimated to be **$91,354,347**, or an average of **$17,371** per unit, or **8.33** times the 2003 PNA estimated costs.
- HPHA should address the Building Exterior and Building Systems Deficiency Costs as a first priority.

Capital Costs:
- The projected Capital Costs for 2010 are **$85,926,995**.
- The Capital Costs have bunched up because of long deferred maintenance.
- HPHA's goal for the Capital Costs should be to address the most critical projects first, which will begin to spread the Capital Costs out more evenly across the future years.

Major Renovation:
- Our Priority Projects section recommends 9 of the 14 projects listed for total renovation. They include:
  - Kalihi Valley Homes
  - Kuhio Park Terrace
  - Palolo Valley Homes
  - Mayor Wright Homes
  - Hale Hookipa
  - Kalaheo
  - Kau'iokalani
  - Wahiawa Terrace
  - Pomaikai
- Renovation Costs frequently exceed both Deficiency Costs and Capital Costs, as project enhancements are added to the scope.

ASSESSMENT METHODOLOGY

General:

The previous PNA was performed by Building Inspection Service, Inc. (BISCO) for IBM in 2003. That Report utilized proprietary database software, InspectPro, owned by BISCO, created using Microsoft Access. HPHA did not receive a copy of the database in MS Access, only Adobe Acrobat copies of the reports, and MS Excel copies of some of the costing documents. HPHA requested that this 2008 PNA be entered into an MS Access database, and that the database application plus a licensed copy of MS Access be included in the deliverables.

AHL utilized the Table Relationships Chart and several Table/Field Data Description spreadsheets from the 2003 PNA to design the database for this 2008 PNA. MS Access 2003 was utilized, which creates an Access 2000 file format database by default. Our goal was to simplify the data entry in the field, so we designed data entry forms that utilized mostly drop-down lists for entry selections. One larger memo field allowed for a custom description entry by the Inspector.

AHL researched possible laptop computers, carrying cases, and digital cameras for this challenging property condition assessment. Based on a combination of factors, including size, weight, battery life, reliability, functionality, cost, and availability, the following items were selected and utilized:

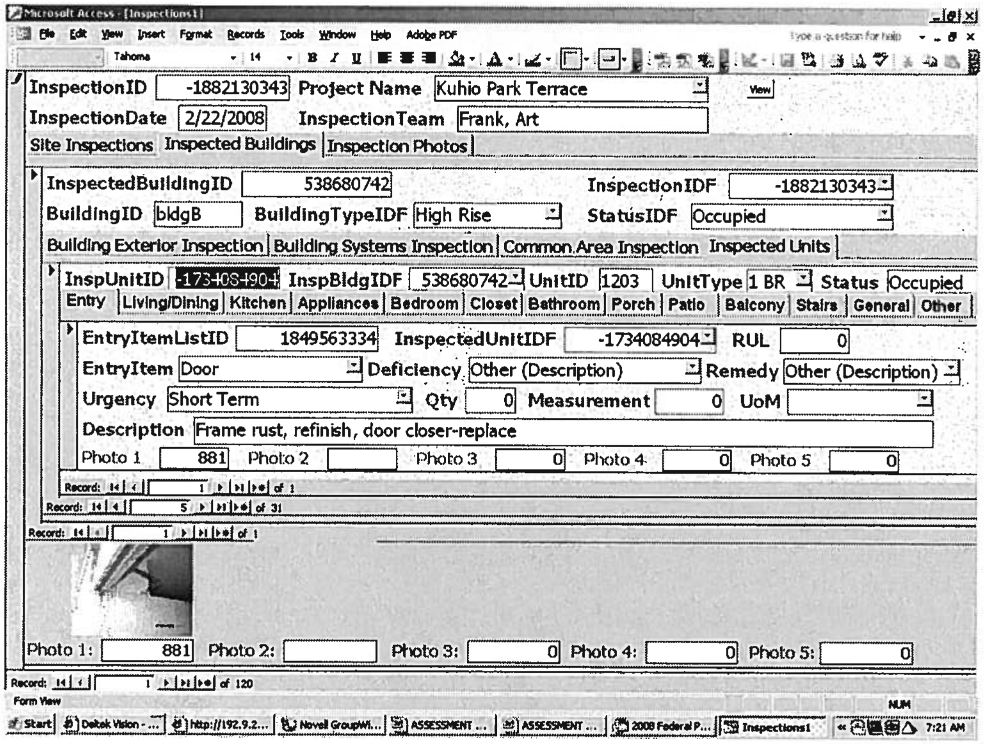
- **Laptop:** HP Pavilion tx 1220 us Entertainment Notebook PC. This is a light (4.49 lbs) machine with 12.1" touch screen that rotates 180 degrees and folds flat into a tablet PC. Data entry can be by keyboard or stylus. Battery life is about 3 hours using the brightest screen setting (needed for exterior use), so we also utilized spare batteries, and carried AC and DC chargers.
- **Carrying Case:** Toshiba Fieldmate M200. This carrying case, combined with optional double shoulder straps, allowed hands-free use of the laptop keyboard while standing. When opened on the tablet side, the PC can be flipped without removing from the case or shoulder straps. Minor modifications had to be made to accommodate the HP Pavilion PC.
- **Digital Camera:** Canon PowerShot A550. This camera was chosen based on a combination of features, cost and availability. It has good features, including a 4X optical zoom and 7.1 mega pixels.

Survey Protocol:

AHL utilized two teams of two inspectors each to conduct the Physical Needs Assessment surveys of the projects. Scheduling issues with the availability of the inspectors to remain on the Neighbor Islands for up to one week at a time resulted in an overall schedule that performed Oahu project surveys concurrently with Neighbor Island project surveys. AHL carefully sequenced and scheduled all of the project surveys to obtain the most efficient use of the inspectors' time, while providing adequate time to obtain the necessary data and minimizing travel time and expenses. A complete copy of the 2003 PNA, including a Google Map and Google Earth photo, were provided to the inspection team for their reference and use during each project survey.

AHL believes strongly in the value of photo-documentation of deficiencies during this kind of property condition survey. For this reason, one of the inspectors photographed the project, while the second inspector entered the deficiency data into the database via the laptop computer. The photos were correlated to the deficiency by noting the camera's photo number in the database. Almost 7,400 photos were taken during the surveys.

The database design and the data entry forms follow the requirements of 24 CFR, Section 5.703. Copies of this document and HUD Handbook 7485.2, Appendix 3 were provided to the four inspectors for their guidance during the surveys. AHL also follows the ASTM E 2018-0001, "Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process" for all property condition assessments. The data entry forms identify the project, date of inspection, and inspectors. There are "tabs" for the Site, Building, Building Systems, Common Areas, and Units. Under the Units "tab", are the possible areas, such as Living/Dining, Kitchen, Bathroom, and Bedroom. All of the data is synchronized to the project name. See the screen print example below.



AHL surveyed the entire site, the accessible and visible exteriors of all buildings, and the interiors of at least 10% of all of the units. Each property manager was asked to select the units on a random basis when the survey schedule was finalized so they could notify the residents. Every effort was made to inspect a representative cross-section of units: occupied and vacant; all bedroom configurations; good condition and bad; ground floor and top floor.

Deficiency Prioritization:

AHL categorized all deficiencies utilizing the five Urgency categories in the 2003 PNA:

- Health and Safety (24 hours)
- Immediate (30 days)
- Urgent (6 months)
- Short Term (1 year)
- Long Term (more than year)

The reality is that once Health and Safety deficiencies have been corrected, all deficiencies are items that must be addressed quickly to avoid potential continued deterioration of the item and the elements adjacent. It is also important to note that the AHL property survey schedule had to be coordinated with the annual HUD REAC Inspections, which were running concurrently. Consequently, the property management staff accompanying the AHL inspectors were either making notes or calling maintenance staff immediately to correct items that would be marked negatively by HUD. This was especially true of the Health and Safety deficiencies.

COSTING METHODOLOGY

General:

AHL did not fully understand the relationship of all of the database tables and fields utilized in the IBM 2003 PNA database when we "reverse engineered" it for the 2008 PNA database. The deficiency categories needed to be a combination of the remedy (verb), the deficiency (adjective), and the item (noun). For example, "Repair broken fence". However, the table for this kind of Deficiency Categories would have contained thousands of choices from which the inspectors would have had to choose during the survey. IBM's Unit Cost list in their Appendix H contained approximately 1,500 items, many of which were never utilized. AHL chose to simplify the survey process by utilizing predetermined drop-down lists of items, deficiencies and remedies. These drop-down lists have a maximum of 12 to 15 choices each. This resulted in a need to create a list of Deficiency Categories for each project in order to cost the Deficiency. This was accomplished in MS Access via a "Make-Table Query" run for each project, each survey area such as Site, Building Exterior, etc. These tables were then printed to Adobe Acrobat for record and hard-copy printing. All costing for both Deficiencies and Capital expenditures was achieved in Microsoft Excel 2003 because of its' ease of use and power.

Architects Hawaii has found from our experience that we are able to develop costing that is more accurate than that developed by Cost Consultants for the kind of remedial, repair, and replacement type of costing required for a property condition assessment like the PNA. All of the Deficiency Costing was developed by Richard Sullivan, AIA, CSI, Associate. He is AHL's Chief Construction Administrator with over 43 years experience. The Unit Costs developed for the Deficiency Costing were also utilized to determine the Capital Costing for each project.

It is important to recognize that the both the Deficiency Costs and the Capital Costs provided in this report, although developed using assumed labor and materials detail based on our experience, are rough estimates to be used only for budgetary purposes. A property condition assessment performed to develop actual repair specifications and drawings would include a thorough analysis of the cause of the deficiency including detailed repair recommendations, providing more definitive information on which to base a more accurate repair estimate. The next level of information and accuracy would come with actual Bid Documents including drawings and specifications. The highest level of accuracy naturally would come with an actual Bid from a licensed Contractor competing on the open market.

Deficiency Costing:

The Deficiency Categories discussed in the General Section were first analyzed to derive Unit Costs, then quantified to cost each project. As new Deficiency Category Costs were needed on a project, the Master Unit Cost Basis was expanded. The revised Masters were then used in subsequent projects until all costing was completed. All Excel files are linked to provide a comprehensive costing tool, down to updating local labor rates and materials costs.

The listing of Deficiency Categories on each project, together with quantities input by the inspectors during the survey and the deficiency photos, were used to quantify the individual project deficiencies. The AHL database was not designed to count occurrences, so some of this had to be done manually. All of the Deficiency Costing utilizes a "confidence factor" of 1.5, providing both a contingency and a higher cost for accomplishing a small amount of work on a project-basis.

The Deficiencies observed in the units inspected were projected across all of the units, in each project, utilizing the Average Dwelling Interior Cost/Unit times the total number of units. Since the entire Site, all the Building Exteriors, and all Common Areas were inspected and deficiencies noted, no projection was required for those Deficiency Costs.

Capital Costing:

AHL has little experience estimating Capital Costs and Useful Life. However, there were a number of things that did not seem to make sense in the 2003 IBM PNA. The first was that there were Capital Replacement Costs applied to elements of the buildings that, for the most part, could not be replaced without demolishing the buildings. For example, on Kalihi Valley Homes, there were costs applied for Foundations, Exterior Walls, Sewer and Water Distribution, Unit Ceilings and Unit Interior Walls. The total Capital Replacements Costs estimated for these elements amounted to $29,679,416 or 42% of the total 20 years of Capital Costs estimated at $70,885,515. Building life components should not be included in the Capital Costs.

Second, in one project PNA Report, we noted a bathroom cabinet that had exceeded its useful life, but the bathroom sink had a remaining useful life of several years. Capital Costs were included to replace the cabinet but leave the sink and faucet for several more years. This is obviously not a practical solution.

Third, the Capital Costs were not totaled on an annual basis. HPHA's need to submit both 5 Year Plans and Annual Plans points to the need to have these Costs totaled on an annual basis.

Our research into Capital Costing and Useful Life indicates that there are elements of a building whose Useful Life is considered "Life", or the life of the building. If they have to be replaced, then serious consideration must be given to total demolition. We also researched the practice of Reserve Studies required by many states (including Hawaii) for Condominiums. There are very strong similarities with the budgeting needs of HPHA. Three of the four tests to determine which components belong in a reserve study are directly applicable to HPHA properties:

1. The component must have a limited Useful Life. If the component has a "very extended life" (life of the property) or if it can function indefinitely with minor ongoing maintenance or repair, then there is no major capital expenditure for which to plan.
2. The component must have a predictable Remaining Life. A future expenditure needs to be reasonably anticipated to be defined and incorporated into a plan.
3. The expenditure must be above a minimum threshold cost. It is inappropriate to clutter the budget with anticipated expenses which are small enough that they should be handled in the ongoing operational budget. A range of ½% to 1% of the project annual budget was suggested as a guide.

AHL projected the Capital Costs for only major project components, using the three tests above as a guide. For some components, the Hawaii Useful Life (HUL) matches that included in the 2003 PNA. For some components, our experience performing many property condition assessments in Hawaii suggests a lower life span. It should also be noted that Useful Life is estimated based on the assumption that the component is going to be maintained. If that maintenance is deferred, as it has been on all HPHA properties, then the Useful Life is no longer valid. Conversely, if a component is properly, conscientiously maintained, then its Useful Life can often be extended past that normally predicted.

AHL also believes that the Capital Costs for Interior Dwelling renovation, except for Interior Painting and Appliances, should be part of a separate analysis. Individual items tend to be replaced/repaired on a reported-failure basis, and therefore these components do not have as predictable a Remaining Life. Consequently, we have not included Interior Dwelling renovation in the Capital Costs projections. See Major Renovation under Recommendations for further discussion on this topic.

Many project components were long past their HUL, and we were unable to predict Remaining Useful Life. We have used the component age to determine the First Replacement Year. Also, the Capital Costs do not include the "Confidence Factor" of 1.5 because they are project wide.

REPORTING METHODOLOGY

General:

The 2003 IBM PNA Reports included many pages that contained little or no inspection data, because of the way the reports were formatted. AHL worked to reduce the Report size to that necessary to report the deficiencies. There are still some pages that are mostly blank, and maybe even some completely blank. This occurs when there are multiple incidents of sub-reports containing no data, but still taking up some space (about 1" each).

Microsoft Access combines design flexibility with severe limitations for these kinds of Reports. It is not friendly towards text-driven parts, like this Master Executive Summary. It is also not friendly toward the compilation of data from many tables into one Report, like the individual Project PNA Reports. Because there is no simple way to include footers for individual sections within a Report and to change the starting page number of a section, we had to utilize Sub-reports inserted in a main Report design. Because of the number of Sub-reports and the limitation of 22" maximum height on the main Report design, we had to utilize sub Sub-reports. Access allows 7 levels of nested sub-reports or sub-forms, so we were able to work within the limitations. The result is a process not unlike building a pyramid, from the top down.

The Deficiency Photo and Urgency Reports are based on queries of the data tables. The individual project PNA Reports also utilize inserted, linked MS Word files, such as the Table of Contents (for which Access has no built-in design tools) and the Executive Summary. Because the Report Combo Box containing these linked files must be sized to show the complete page, and Access has no way of recognizing a multiple-page file (such as the Executive Summary for Kuhio Park Terrace), we had to create a separate Report design for those situations that included a Second and Third Page Combo Box. We then had to break the Executive Summary Word file into three one-page files.

They also utilize inserted, linked MS Excel files, such as the Deficiency Cost Summary, and the Capital Cost Summary. By trial and error, we discovered that Access shows these files in a manner similar to the "Print Preview" in most Windows programs. However, for Excel, all of the cell grids show, even when they are turned off in the Page Setup in the Excel file. Also by trial and error, we discovered that we could "erase" the cell lines outside the desired rows and columns by deleting 6-8 empty rows and columns in Excel. For the Capital Cost Summary, we wanted an 11" x 17" format, but Access has no way of accommodating different page sizes in one report. We had to create 3 linked copies of the same Excel file, hiding or deleting the unwanted columns, and 3 separate Sub-Reports within the Project Capital Cost Summary Sub-Report.

The Priority Projects portion of this Master Executive Summary utilizes inserted, linked MS Word files, with inserted photos in the MS Word file. The Master Deficiency Cost Summary and Master Capital Cost Summary are Sub-reports created from Access tables that are linked to MS Excel files. This process allows the formatting and design of the Sub-report to match the rest of the Report, but places limitations on the design of the Excel file of having all column data be the same type in each column, and all row data be the same type in each row, except for one header row and one header column.

The individual project PNA Reports are created "on the fly". There is a small Form called "Project Names" that must be opened first, and a project selected by scrolling the records. Then the Master Project Report Format Report is selected and Access formats the individual PNA Report for viewing. This process can take up to 4 to 5 minutes for the larger projects, because of loading many photos. We found that Access does not like to then print these larger Reports from this "Print Preview" mode, because it attempts to again load all of the referenced tables that it loaded for the preview, and an error message something like "cannot open any more tables" comes up. The work-around is to simply close the "Print Preview" and click "Print".

Executive Summary:

The 2003 IBM PNA Report Executive Summaries contained bar charts that were intended to describe graphically the top 15 deficiencies by frequency of occurrence and remedial cost. The bars were then color coded to the 5 Urgency levels. Except for the Health and Safety Deficiencies as we noted in Deficiency Prioritization, we do not believe these charts to be very useful to HPHA, and have not included comparable graphic depictions in the Executive Summary.

We followed an organization similar to the 2003 Report. The General statement was written following the total costing effort, and summarizes the project size, type, age, Deficiency Costs, Capital Costs for 2010, and comments on the relationship between the two costs. The Site, Structure, and Units portion was written by the survey inspectors immediately following the survey, and edited when the General statement was written.

The MSWord files will be provided along with the database for HPHA's use.

Deficiency Photo Report:

As mentioned previously, AHL believes strongly in the value of photo documentation in a property condition report such as the PNA. Even though insertion of photos is accommodated as OLE objects, Microsoft Access presents extreme challenges for database size limitations, and ability to view photos in either Forms (where we enter the data) or in these Reports. Through research, we found and purchased a small, third-party add-in program, DBPix, which eliminates these issues. We also had to obtain the services of a computer programmer with Blackbird, a subsidiary of HonBlue, to customize the Visual Basic code to work with our forms.

Not all deficiencies have accompanying photos, so the Deficiency Photo Report does not include all deficiencies. It is organized from the Site, to the Building Exterior, Building Systems, Common Areas, and finally the Unit. If there are no photographed deficiencies in one of these five areas, there is no area header. Within each area, the deficiencies are sorted according to their Urgency level, with the most urgent shown first. For all building related deficiencies, the Building number or letter is noted; for all unit related deficiencies, the Unit number or letter is also noted.

Deficiency Urgency Report:

This portion of the Report itemizes all deficiencies noted during the survey. Like the Deficiency Photo Report, it is organized from the Site, to the Building Exterior, Building Systems, Common Areas, and finally the Unit. If there are no deficiencies in one of these five areas, there is no area header. Within each area, the deficiencies are sorted according to their Urgency level, with the most urgent shown first. For all building related deficiencies, the Building number or letter is noted; for all unit related deficiencies, the Unit number or letter is also noted.

Deficiency Cost Summary:

This portion of the Report summarizes the cost of all deficiencies noted during the survey. The organization is similar to the Deficiency Photo and Urgency Reports, from Sitework, to the Dwelling Exterior, Dwelling Interior, Common Exterior, and Common Interior. The costs shown are for only the deficiencies noted; for

Dwelling Interior Deficiency Costs projected across the units that were not inspected see the Master Deficiency Cost Summary at the end of this Master Executive Summary. The supporting Excel files will be provided along with the database for HPHA's use, separate from the PNA Reports.

All of these costs are estimated in 2009 dollars.

Capital Cost Summary:

This portion of the Report projects the Capital Cost of the major project components as described in the Capital Costing section of Costing Methodology. The organization is similar to the Deficiency Cost Summary, from Sitework, to the Dwelling Exterior, Dwelling Interior, Common Exterior, and Common Interior. Based on the Hawaii Useful Life (HUL) and the age of the component, the spreadsheet calculates the First Replacement Year. The Unit Replacement Cost is linked to the Master Basis spreadsheets, rounded up to the next even dollar. Once the quantity is entered, the spreadsheet multiplies that number by the Unit Replacement Cost to derive the Capital Costs. This amount is inserted in the column that matches the First Replacement Year, and each age-incremental year after that. The Capital Costs are projected for the years 2010 through 2029, for a total of 20 years.

Please note that the Item Name, Hawaii Useful Life (HUL), and the Unit Replacement Cost are shown for all Items for all projects, because this is a template spreadsheet. If there is no Age included for an Item, the Item is not applicable to this project and there are no Capital Costs.

All of these costs are estimated in 2009 dollars, and are not adjusted for inflation to the year projected.

Energy Audit:

The Energy Audit report utilizes a method different from those described in General. This Report is based on a Form that we designed to input data into the Energy Audit Table.

This portion of the Report gathers information included in the 2003 IBM PNA. This information is qualitative, not quantitative. It indicates whether water saving plumbing fixtures and fittings are utilized, whether timers are utilized on common and site lighting, and on irrigation systems (if they exist), what type of lighting fixtures are used in the common and site areas, and what type of water heating system is utilized.

CONCLUSIONS & RECOMMENDATIONS

Deficiency Repairs:

We recommend the following priority for the Deficiency Repairs:

1. Building Exterior
2. Building Systems
3. Unit
4. Common Areas
5. Site

The reason for our recommendation is that once the Building Exteriors are repaired, all of the interior Unit repairs related to roof, wall, window and door leaks should be curtailed. The Building Systems also need to be repaired before the Units, again because some of the Unit Deficiencies are a result of leaks from the sewer or water system. The Building Exterior and Systems together constitute the Building infrastructure, and we believe that it is critical for the infrastructure to be sound to protect the overall investment of HPHA, and to protect the following investments in remedying the Unit Deficiencies. Note that $37,324,220, or more that 52% of the Total Observed Deficiency Costs of $70,737,426 are related to Building Exteriors. The Total Observed Deficiency Costs amount to an average of $127,454 per observed unit.

The Common Area repairs should be accomplished simultaneously with the Unit repairs, as their use by the residents is on a daily basis. Most of the Site Deficiencies could be the last priority. There are a few exceptions, such as leaking sewer lines and hazardous walkways and stairs.

When the Unit interior Deficiency Costs for the 555 units surveyed are projected across all 5259 units in all 67 projects, the Total Projected Deficiency Cost increases to $91,354,347, or an average of $17,371 per unit.

Capital Maintenance and Replacement:

The projected Capital Costs for 2010 are $85,926,995, or over 94% of the Total Projected Deficiency Costs. The reason that this number is so high is that so many projects' major elements have exceeded their useful life due to deferred maintenance. Some of the elements, such as site walkways and parking area pavement, could be minimally repaired to extend their life a few more years. However, roofing and exterior painting and doors should be addressed even if they have not deteriorated to a point of being costed as a Deficiency. That is the whole point of preventative maintenance – it must be accomplished on a regular basis, even if it looks like it could be deferred or patched. Otherwise, the building elements begin to deteriorate and progress at an ever increasing rate.

The ideal situation for HPHA would be to have the same identical dollar amount for every year of the 20 year spreadsheet. Because of the deferred maintenance on most of the projects, the resulting Capital Cost projections simulate all projects having been built the same year.

Our recommendations are to mitigate the projected 2010 Capital Costs for as many projects as possible by addressing the Deficiency Costs for those projects.

Major Renovation:

The 2003 IBM PNA did not address total project renovation conceptually, only to recommend consideration on a project-by-project basis. In our opinion, t is extremely important to address the Priority Projects listed in the next section. Our recommendations for these 14 projects include complete project renovation for 9 projects. It does not make sense to perform Deficiency repairs on project elements that really should be completely replaced. We do realize that there are limitations to the funds available to HPHA, however, and realize that portions of each project may have to be postponed. The priority of elements would then revert to our recommendations for Deficiency repairs listed previously.

PRIORITY PROJECTS

There are a number of HPHA projects that have exceeded their useful life, and are in a serious state of disrepair. We provide our recommended priority list of fourteen of the 67 Federally Assisted Projects. Nine of the fourteen projects are of an age or level of deterioration that our recommendation is to completely gut and renovate all of the units. Some of the projects also require major exterior wall repairs, reroofing, repainting and new windows and exterior doors. Many of the parking areas, walkways, landscaping and fencing also require major work.

Both HUD and HPHA have placed repairing and filling vacant units as one of, if not their highest priority. However, we believe that both HUD and HPHA should consider this to be a mid-term goal, not a short-term goal. Because there are so many units, 1,267 in the first four projects, that are in need of complete renovation, we recommend utilizing the current vacancies to expedite these major renovations. Kalihi Valley Homes has the highest number and percentage of vacancies, 122 and 32.7% from the 2003 IBM PNA Report. Since each of the 3 wings in the 2 high rise towers at KPT contains about 96 units; we recommend the goal of the renovation schedule for these four projects should be to maintain 96 renovated units in Kalihi Valley Home for the purpose of relocating and renovating an entire wing at one time. This will greatly facilitate the KPT renovation, and should result in lower costs to HPHA.

We recommend the following prioritization:

Priority: 1 **Project Name: Kalihi Valley Homes**

Complete the project renovation of the 171 units in 19 buildings remaining subsequent to Phase IV. This portion of the project is at least 54 years old with no major renovation work. Work includes complete gut and rehab, 2 story concrete/masonry townhouse units, new solar water, reroof, new paint interior & exterior; new doors, cabinets, plumbing, electrical, floor finishes, and windows. Also includes site work around buildings, including drainage, sidewalks, lighting, parking, landscaping.

Photo 1 - Site from Google Earth


Photo 2 - Building 19


Photo 3 - Building 20


Photo 4 - Building 20

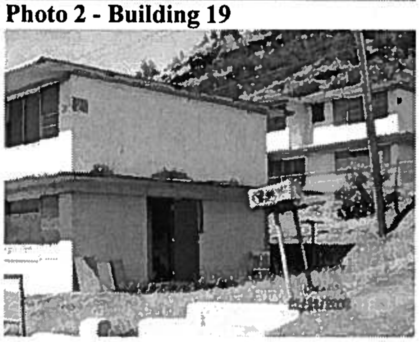


Photo 5 - Building 21

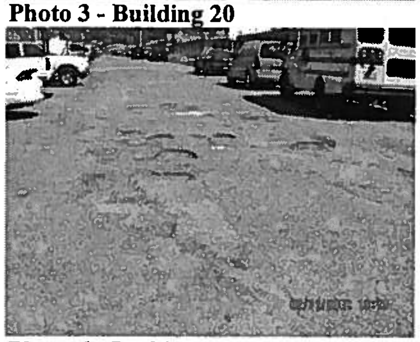


Photo 6 - Parking Area

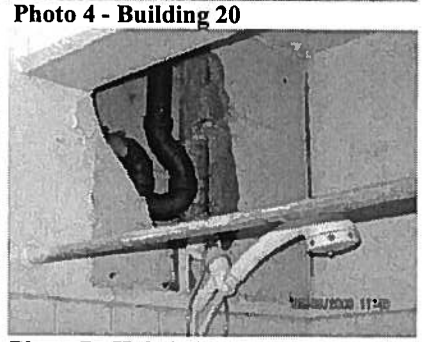


Photo 7 - Hole in Bath Wall - Unit 36H

Estimated Rough Probable Cost/Building: **$1,738,000**
Estimated Rough Probable Total Cost: **$36,765,000**

Priority: 2 **Project Name: Kuhio Park Terrace**

Concurrently with the KVH renovation work, it is imperative and extremely urgent that some major renovation work begin on KPT. This project is at least 43 years old, with some renovation in 1994. There are major Life Safety deficiencies: with the high rises' inoperable fire alarms, missing fire hoses, inoperable dry standpipe connections, and inoperable exit signs, the HPHA is in jeopardy of being cited and fined by the Fire Department/City and County of Honolulu, or worse, having the buildings condemned. We doubt that there are other HPHA facilities available to relocate over 500 low income families.

This work should be phased one wing at a time for the six wings, and includes, in recommended order of importance:

a. Repair the fire alarm system and exit signs **$1,380,000**
b. Repair the standpipe connections **$600,000**
c. Replace the standpipes, install new fire hoses, replace fire hose cabinets **$1,500,000**
d. Replace the 4 passenger elevators, 2 each in the two high rises **$2,100,000**
e. Repair the sanitary sewer risers at the lower level **$500,000**
f. Repair the Solar water heating piping system on the A Bldg **$100,000**
g. Replace defective boiler on the B Bldg **$300,000**
h. Reroof the high rise towers **$670,000**
i. Repair the trash chutes **$480,000**

Photo 1 - Site from Google Earth

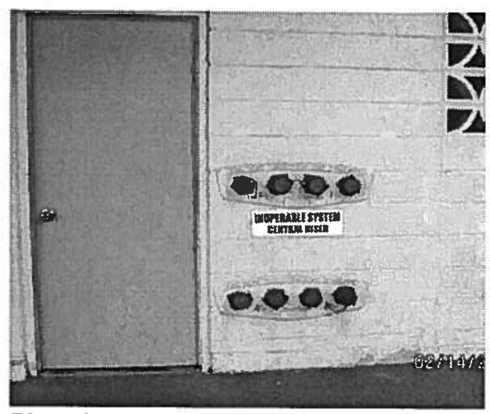


Photo 2 - Inoperable Standpipe

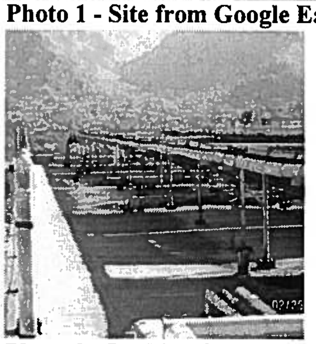


Photo 3 - Leaking Solar Pipes


Photo 4 - Defective Boiler


Photo 5 - Missing Fire Hose


Photo 6 - Defective Exit Sign

Estimated Rough Probable Cost/Building (6 high-rise wings): $1,271,667
Estimated Rough Probable Total Cost: $7,630,000

Priority: 3 **Project Name: Kuhio Park Terrace**

As renovated vacant units become available at KVH, begin vacating KPT, one wing at a time, beginning with the first wing to have the major infrastructure work in Item 2 completed (to prevent construction contract overlap). Completely renovate, continuing with the one wing at a time approach. Work to include major concrete spall repair and complete exterior repainting on high rises. Redo all electrical service. Gut and redo all units, including interior and exterior doors, cabinets, plumbing/fixtures, electrical/fixtures, floor finishes, interior wall and ceiling repair/repainting. Site work includes repair/replace sidewalks, parking area pavement, landscaping.


Photo 1 - Lanai Concrete Spall

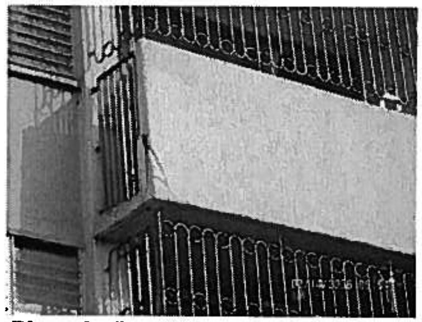


Photo 2 - Lanai Concrete Spall


Photo 3 - Parking Area


Photo 4 – Vegetation/Concrete Spall


Photo 5 - Concrete Spall

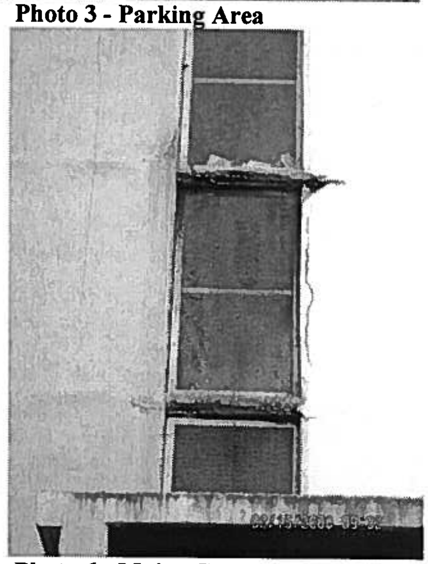


Photo 6 - Major Concrete Crack/Spall


Photo 7 - Outdated Kitchen


Photo 8 - Damaged Kitchen Cabinets

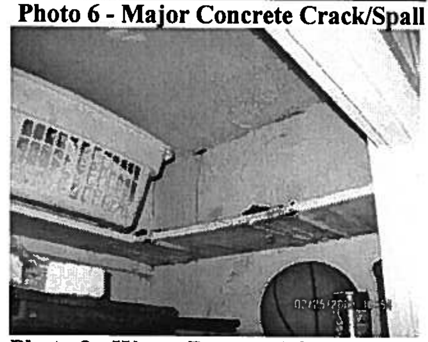


Photo 9 - Water Damaged Shelving

Estimated Rough Probable Cost/Building (6 high-rise wings):	**$25,905,000**
Estimated Rough Probable Total Cost:	**$155,430,000**

Priority: 4 **Project Name: Palolo Valley Homes**

Once KPT Infrastructure repairs are completed, begin renovation on PVH. This project is at least 51 years old, with no major renovations. This project renovation work is almost identical to KVH, and can be done in groups of 3 or more buildings at a time. In 2003, there were 17 vacancies, so it is possible to completely renovate 3 buildings with no or minimal resident relocations. Work includes major concrete spall repair, complete exterior repainting. Gut and redo, 2 story concrete/masonry townhouse units, new solar water, reroofing, new interior paint, doors, cabinets, plumbing, electrical, floor finishes, windows. Also includes site work around buildings, including drainage, sidewalks, lighting, parking, landscaping.

Photo 1 - Site from Google Earth

Photo 2 – Outdated/damaged Kitchen

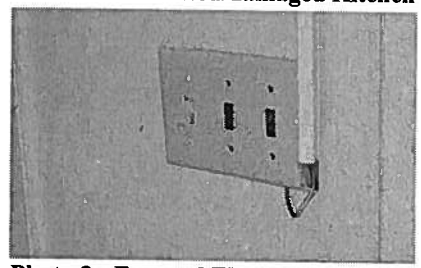


Photo 3 - Exposed Electrical Wiring

Photo 4 - Waste Piping Cracked

Photo 5 - Parking Area

Photo 6 - Severe Drainage Ponding

Photo 7 - Concrete Eyebrow Crack

Photo 8 - Spall/Crack at Stairs

Photo 9 - Concrete Eyebrow Spalling

Estimated Rough Probable Cost/Building:	**$1,550,000**
Estimated Rough Probable Total Cost:	**$31,000,000**

Priority: 5 **Project Name: Mayor Wright Homes**

Concurrently with PVH, begin renovation on Mayor Wright Homes. This project is 55 years old, and was renovated in 1984. Again, this project can be done in groups of 3 or more buildings at a time. In 2003, there were 25 vacancies so it is possible to completely renovate 3 buildings with no or minimal resident relocations. Work includes major concrete spall repair and complete exterior repainting. Gut and redo, 3 story walkup and 2 story concrete/masonry townhouse units, new solar water, reroofing, new interior paint, new doors, cabinets, plumbing, electrical, floor finishes, and windows. Also includes site work around buildings, including drainage, sidewalks, lighting, parking, landscaping.

Photo 1 - Site From Google Earth

Photo 2 - Exterior Paint

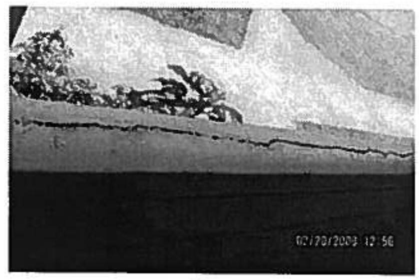


Photo 3 - Crack/Spall in Railing Wall

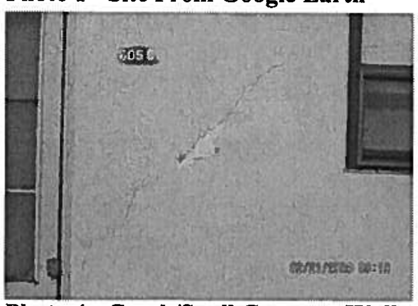


Photo 4 - Crack/Spall Concrete Wall

Photo 5 - Deteriorated Solar System

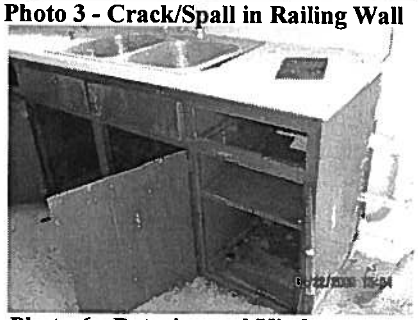


Photo 6 - Deteriorated Kitchen

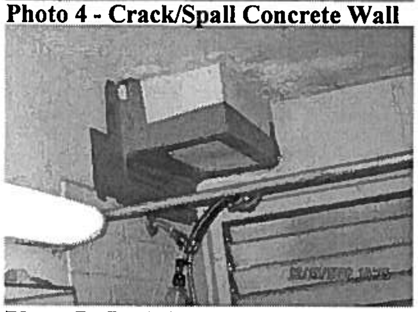


Photo 7 - Leak in Bathroom Ceiling

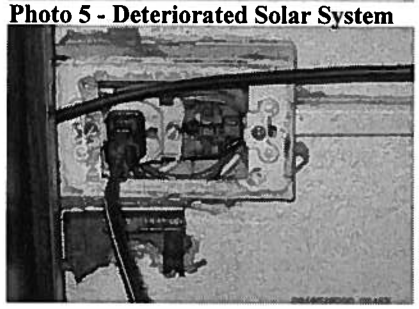


Photo 8 - Exposed Electrical Wiring

Photo 9 - Deteriorated Bathroom

Estimated Rough Probable Cost/Building: **$2,380,000**
Estimated Rough Probable Total Cost: **$85,600,000**

Priority: 6 **Project Name: Hale Hookipa**

This project is 32 years old and has not had any renovations. It requires major exterior roofing and gutter repairs that are causing leaks, mold and interior deterioration. The corrugated metal roofing needs to be completely replaced, making it impractical to allow the buildings to be occupied during repair. In 2003 there were 5 vacant units in the 7 buildings. Because these are elderly units and relocations may be more difficult, we recommend relocating within the project to complete renovation of one building at a time. Work includes major exterior wood siding and trim repair/replacement, complete metal reroof with solid sheathing, underlayment and standing seam roofing, gutter replacement. Gut and redo, 1 story wood frame, new paint interior & exterior; new interior & exterior doors, cabinets, plumbing fixtures, electrical fixtures, floor finishes. Landscaping/drainage to move roof downspout water away from buildings.

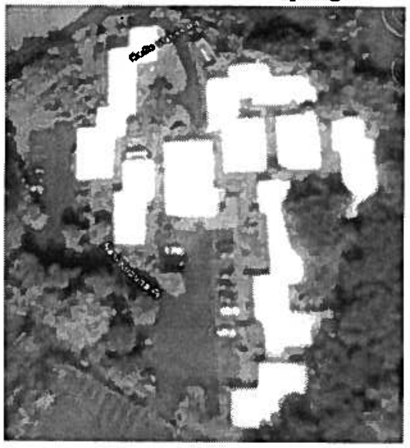


Photo 1 - Site From Google Earth

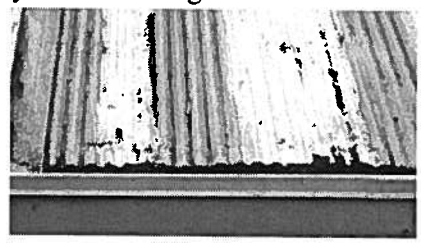


Photo 2 - Deteriorated Roofing

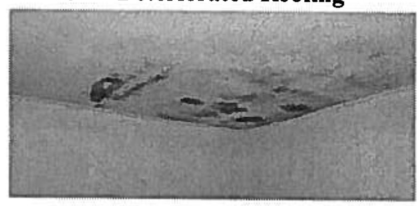


Photo 3 - Mold on Ceiling

Photo 4 - Deteriorated Bathroom

Photo 5 - Deteriorated Kitchen

Photo 6 - Mold on Wall

Photo 7 - Deteriorated Roofing

Photo 8 - Plants in Gutter

Photo 9 - Deteriorated Gutter

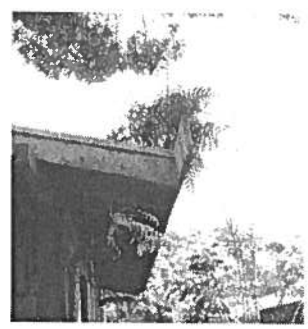


Photo 10 - Plants in Gutter

Estimated Rough Probable Cost/Building: **$491,250**
Estimated Rough Probable Total Cost: **$3,930,000**

Priority: 7 **Project Name: Kalaheo**

This project is 41 years old, and was renovated in 1994. It requires major exterior roofing and gutter repairs that are causing leaks and interior deterioration. The corrugated metal roofing needs to be completely replaced, making it impractical to allow the buildings to be occupied during repair. There is one building with 2 units vacant. We recommend beginning with this building 4, and then relocating within the project to complete renovation of one building at a time. Work includes major exterior wood siding and trim repair/replacement, complete metal reroof with solid sheathing, underlayment, standing seam roofing, gutter replacement and addition of gutters on entire lower roof. Gut and redo, 1 and 2 story wood frame, new paint interior & exterior; new interior and exterior doors, cabinets, plumbing fixtures, electrical fixtures, floor finishes. Landscaping/drainage to move roof downspout water away from buildings. Also includes walkway repairs/replacement, parking area and curb repairs/replacement.

Photo 1 - Site From Google Earth


Photo 2 - Overall View

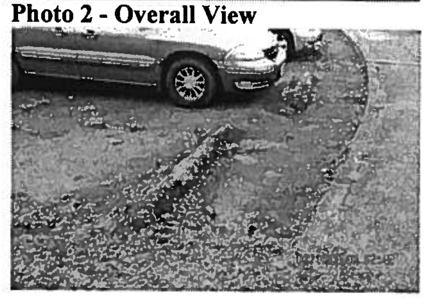


Photo 3 - Parking Area


Photo 4 - Deteriorated Sidewalk

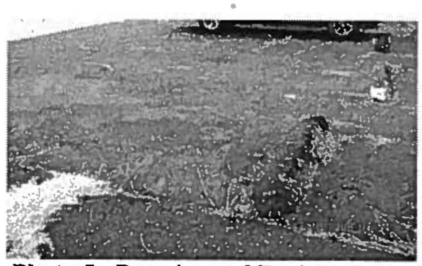


Photo 5 - Deteriorated Paving

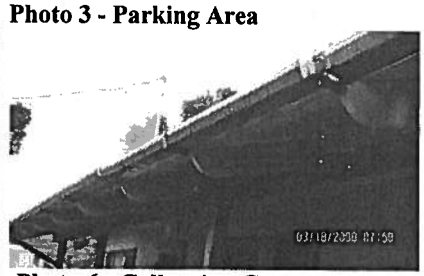


Photo 6 - Collapsing Gutter

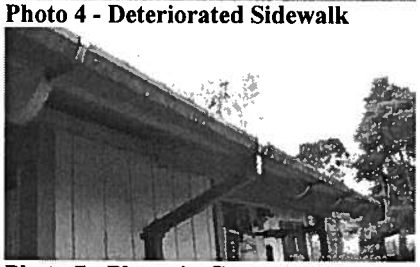


Photo 7 - Plants in Gutter


Photo 8 - Deteriorated Roofing

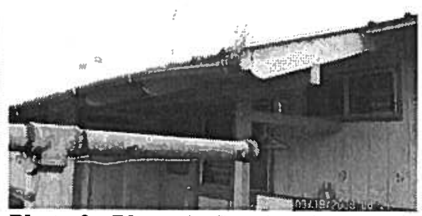


Photo 9 - Plants in Sagging Gutter

Estimated Rough Probable Cost/Building: $297,500
Estimated Rough Probable Total Cost: $1,190,000

Priority: 8

Project Name: Kau'iokalani

Although this project is only 13 years old, it has been abused and not maintained by HPHA on the interiors to the point that we recommend a complete interior gut and redo. This includes 2 story wood frame townhouse, interior gypsum board repairs, new paint interior & exterior; new doors exterior and interior, cabinets, plumbing fixtures, electrical fixtures, floor finishes. With an average of about 4 units per building, we recommend that the renovation be scheduled one building at a time until complete.

Photo 1 - Site From Google Earth


Photo 2 - Damaged Bathroom Flooring

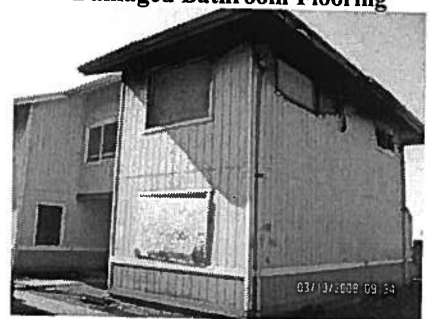


Photo 3 - Exterior Fire Damaged


Photo 4 - Damaged Kitchen Cabinets


Photo 5 - Damaged Bath Cabinet


Photo 6 - Missing Outlet Cover Plate


Photo 7 - Damaged Bathroom Wall


Photo 8 - Damaged Bathtub


Photo 9 - Badly damaged Wall

Estimated Rough Probable Cost/Building: **$760,000**
Estimated Rough Probable Total Cost: **$9,880,000**

Priority: 9

Project Name: Hale Nana Kai O'Kea

This project is badly deteriorated on the exterior concrete masonry and metal elements. The unit interiors are in relatively good condition, considering their age of 31 years. We recommend 1 story, major concrete masonry repair, repair exterior wood trim and siding, replace metal exterior wood framing anchors with stainless steel, exterior repainting with high performance coating, replace all window hardware, exterior doors including screen doors. Includes minor interior repairs related to exterior wall repair.

Photo 1 - Site From Google Earth

Photo 2 - Overall View

Photo 3 - Damaged Wall At Window

Photo 4 - Severely Damaged Sill

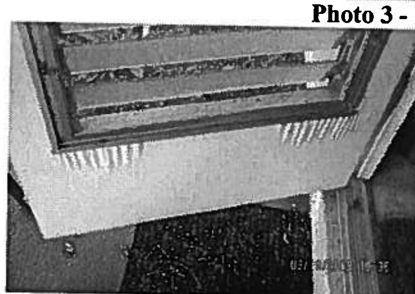


Photo 5 - Damaged Door At Jalousie

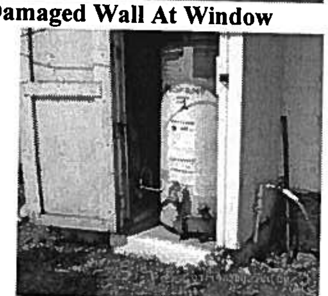


Photo 6 - Damaged WH Slab

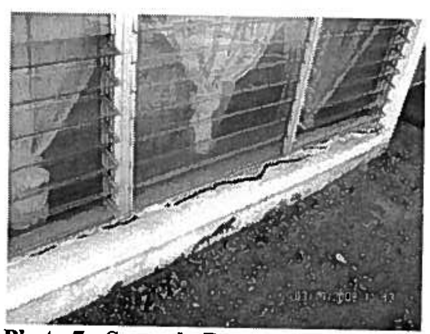


Photo 7 - Severely Damaged Sill

Photo 8 - Severely Damaged Sill

Photo 9 - Damaged Screen Door

Estimated Rough Probable Cost/Building:	**$17,850**
Estimated Rough Probable Total Cost:	**$357,000**

Priority: 10 **Project Name: Wahiawa Terrace**

This project's structure is in good condition considering its age of 43 years. However the roofs and consequently the interiors are in poor condition. There are 8 three story walkup residential buildings with a total of 60 units. In 2003, there were 7 vacancies. We recommend minor concrete epoxy injection repair and complete exterior repainting; prep and repainting of all metal railings with high performance coating. Complete reroofing with single ply sheet membrane, new gutters and downspouts. Gut and redo, 3 story walkup units, new interior paint, new exterior and interior doors, cabinets, plumbing fixtures, electrical fixtures, floor finishes, repair/replace window hardware. Work includes minor site work around buildings, including sidewalks, lighting, parking, landscaping. Phasing of the project will depend on available vacant units for relocation.

Photo 1 - Site From Google Earth

Photo 2 – Crack in Roof Slab

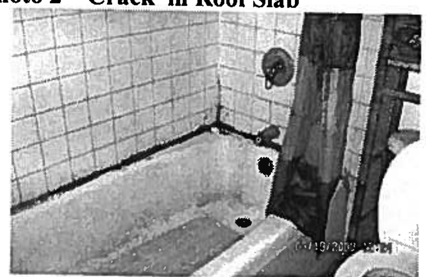


Photo 3 - Deteriorated Bathroom

Photo 4 - Deteriorated Wall

Photo 5 - Ceiling Leak

Photo 6 - Roof Patches

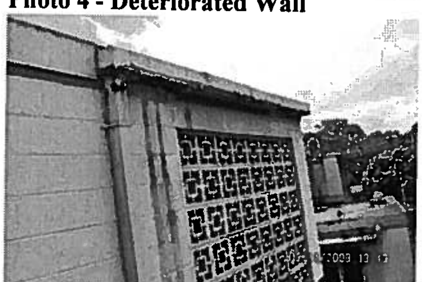


Photo 7 - Deteriorated Gutter

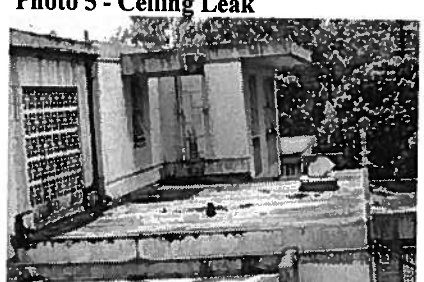


Photo 8 - Deteriorated Roof

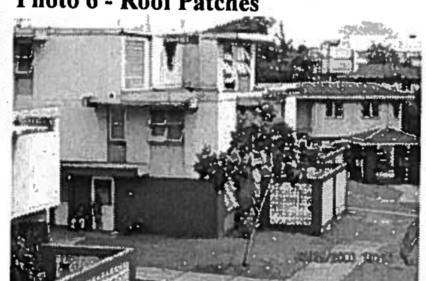


Photo 9 - Exterior View

Estimated Rough Probable Cost/Building:	**$1,950,000**
Estimated Rough Probable Total Cost:	**$15,600,000**

Priority: 11 **Project Name: Makani Hale I - Waiehu**

Although only 12 years old, this project requires 1 and 2 story, major T-111 plywood siding repair/replacement, repainting of exterior with high performance coating including surface preparation of metal electrical boxes/conduit, replace all interior & exterior doors/hardware, replace all bathroom flooring. Replace kitchen range hoods. Replacement of gable end roof flashing may be required. Repair/replace entry door frames. We believe that it is possible to accomplish this work without vacating the units.

Photo 1 - Site From Google Earth

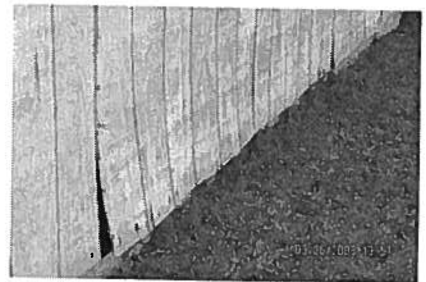


Photo 2 - Buckling Siding


Photo 3 - Buckling Siding

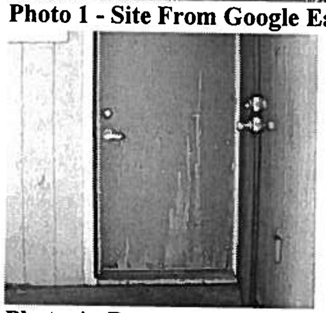


Photo 4 - Damaged Exterior Door


Photo 5 - Damaged Bathroom Flooring


Photo 6 - Damaged Range Hood


Photo 7 - Corroding Electrical Boxes


Photo 8 - Corroded Siding Nails

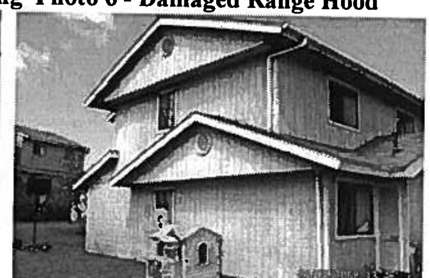


Photo 9 - Exterior View Requires Paint

Estimated Rough Probable Cost/Building: **$35,000**
Estimated Rough Probable Total Cost: **$318,000**

Priority: 12 **Project Name: Hale Laulima**

The exteriors of the 11 buildings are in relatively good condition considering their age of 21 years, with the exception of the roofing and the exterior wood stairs. The interiors have exceeded their useful life. We recommend a gut and redo, 2 story wood frame walkup units, new gas hot water, new paint interior & exterior; new exterior and interior doors, cabinets, plumbing, electrical, floor finishes. Replace exterior stair stringers, treads and railings with treated wood stringers on stainless steel supports, concrete treads and aluminum railings. Entire reroof, add gutters/downspouts on back side and ends of buildings. Work includes site work around buildings, including sidewalks, lighting, parking, landscaping.

Photo 1 - Site From Google Earth

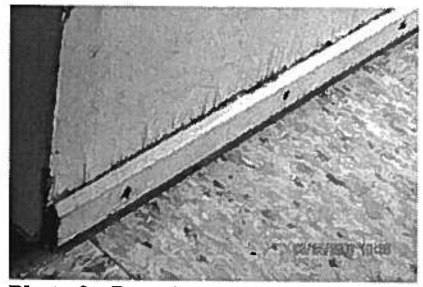


Photo 2 - Deteriorated Exterior Door

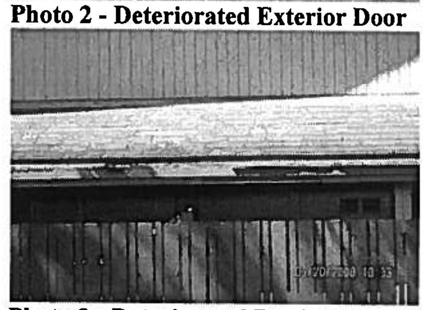


Photo 3 - Deteriorated Roofing

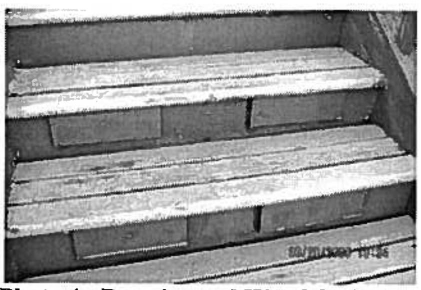


Photo 4 - Deteriorated Wood Stairs

Photo 5 - Deteriorated Roofing

Photo 6 - Deteriorated Bathroom

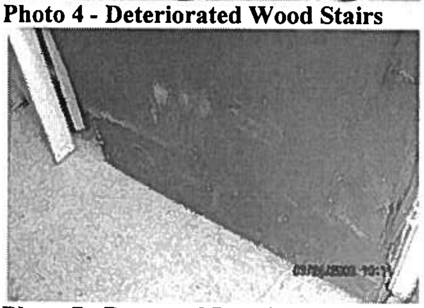


Photo 7 - Damaged Interior Door

Photo 8 - Deteriorated Kitchen Counter

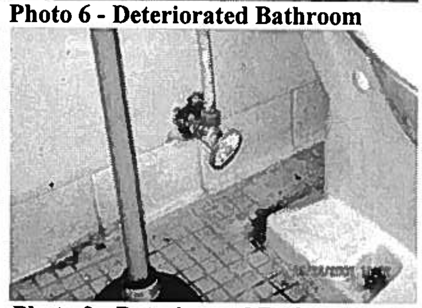


Photo 9 - Deteriorated Bathroom

Estimated Rough Probable Cost/Building:	**$914,000**
Estimated Rough Probable Total Cost:	**$9,140,000**

Priority: 13 **Project Name: Puuwai Momi**

This project is in good condition with some major exceptions; it is 39 years old, rehabbed 10 years ago. The recommended scope of work includes repair/replacement of the non-operational portion of the solar water heating systems (about 50%); minor concrete/concrete masonry repair and complete exterior repainting; repair/replace/repaint all exterior guardrails/stair railings using high performance coating; replace all roof-mounted spotlights with wall-mounted lights, replace pole lights by Buildings 15/16/17 with wall-mounted lights; repair/repave all parking areas including curbs; repair eroded site areas around Buildings 8, 16/17 electrical vault, 23, 26, and 27; reroof electrical vault buildings, replace all electrical equipment in electrical vault buildings, replace all corroded vault metal doors; replace corroded roof hatches in buildings 25, 26 and 27; replace all wall mounted steel roof ladders with aluminum ladders with security covers and cages (required by OSHA for ladders over 20 high), add fall protection anchors on all buildings; replace corroded steel perimeter picket fence with prefinished aluminum; replace corroded heater room doors; replace all building main water valves; repair/replace inoperable casement windows/hardware; replace accessible unit bathtubs with roll-in shower; replace all unit entry screen doors with security screen doors.


Photo 1 - Site From Google Earth


Photo 2 - Corroded Vault Doors

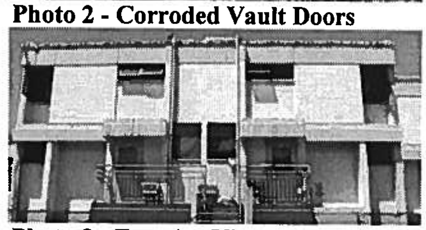


Photo 3 - Exterior View - Paint

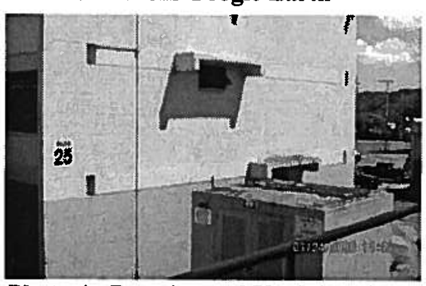


Photo 4 - Deteriorated Vault Roof


Photo 5 - Accessible Tub – Remove


Photo 6 - Deteriorated Metal Railing


Photo 7 - CMU Spall


Photo 8 – Corroded Roof Hatch


Photo 9 - Deteriorated Metal Fence

Estimated Rough Probable Cost/Building: **NA**
Estimated Rough Probable Total Cost: **$4,156,000**

Priority: 14 **Project Name: Kahekili Terrace (A & B)**

This project is split into two separate sites in Wailuku, Maui. Built in 1966, the interiors were rehabbed in 1993. Interior repairs are minimal, except for the office/community building, where roof leaks have caused ceiling and floor damage. We recommend complete reroofing, repair of concrete roof edges/eyebrow edges, roofing and edge flashing of all concrete eyebrows, complete window replacement because of deteriorated wood frames, new gutters, new solar water systems, concrete and cmu wall spall repairs, complete repainting including high performance coating on all metal electrical conduit and meter/service boxes, replacement of all exterior entry lighting and conduit, and replacement of insulated hot water piping supports. At the office/community building, we recommend complete reroofing, new gutters, isolated footing replacement at the 1 story wood frame portion, replacement of exterior doors including the inoperable overhead door, and complete exterior repainting. We also recommend site repairs including replacing heaving sidewalks, fence repairs/replacement, repairing leaking drinking fountain and fire hydrant, and replacing damaged mailboxes.

Photo 1 - Site A From Google Earth

Photo 2 - Site B From Google Earth

Photo 3 – Deteriorated Window Frame

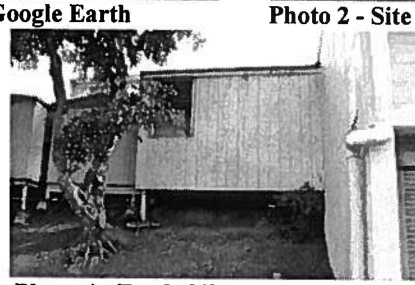


Photo 4 - Eroded Footings

Photo 5 - Exterior View - Paint

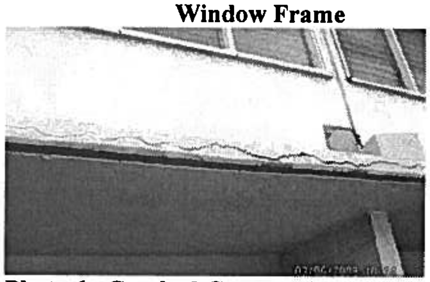


Photo 6 - Cracked Concrete Eyebrow

Photo 7 - Corroded Electrical Boxes

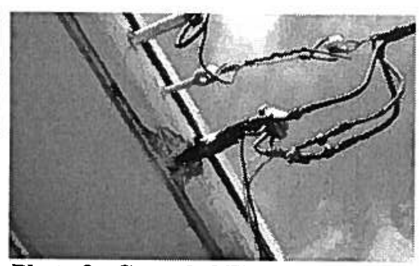


Photo 8 - Corroded Electrical Service

Estimated Rough Probable Cost/Building:	**NA**
Estimated Rough Probable Total Cost:	**$1,586,000**

Priority: 15 **Project Name: Pomaikai**

At 41 years old without major renovation, this project requires major exterior roofing repairs that are causing leaks, mold and interior deterioration. Completely replace the corrugated metal roofing, this makes it impractical for the buildings to be occupied during repair. In 2003 there were 3 vacant units in the 2 buildings. Work includes major exterior wood trim repair/replacement, complete metal reroof with solid sheathing, underlayment and standing seam roofing. Roof all water heater enclosures with TPO and galvanized metal edge flashing. Remove and reinstall existing gutter. Gut and redo, 1 story wood frame, new paint interior & exterior including cmu lanai enclosure walls; new interior and exterior doors, cabinets, plumbing fixtures, electrical fixtures and wiring including gfi outlets in baths and kitchens, new floor finishes. Removal of existing floor finishes to be done under abatement conditions, as it contains asbestos. Exterior site work limited to resurfacing the asphalt paved parking areas.

Photo 1 - Site From Google Earth

Photo 2 - Weathered Door

Photo 3 - Water Heater Room

Photo 4 - Deteriorated Flooring

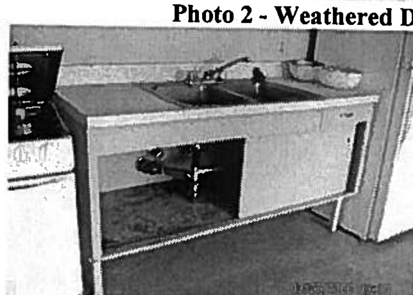


Photo 5 - Outdated Kitchen

Photo 6 - Roof Leak

Photo 7 - Corroded Roofing

Photo 8 - Corroded Roofing

Photo 9 - CMU Fence w/ Mold

Estimated Rough Probable Cost/Building: **$1,975,000**
Estimated Rough Probable Total Cost: **$3,950,000**

Master Deficiency Cost Summary

Project	Island	Sitework	Dwelling Exterior	Dwelling Interior	Common Exterior	Common Interior	Total Observed Cost	No. Units Observed	Total No. Units	Av. Interior $/Unit	Total $ Unit Renov	Total Projected Cost	Systems Electrical	Systems Mechanical	Systems Plumbing
David Malo	Maui	$ 13,251	$ 6,094	$ 7,019	$ -	$ -	$ 26,364	1	18	$ 7,019	$ 126,344	$ 145,690	$ 24,666	$ -	$ 17,160
Eleele Homes	Kauai	$ 79,548	$ 73,809	$ 6,570	$ -	$ -	$ 159,927	3	24	$ 2,190	$ 52,560	$ 205,917	$ 14,115	$ -	$ 2,527
Hale Aloha O'Puna	Hawaii	$ 5,205	$ 136,495	$ 4,506	$ 3,605	$ 6,813	$ 156,624	3	30	$ 1,502	$ 45,057	$ 197,175	$ 5,412	$ -	$ -
Hale Hauoli	Hawaii	$ 88,622	$ 294,169	$ 12,398	$ -	$ 58,088	$ 453,278	8	40	$ 1,550	$ 61,991	$ 502,870	$ 8,109	$ 712	$ 5,546
Hale Hookipa	Hawaii	$ 121,573	$ 543,666	$ 49,213	$ 80,823	$ 9,628	$ 804,904	9	32	$ 5,468	$ 174,978	$ 930,670	$ 24,039	$ 806	$ 8,185
Hale Hoolulu	Kauai	$ 25,306	$ 544,998	$ 1,664	$ 2,527	$ 1,664	$ 576,159	2	12	$ 832	$ 9,984	$ 584,479	$ 11,940	$ -	$ -
Hale Hoonanea	Kauai	$ 62,614	$ 58,708	$ 1,807	$ 2,884	$ 3,817	$ 129,830	5	40	$ 361	$ 14,457	$ 142,480	$ 7,074	$ -	$ -
Hale Laulima	Oahu	$ 54,031	$ 457,807	$ 170,380	$ 18,247	$ -	$ 700,465	5	36	$ 34,076	$ 1,226,739	$ 1,756,823	$ 79,709	$ 5,128	$ 29,530
Hale Nana Kai O'Kea	Kauai	$ 88,379	$ 48,532	$ 1,097	$ 1,895	$ 2,311	$ 142,215	4	38	$ 274	$ 10,422	$ 151,540	$ 3,947	$ -	$ 9,840
Hale Olaloa	Hawaii	$ -	$ 31,268	$ 3,751	$ 1,427	$ -	$ 36,446	5	50	$ 750	$ 37,513	$ 70,208	$ 35,728	$ 7,122	$ -
Home Nani	Kauai	$ 7,395	$ 23,411	$ 902	$ -	$ -	$ 31,709	2	14	$ 451	$ 6,316	$ 37,122	$ -	$ -	$ -
Hookipa Kahaluu	Oahu	$ 138,899	$ 64,090	$ 30,399	$ 22,606	$ 2,374	$ 258,368	6	56	$ 5,066	$ 283,721	$ 511,691	$ 47,254	$ 21,702	$ 26,691
Hui O'Hanamaulu	Kauai	$ 226,940	$ 29,442	$ 11,285	$ -	$ -	$ 267,668	5	46	$ 2,257	$ 103,820	$ 360,203	$ 51,148	$ -	$ 742
Kaahumanu Homes	Oahu	$ 937,324	$ 108,119	$ 51,514	$ -	$ -	$ 1,096,957	18	152	$ 2,862	$ 435,009	$ 1,480,452	$ 95,373	$ -	$ 12,013
Kahale Kahaluu	Hawaii	$ 8,118	$ -	$ -	$ -	$ -	$ 8,118	5	50	$ -	$ -	$ 8,118	$ -	$ -	$ -
Kahale Mua (Federal)	Molokai	$ 5,773	$ 19,358	$ 11,297	$ 1,885	$ 533	$ 38,846	3	25	$ 3,766	$ 94,138	$ 121,687	$ 9,420	$ -	$ 51,008
Kahekili Terrace	Maui	$ 25,960	$ 147,189	$ 23,919	$ 5,558	$ 1,302	$ 203,928	9	82	$ 2,658	$ 217,933	$ 397,941	$ 85,542	$ 6,489	$ 4,145
Kaimalino	Hawaii	$ 474,957	$ 522,439	$ 67,450	$ -	$ -	$ 1,064,845	4	40	$ 16,862	$ 674,495	$ 1,671,891	$ 52,591	$ -	$ 10,696
Kalaheo	Kauai	$ 47,912	$ 1,781	$ 10,973	$ -	$ -	$ 60,666	1	8	$ 10,973	$ 87,781	$ 137,474	$ 23,825	$ -	$ -
Kalakaua Homes	Oahu	$ 32,141	$ 3,108	$ 15,792	$ 529,974	$ 5,415	$ 586,430	22	221	$ 718	$ 158,637	$ 729,275	$ 66,198	$ 7,155	$ -
Kalanihuia	Oahu	$ 12,323	$ -	$ 14,790	$ 51,430	$ 8,962	$ 87,505	17	151	$ 870	$ 131,370	$ 204,085	$ 16,544	$ -	$ 27,263
Kalihi Valley Homes	Oahu	$ 3,547,253	$ 6,303,650	$ 182,167	$ 153,441	$ 77,922	$10,264,432	27	373	$ 6,747	$ 2,516,602	$12,598,867	$ 11,107	$ -	$ 57,335
Kamehameha Homes	Oahu	$ 59,626	$ 176,792	$ 65,454	$ 13,968	$ 1,169	$ 317,010	22	220	$ 2,975	$ 654,542	$ 906,098	$ 50,641	$ 14,245	$ 64,535
Kaneohe Apts I & II	Oahu	$ 2,526	$ 7,676	$ 6,338	$ 1,768	$ 39	$ 18,347	3	24	$ 2,113	$ 50,702	$ 62,711	$ 23,657	$ -	$ -
Kapaa	Kauai	$ 481,637	$ 33,774	$ 6,086	$ 33,774	$ 3,679	$ 558,950	2	35	$ 3,043	$ 106,508	$ 659,372	$ 87,255	$ -	$ -
Kauhale Nani	Oahu	$ 9,050	$ 105,645	$ -	$ 729	$ 12,461	$ 127,886	7	50	$ -	$ -	$ 127,886	$ 1,684	$ -	$ -
Kauhale Ohana	Oahu	$ 2,174	$ 31,039	$ 12,332	$ 4,326	$ -	$ 49,871	4	25	$ 3,083	$ 77,076	$ 114,615	$ 17,304	$ -	$ 1,177
Kau'iokalani	Oahu	$ 18,391	$ 275,408	$ 172,225	$ 8,308	$ 2,360	$ 476,693	8	50	$ 21,528	$ 1,076,408	$ 1,380,876	$ 58,101	$ -	$ 33,307
Kawailehua (Federal)	Kauai	$ 4,508	$ 7,907	$ 5,783	$ -	$ -	$ 18,198	4	25	$ 1,446	$ 36,144	$ 48,559	$ 16,627	$ -	$ -
Ke Kumu Ekolu	Hawaii	$ 17,944	$ 86,459	$ 47,135	$ 4,964	$ 4,225	$ 160,727	2	20	$ 23,568	$ 471,352	$ 584,944	$ 13,054	$ -	$ 57,684
Kealakehe	Hawaii	$ 1,590	$ 441,546	$ 66,520	$ 22,403	$ -	$ 532,059	5	48	$ 13,304	$ 638,589	$ 1,104,128	$ -	$ -	$ 44,176
Kekaha Ha'aheo	Kauai	$ 25,272	$ 67,758	$ 9,082	$ 3,865	$ 1,542	$ 107,519	9	78	$ 1,009	$ 78,708	$ 177,145	$ 45,015	$ -	$ 18,031
Koolau Village	Oahu	$ 29,473	$ 143,585	$ 22,736	$ 4,889	$ 1,904	$ 202,588	8	80	$ 2,842	$ 227,358	$ 407,210	$ 99,120	$ 806	$ 14,351
Kuahale O'Hanakahi	Hawaii	$ 21,349	$ 124,513	$ 1,282	$ 8,514	$ 469	$ 156,128	2	20	$ 641	$ 12,824	$ 167,670	$ 4,330	$ -	$ -
Kuhio Homes	Oahu	$ 204,815	$ 2,090,901	$ 77,525	$ -	$ -	$ 2,373,241	15	134	$ 5,168	$ 692,554	$ 2,988,271	$ 2,838	$ -	$ 14,208
Kuhio Park Terrace	Oahu	$ 5,562,358	$14,430,274	$ 168,853	$ 6,746,793	$3,475,719	$30,383,997	55	614	$ 3,070	$ 1,885,019	$32,100,163	$ 2,948,482	$ -	$ 1,082,846
Kupuna Home O'Waialua	Oahu	$ 44,821	$ 298,515	$ 35,896	$ 5,126	$ 4,366	$ 388,724	8	40	$ 4,487	$ 179,479	$ 532,308	$ 25,267	$ 8,065	$ 6,340
Lanakila I	Hawaii	$ 326	$ 1,495	$ 2,996	$ -	$ -	$ 4,816	5	36	$ 599	$ 21,572	$ 23,393	$ 9,967	$ -	$ 1,607
Lanakila II	Hawaii	$ -	$ 12,723	$ 12,326	$ 36,649	$ 10,099	$ 71,797	4	44	$ 3,082	$ 135,591	$ 195,062	$ -	$ -	$ 12,942
Lanakila IV	Hawaii	$ -	$ 10,408	$ 2,252	$ -	$ -	$ 12,660	4	48	$ 563	$ 27,023	$ 37,431	$ 2,850	$ -	$ 11,440
Maili I	Oahu	$ 12,359	$ 2,239	$ 1,177	$ -	$ -	$ 15,774	1	20	$ 1,177	$ 23,530	$ 38,127	$ -	$ -	$ 23,530
Maili II	Oahu	$ 14,144	$ 55,350	$ 1,825	$ -	$ -	$ 71,319	2	18	$ 913	$ 16,428	$ 85,922	$ 2,137	$ -	$ 8,580
Makamae	Oahu	$ 211,698	$ 1,700	$ 8,120	$ 2,940	$ 795	$ 225,252	13	124	$ 625	$ 77,454	$ 294,586	$ 22,914	$ -	$ 697
Makani Kai Hale I	Maui	$ 1,900	$ 314,170	$ 8,236	$ 2,163	$ 3,160	$ 329,629	3	25	$ 2,745	$ 68,630	$ 390,024	$ 24,024	$ 13,441	$ -
Makani Kai Hale II	Maui	$ -	$ 36,388	$ 2,035	$ -	$ -	$ 38,422	1	4	$ 2,035	$ 8,139	$ 44,527	$ 5,970	$ -	$ -
Makua Alii	Oahu	$ 148,215	$ 1,266,922	$ 8,598	$ 971,407	$ 360,218	$ 2,755,361	20	210	$ 430	$ 90,282	$ 2,837,045	$ 161,409	$ -	$ 8,057

Project	Island	Sitework	Dwelling Exterior	Dwelling Interior	Common Exterior	Common Interior	Total Observed Cost	No. Units Observed	Total No. Units	Av. Interior $/Unit	Total $ Unit Renov	Total Projected Cost	Systems Electrical	Systems Mechanical	Systems Plumbing
Mayor Wright Homes	Oahu	$ 20,581	$ 193,369	$ 234,493	$ 27,087	$ 2,330	$ 477,860	38	364	$ 6,171	$ 2,246,196	$ 2,489,563	$ 349,211	$ -	$ 307,868
Nanakuli Homes	Oahu	$ 305,954	$ 224,739	$ 28,989	$ 5,379	$ -	$ 565,060	8	35	$ 3,624	$ 126,827	$ 662,898	$ 80,828	$ -	$ 17,985
Nani Olu	Hawaii	$ 9,705	$ 175,835	$ 45,017	$ 30,776	$ 15,594	$ 276,927	4	32	$ 11,254	$ 360,137	$ 592,047	$ 24,747	$ -	$ 37,324
Noelani I	Hawaii	$ 21,611	$ 892	$ 20,869	$ 796	$ 4,987	$ 49,156	2	19	$ 10,434	$ 198,255	$ 226,542	$ 12,123	$ -	$ -
Noelani II	Hawaii	$ 16,802	$ 22,412	$ 8,275	$ 480	$ 3,604	$ 51,573	2	24	$ 4,138	$ 99,302	$ 142,600	$ 12,139	$ -	$ -
Pahala Elderly	Hawaii	$ 31,830	$ 41,227	$ 1,789	$ 7,924	$ 3,405	$ 86,175	3	24	$ 596	$ 14,309	$ 98,696	$ 9,542	$ -	$ -
Palolo Valley Homes	Oahu	$ 929,654	$ 1,057,575	$ 105,616	$ 48,464	$ 1,694	$ 2,143,002	13	118	$ 8,124	$ 958,672	$ 2,996,058	$ 34,718	$ -	$ 108,380
Paokalani	Oahu	$ 180,191	$ 1,062,830	$ 5,976	$ 128,210	$ 9,497	$ 1,386,703	13	151	$ 460	$ 69,411	$ 1,450,138	$ 91,814	$ -	$ 791
Piilani Homes	Maui	$ 41,059	$ 2,813	$ 11,061	$ -	$ 11,506	$ 66,438	5	42	$ 2,212	$ 92,910	$ 148,288	$ 6,782	$ -	$ 14,426
Pomaikai Homes	Hawaii	$ 496	$ 407,554	$ 17,733	$ 37,448	$ 748	$ 463,978	2	20	$ 8,866	$ 177,326	$ 623,572	$ 8,887	$ 8,065	$ 41,435
Pumehana	Oahu	$ -	$ 2,941	$ 1,996	$ 2,525	$ 4,602	$ 12,064	14	139	$ 143	$ 19,814	$ 29,882	$ 12,670	$ -	$ -
Punahele Homes	Hawaii	$ 2,372	$ 45,364	$ 1,157	$ 5,855	$ -	$ 54,747	3	30	$ 386	$ 11,568	$ 65,159	$ -	$ -	$ -
Punchbowl Homes	Oahu	$ 419,390	$ 3,480	$ 4,109	$ 1,387,219	$ 21,988	$ 1,836,185	15	156	$ 274	$ 42,732	$ 1,874,809	$ 18,743	$ -	$ 2,405
Puuwai Momi	Oahu	$ 760,746	$ 2,491,738	$ 238,068	$ 40,050	$ 3,450	$ 3,534,052	22	260	$ 10,821	$ 2,813,534	$ 6,109,517	$ 762,936	$ 42,087	$ 293,475
Salt Lake	Oahu	$ 84,256	$ 130,981	$ 37,752	$ 18,118	$ 642	$ 271,750	3	28	$ 12,584	$ 352,356	$ 586,354	$ 26,620	$ -	$ 10,452
Spencer House	Oahu	$ 1,051	$ 3,008	$ 20,005	$ 122,809	$ -	$ 146,873	2	17	$ 10,002	$ 170,041	$ 296,909	$ 920	$ -	$ 1,601
Wahiawa Terrace	Oahu	$ 190,856	$ 1,400,902	$ 70,416	$ 21,932	$ -	$ 1,684,106	8	60	$ 8,802	$ 528,123	$ 2,141,812	$ 109,855	$ 5,342	$ 14,857
Waimaha-Sunflower	Oahu	$ 139,598	$ 487,107	$ 69,903	$ 8,709	$ 15,657	$ 720,974	11	130	$ 6,355	$ 826,126	$ 1,477,197	$ 11,461	$ 8,417	$ 10,549
Waimanalo Homes	Oahu	$ 4,298	$ 75,917	$ 21,325	$ -	$ -	$ 101,540	5	41	$ 4,265	$ 174,863	$ 255,079	$ 42,743	$ 5,840	$ 3,456
Waipahu I	Oahu	$ 9,621	$ 45,945	$ 8,288	$ 396	$ 884	$ 65,133	5	19	$ 1,658	$ 31,495	$ 88,340	$ -	$ 10,826	$ 619
Waipahu II	Oahu	$ 1,911	$ 6,274	$ 55,940	$ 124,735	$ 1,613	$ 190,474	6	20	$ 9,323	$ 186,466	$ 321,000	$ 40,868	$ 1,613	$ 744
TOTALS		**$16,049,684**	**$37,324,220**	**$2,432,481**	**$10,767,802**	**$4,163,238**	**$70,737,426**	**555**	**5259**	**$ 4,383**	**$ 23,049,403**	**$91,354,347**	**$ 5,953,999**	**$ 167,864**	**$ 2,532,557**

All of these costs are estimated in 2009 dollars.

Master Capital Cost Summary

Project	Island	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
David Malo	Maui	$ 435,852	$ -	$ -	$ -	$ -	$ 170,166	$ -	$ -	$ -	$ -	$ 170,166	$ -	$ 77,520	$ -	$ -	$ 337,908	$ -	$ -	$ -	$ -
Eleele Homes	Kauai	$ 753,663	$ -	$ -	$ -	$ -	$ 267,737	$ -	$ -	$ -	$ -	$ 267,737	$ -	$ 129,424	$ -	$ -	$ 589,151	$ -	$ -	$ -	$ -
Hale Aloha O'Puna	Hawaii	$ 665,588	$ -	$ -	$ -	$ -	$ 171,227	$ -	$ -	$ -	$ -	$ 171,227	$ -	$ 133,456	$ -	$ -	$ 315,660	$ -	$ -	$ -	$ -
Hale Hauoli	Hawaii	$ 630,807	$ -	$ -	$ -	$ 339,920	$ 241,603	$ -	$ -	$ -	$ -	$ 241,603	$ -	$ 135,560	$ -	$ -	$ 407,832	$ -	$ -	$ -	$ -
Hale Hookipa	Hawaii	$ 819,048	$ -	$ -	$ -	$ -	$ 184,586	$ -	$ -	$ -	$ -	$ 184,586	$ -	$ 248,872	$ -	$ -	$ 316,882	$ -	$ -	$ -	$ -
Hale Hoolulu	Kauai	$ 214,472	$ -	$ -	$ -	$ -	$ 132,001	$ -	$ -	$ -	$ -	$ 70,527	$ -	$ 42,232	$ -	$ -	$ 136,062	$ -	$ -	$ -	$ -
Hale Hoonanea	Kauai	$ 530,805	$ -	$ -	$ -	$ -	$ 437,053	$ -	$ -	$ -	$ -	$ 307,624	$ -	$ 75,056	$ -	$ -	$ 441,352	$ -	$ -	$ -	$ -
Hale Laulima	Oahu	$ 883,589	$ -	$ -	$ -	$ -	$ 341,124	$ -	$ -	$ -	$ -	$ 341,124	$ -	$ 250,760	$ -	$ -	$ 551,417	$ -	$ -	$ -	$ -
Hale Nana Kai O'Kea	Kauai	$ 812,974	$ -	$ -	$ -	$ -	$ 276,018	$ -	$ -	$ -	$ -	$ 267,726	$ -	$ 73,144	$ -	$ -	$ 729,759	$ -	$ -	$ -	$ -
Hale Olaloa	Hawaii	$ 816,686	$ -	$ -	$ -	$ -	$ 316,230	$ -	$ 4,165	$ 126,750	$ -	$ 316,230	$ -	$ 335,640	$ 266,070	$ -	$ 390,350	$ -	$ -	$ -	$ -
Home Nani	Kauai	$ 272,592	$ -	$ -	$ -	$ 6,432	$ 55,699	$ -	$ -	$ -	$ 7,176	$ 55,699	$ -	$ 53,912	$ -	$ -	$ 165,326	$ -	$ -	$ -	$ -
Hookipa Kahaluu	Oahu	$ 1,035,117	$ -	$ -	$ -	$ -	$ 425,712	$ -	$ -	$ -	$ -	$ 425,712	$ -	$ 120,000	$ -	$ -	$ 1,150,930	$ -	$ -	$ -	$ -
Hui O'Hanamaulu	Kauai	$ 1,224,730	$ -	$ -	$ -	$ -	$ 455,256	$ -	$ -	$ -	$ -	$ 455,112	$ -	$ 144,768	$ -	$ -	$ 1,007,104	$ -	$ -	$ -	$ -
Kaahumanu Homes	Oahu	$ 3,572,455	$ -	$ -	$ -	$ -	$ 1,179,106	$ -	$ -	$ -	$ -	$ 1,957,210	$ -	$ 384,160	$ -	$ -	$ 1,863,417	$ -	$ -	$ -	$ -
Kahale Kahaluu	Hawaii	$ -	$ -	$ -	$ 466,125	$ -	$ -	$ -	$ -	$ 697,551	$ -	$ 289,174	$ -	$ -	$ 653,965	$ -	$ -	$ -	$ -	$ 476,285	$ -
Kahale Mua (Federal)	Molokai	$ 666,032	$ -	$ -	$ -	$ 8,513	$ 289,177	$ -	$ -	$ -	$ 37,440	$ 289,177	$ -	$ 77,440	$ -	$ -	$ 581,497	$ -	$ -	$ -	$ -
Kahekili Terrace	Maui	$ 1,842,764	$ -	$ -	$ -	$ 2,904	$ 675,342	$ -	$ -	$ -	$ -	$ 675,342	$ -	$ 268,800	$ -	$ -	$ 1,038,209	$ -	$ -	$ -	$ -
Kaimalino	Hawaii	$ 1,301,582	$ -	$ -	$ -	$ -	$ 469,980	$ -	$ -	$ -	$ -	$ 469,980	$ -	$ 218,264	$ -	$ -	$ 670,593	$ -	$ -	$ -	$ -
Kalaheo	Kauai	$ 122,865	$ 103,595	$ -	$ -	$ -	$ 76,563	$ -	$ -	$ -	$ -	$ 76,563	$ -	$ 22,048	$ -	$ -	$ 89,891	$ 41,372	$ -	$ -	$ -
Kalakaua Homes	Oahu	$ 3,406,219	$ -	$ -	$ -	$ -	$ 1,446,494	$ -	$ -	$ -	$ -	$ 1,505,329	$ -	$ 618,216	$ -	$ 54,240	$ 1,963,614	$ -	$ -	$ -	$ -
Kalanihuia	Oahu	$ 1,820,381	$ 103,950	$ -	$ -	$ -	$ 603,190	$ -	$ -	$ 313,350	$ -	$ 603,190	$ 103,950	$ 161,912	$ 313,350	$ -	$ 977,581	$ -	$ -	$ 313,350	$ -
Kalihi Valley Homes - Phase I	Oahu	$ 485,820	$ -	$ -	$ -	$ -	$ 600,064	$ -	$ -	$ 170,040	$ -	$ 485,820	$ -	$ -	$ 283,465	$ -	$ 485,820	$ -	$ 114,244	$ 124,468	$ -
Kalihi Valley Homes - Phase II	Oahu	$ 680,148	$ -	$ -	$ -	$ -	$ 680,148	$ 159,900	$ -	$ -	$ 238,056	$ 680,148	$ -	$ -	$ -	$ 396,788	$ 680,148	$ -	$ -	$ 159,900	$ 174,210
Kalihi Valley Homes - Phase IIIa	Oahu	$ -	$ -	$ -	$ -	$ 485,820	$ -	$ -	$ -	$ -	$ 485,820	$ -	$ 114,035	$ -	$ -	$ 655,860	$ -	$ -	$ -	$ -	$ 768,970
Kalihi Valley Homes - Phase IIIb	Oahu	$ -	$ -	$ -	$ -	$ -	$ 291,492	$ -	$ -	$ -	$ -	$ 291,492	$ -	$ 68,505	$ -	$ -	$ 393,516	$ -	$ -	$ -	$ -
Kalihi Valley Homes - Phase IV	Oahu	$ -	$ -	$ -	$ -	$ -	$ -	$ 244,872	$ -	$ -	$ -	$ -	$ 244,872	$ -	$ 56,303	$ -	$ -	$ 330,336	$ -	$ -	$ -
Kamehameha Homes	Oahu	$ 1,824,635	$ 1,273,000	$ -	$ -	$ 1,179,524	$ 1,824,635	$ -	$ -	$ -	$ 29,732	$ 1,824,635	$ -	$ -	$ 1,273,000	$ 405,690	$ 1,824,635	$ -	$ -	$ -	$ 1,113,992
Kaneohe Apts I & II	Oahu	$ 244,168	$ -	$ -	$ 92,704	$ -	$ 180,622	$ 104,406	$ -	$ -	$ -	$ 244,168	$ 6,232	$ -	$ -	$ -	$ 273,326	$ -	$ -	$ -	$ -
Kapaa	Kauai	$ 909,019	$ -	$ 59,570	$ -	$ 36,213	$ 298,290	$ -	$ -	$ -	$ 40,794	$ 298,290	$ -	$ 298,416	$ -	$ -	$ 595,768	$ -	$ 59,570	$ -	$ -
Kauhale Nani	Oahu	$ 495,726	$ -	$ -	$ -	$ 188,224	$ 399,744	$ -	$ 461,119	$ -	$ -	$ 399,744	$ -	$ 12,407	$ -	$ -	$ 412,621	$ 188,224	$ -	$ -	$ -
Kauhale Ohana	Oahu	$ 373,854	$ 304,666	$ -	$ -	$ -	$ 288,254	$ -	$ -	$ -	$ -	$ 288,254	$ 18,774	$ 85,600	$ -	$ -	$ 288,254	$ 296,668	$ -	$ -	$ -
Kau'iokalani	Oahu	$ 977,426	$ 605,505	$ -	$ -	$ -	$ 655,434	$ 16,912	$ -	$ -	$ -	$ 655,434	$ 77,892	$ 321,992	$ -	$ -	$ 655,434	$ 580,221	$ -	$ -	$ -
Kawailehua (Federal)	Kauai	$ 591,142	$ -	$ -	$ -	$ 42,550	$ 187,842	$ -	$ -	$ -	$ 14,560	$ 187,842	$ -	$ 137,648	$ -	$ -	$ 446,786	$ -	$ -	$ -	$ 42,550
Ke Kumu Ekolu	Hawaii	$ 389,487	$ -	$ -	$ 203,148	$ -	$ 232,127	$ -	$ -	$ 736	$ -	$ 232,127	$ -	$ 157,360	$ 81,720	$ -	$ 232,127	$ -	$ -	$ 197,571	$ -
Kealakehe	Hawaii	$ 842,424	$ 44,814	$ -	$ -	$ -	$ 390,763	$ -	$ -	$ -	$ -	$ 390,763	$ -	$ 119,192	$ -	$ -	$ 520,517	$ -	$ -	$ -	$ -
Kekaha Ha'aheo	Kauai	$ 1,224,546	$ 649,966	$ -	$ -	$ -	$ 717,490	$ 11,133	$ -	$ -	$ -	$ 717,490	$ -	$ 414,336	$ -	$ -	$ 721,752	$ 632,680	$ -	$ -	$ -
Koolau Village	Oahu	$ 810,967	$ -	$ -	$ 414,936	$ -	$ 809,143	$ 546,577	$ -	$ -	$ 122,076	$ 809,143	$ 5,952	$ -	$ -	$ -	$ 1,224,079	$ -	$ -	$ -	$ -
Kuahale O'Hanakahi	Hawaii	$ 214,598	$ 166,400	$ -	$ -	$ 75,931	$ 214,598	$ -	$ -	$ -	$ 127,936	$ 214,598	$ -	$ -	$ 166,400	$ 25,500	$ 214,598	$ -	$ -	$ -	$ 73,158
Kuhio Homes	Oahu	$ 2,121,867	$ -	$ -	$ -	$ -	$ 2,792,592	$ -	$ -	$ -	$ -	$ 1,300,122	$ -	$ 292,016	$ -	$ -	$ 1,784,404	$ -	$ -	$ -	$ -
Kuhio Park Terrace	Oahu	$ 13,249,959	$ 1,045,028	$ -	$ -	$ -	$ 7,747,929	$ -	$ -	$ -	$ -	$ 8,256,857	$ -	$ 1,257,980	$ -	$ -	$ 9,147,109	$ 1,045,028	$ -	$ -	$ -
Kupuna Home O'Waialua	Oahu	$ 741,887	$ -	$ -	$ -	$ -	$ 217,697	$ -	$ -	$ -	$ -	$ 217,697	$ -	$ 132,672	$ -	$ -	$ 491,118	$ -	$ -	$ -	$ -
Lanakila I	Hawaii	$ 370,224	$ -	$ -	$ -	$ -	$ 370,224	$ 828,864	$ -	$ -	$ -	$ 370,224	$ 347,424	$ -	$ -	$ -	$ 370,224	$ 54,408	$ -	$ -	$ -

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Project	Island	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Lanakila II	Hawaii	$ 736,955	$ -	$ -	$ 126,000	$ -	$ 635,618	$ 364,718	$ -	$ -	$ -	$ 635,618	$ 443,338	$ -	$ -	$ -	$ 790,790	$ 106,056	$ -	$ -	$ -
Lanakila IV	Hawaii	$ -	$ 494,208	$ -	$ -	$ -	$ -	$ 494,208	$ -	$ -	$ -	$ -	$ 768,520	$ -	$ -	$ -	$ 178,262	$ 937,546	$ -	$ -	$ -
Maili I	Oahu	$ 233,893	$ -	$ -	$ -	$ -	$ 233,893	$ 102,088	$ -	$ -	$ 67,500	$ 233,893	$ -	$ -	$ -	$ 226,296	$ 233,893	$ -	$ -	$ 102,088	$ 6,660
Maili II	Oahu	$ 275,466	$ -	$ 202,264	$ -	$ -	$ 485,292	$ -	$ -	$ -	$ -	$ 275,466	$ -	$ -	$ -	$ 202,264	$ 311,478	$ -	$ -	$ -	$ -
Makamae	Oahu	$ 1,533,494	$ -	$ -	$ -	$ 90,156	$ 425,901	$ -	$ -	$ -	$ 90,156	$ 425,901	$ 123,634	$ 115,368	$ -	$ 90,156	$ 861,699	$ -	$ -	$ -	$ 90,156
Makani Kai Hale I	Maui	$ 873,637	$ -	$ -	$ -	$ -	$ 320,927	$ -	$ -	$ -	$ -	$ 362,538	$ -	$ 291,120	$ -	$ -	$ 576,067	$ -	$ -	$ -	$ -
Makani Kai Hale II	Maui	$ 200,453	$ -	$ 31,365	$ -	$ -	$ 162,053	$ -	$ -	$ -	$ -	$ 162,053	$ -	$ 52,200	$ -	$ -	$ 162,053	$ -	$ 30,849	$ -	$ -
Makua Alii	Oahu	$ 3,025,230	$ -	$ -	$ -	$ -	$ 1,555,630	$ -	$ -	$ -	$ -	$ 1,680,230	$ -	$ 240,776	$ -	$ -	$ 1,805,207	$ -	$ -	$ -	$ -
Mayor Wright Homes	Oahu	$ 5,597,767	$ -	$ -	$ -	$ 58,500	$ 3,844,221	$ -	$ -	$ -	$ 126,000	$ 3,928,851	$ -	$ 1,044,176	$ -	$ 1,131,494	$ 4,173,763	$ -	$ -	$ -	$ -
Nanakuli Homes	Oahu	$ 1,332,448	$ -	$ -	$ 148,292	$ -	$ 527,310	$ -	$ -	$ 6,075	$ -	$ 527,310	$ -	$ 266,536	$ -	$ -	$ 527,310	$ -	$ -	$ 139,262	$ -
Nani Olu	Hawaii	$ 568,741	$ -	$ -	$ -	$ -	$ 218,740	$ -	$ -	$ -	$ -	$ 218,740	$ -	$ 46,552	$ -	$ -	$ 351,553	$ -	$ -	$ -	$ -
Noelani I	Hawaii	$ 185,989	$ -	$ -	$ -	$ 54,720	$ 112,049	$ -	$ -	$ -	$ 54,720	$ 112,049	$ 56,704	$ -	$ -	$ 104,350	$ 176,725	$ -	$ -	$ -	$ 121,472
Noelani II	Hawaii	$ 262,447	$ -	$ -	$ -	$ 64,648	$ 176,523	$ -	$ -	$ -	$ 64,648	$ 176,523	$ 56,704	$ -	$ -	$ 81,910	$ 243,576	$ -	$ -	$ -	$ 246,743
Pahala Elderly	Hawaii	$ 310,990	$ -	$ -	$ -	$ -	$ 129,482	$ -	$ -	$ -	$ -	$ 129,482	$ -	$ 200,976	$ -	$ -	$ 212,362	$ -	$ -	$ -	$
Palolo Valley Homes	Oahu	$ 2,415,837	$ -	$ -	$ -	$ -	$ 1,296,253	$ -	$ -	$ -	$ -	$ 1,296,253	$ -	$ 331,888	$ 416,934	$ -	$ 1,879,361	$ -	$ -	$ -	$
Paokalani	Oahu	$ 2,209,076	$ 257,002	$ -	$ -	$ 23,442	$ 1,144,472	$ -	$ -	$ -	$ -	$ 1,194,872	$ -	$ 95,448	$ -	$ -	$ 1,303,091	$ 257,002	$ -	$ -	$ -
Piilani Homes	Maui	$ 634,002	$ -	$ 1,452	$ -	$ -	$ 331,524	$ -	$ -	$ 119,706	$ -	$ 331,524	$ -	$ 80,960	$ -	$ -	$ 484,930	$ -	$ -	$ -	$ -
Pomaikai Homes	Hawaii	$ 459,069	$ -	$ -	$ -	$ -	$ 139,385	$ -	$ -	$ -	$ -	$ 139,385	$ -	$ 13,780	$ 52,106	$ -	$ 162,258	$ -	$ -	$ -	$ -
Pumehana	Oahu	$ 1,118,483	$ -	$ 338,310	$ -	$ -	$ 456,364	$ -	$ 225,540	$ -	$ 115,040	$ 456,364	$ -	$ 225,540	$ -	$ -	$ 828,688	$ -	$ 225,540	$ -	$ -
Punahele Homes	Hawaii	$ 539,562	$ -	$ -	$ -	$ -	$ 312,516	$ -	$ 107,760	$ -	$ -	$ 314,700	$ -	$ 287,070	$ -	$ -	$ 362,496	$ -	$ -	$ -	$ -
Punchbowl Homes	Oahu	$ 3,664,175	$ -	$ -	$ -	$ -	$ 1,633,794	$ -	$ -	$ -	$ -	$ 1,784,322	$ -	$ 286,208	$ -	$ -	$ 2,195,204	$ -	$ -	$ -	$ -
Puuwai Momi	Oahu	$ 5,552,505	$ -	$ -	$ -	$ 444,222	$ 3,016,416	$ -	$ -	$ -	$ -	$ 4,119,823	$ -	$ 921,016	$ -	$ -	$ 2,782,523	$ -	$ -	$ -	$ 444,222
Salt Lake	Oahu	$ 880,402	$ -	$ -	$ -	$ 858	$ 428,080	$ -	$ -	$ -	$ -	$ 457,312	$ -	$ 93,720	$ -	$ -	$ 506,277	$ -	$ -	$ -	$ -
Spencer House	Oahu	$ 337,765	$ 28,934	$ 1,560	$ -	$ -	$ 164,877	$ -	$ -	$ -	$ -	$ 222,781	$ -	$ 87,840	$ -	$ -	$ 187,287	$ 28,934	$ -	$ -	$ -
Wahiawa Terrace	Oahu	$ 2,170,729	$ 206,880	$ -	$ -	$ 12,256	$ 1,312,059	$ -	$ -	$ -	$ -	$ 1,889,083	$ -	$ 186,168	$ -	$ -	$ 1,321,364	$ 199,140	$ -	$ -	$ -
Waimaha-Sunflower	Oahu	$ 1,193,763	$ -	$ -	$ -	$ -	$ 1,565,043	$ -	$ 263,376	$ 447,122	$ 4,774	$ 1,193,763	$ -	$ -	$ 7,530	$ 5,218	$ 1,193,763	$ -	$ 371,280	$ 81,840	$ -
Waimanalo Homes	Oahu	$ 623,991	$ -	$ -	$ -	$ 63,280	$ 623,991	$ -	$ 628,961	$ -	$ -	$ 623,991	$ -	$ -	$ -	$ -	$ 623,991	$ 63,280	$ 31,488	$ -	$ -
Waipahu I	Oahu	$ 286,639	$ -	$ -	$ -	$ 51,616	$ 162,416	$ -	$ 15,827	$ -	$ -	$ 252,261	$ -	$ -	$ -	$ -	$ 194,754	$ 50,040	$ -	$ -	$ -
Waipahu II	Oahu	$ 327,370	$ -	$ -	$ -	$ 46,434	$ 229,842	$ -	$ 16,660	$ -	$ -	$ 283,154	$ -	$ -	$ -	$ -	$ 263,882	$ 45,776	$ -	$ -	$ -
TOTALS		$ 85,926,995	$ 5,283,948	$ 634,521	$ 1,451,205	$ 3,276,163	$ 48,758,022	$ 2,873,678	$ 1,723,408	$ 1,881,330	$ 1,626,448	$ 50,434,128	$ 2,368,032	$ 11,736,630	$ 3,570,844	$ 3,379,766	$ 59,381,378	$ 4,856,711	$ 832,971	$ 1,594,765	$ 3,082,132

All of these costs are estimated in 2009 dollars, and are not adjusted for inflation to the year projected.

Approved by the Acting Executive Director
November 17, 2011

FOR ACTION

SUBJECT: To Adopt the Hawaii Public Housing Authority's Policy on Internal Control

I. FACTS

A. The Hawaii Public Housing Authority is responsible to adequately safeguard its assets and to assure that they are used solely for authorized purposes.

II. DISCUSSION

A. The objective of the internal control policy is to establish effective controls and accountability for cash, real and personal property and other assets. These control procedures were developed to decrease the risk of errors, omissions, delay and/or fraud.

B. The policy includes that the Board of Directors shall appoint a Finance Task Force to review annual audit reports, findings, budgets, and other related financial activity to provide oversight and governance for the HPHA, when necessary.

C. The Chief Financial Management Advisor and the Fiscal Officer are responsible for the implementation of financial and accounting controls.

D. Staff has received training from the Fiscal Officer and MDStrumm (HUD's technical assistance contractor) on the internal control policy.

III. REQUEST

That the Board of Directors Adopt the Internal Control Policy for the Hawaii Public Housing Authority.

Attachment: Internal Control Policy, HPHA's Fiscal Management Office Policies and Procedures

Prepared by: Clarence Allen, Acting CFMA

Director Shimizu moved Director Yoshioka seconded to amend item "h on page 8 to read:
h. P-card purchases shall be made in accordance with the policies and procedures as stated in the State of Hawaii P-card manual.

Adopted:

David Gierlach, Chair

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INTERNAL CONTROL

Policy:

The Hawaii Public Housing Authority recognizes its responsibility to adequately safeguard all of its assets and to assure that they are used solely for authorized purposes. In accordance with this responsibility, the authority will adopt and comply with its internal control policy. All employees of the Hawaii Public Housing Authority are responsible for managing internal controls of the agency.

Governing Authority:

The Internal Control Policy of the Hawaii Public Housing Authority is governed by:

- The Annual Contribution Contract
- 24 CFR 85.20 and other related CFRs
- PIH Guidebooks and Handbooks
- Hawaii State Laws and Regulations
- State of Hawaii Comptroller's Memorandum
- Generally Accepted Accounting Principles (GAAP)
- Federal Yellow Book, OMB Circular A-133, etc.

Objective:

It is the objective of the Hawaii Public Housing Authority to establish and adhere to written policies and systems to prevent fraud, waste, and mismanagement. The Hawaii Public Housing Authority will establish effective control and accountability for cash, real and personal property, and other assets. It is important in any system of internal control to determine both the need and the level of control. Therefore, a risk benefit assessment needs to be done before any internal control is established.

Risk is the probability that an event or action will adversely affect the organization. The primary categories of risk are errors, omissions, delay, and fraud. In order to achieve goals and objectives, management needs to effectively balance risks and controls. Therefore, control procedures need to be developed so that they decrease risk to a level where management can accept the exposure to that risk. By performing this balancing act "reasonable assurance" can be attained. As it relates to financial and compliance goals, being out of balance can cause the following problems:

Excessive Risks	Excessive Controls
Loss of Assets or Grants Poor Business Decisions Noncompliance Increased Regulations Public Scandals	Increased Bureaucracy Reduced Productivity Increased Complexity Increased Cycle Time Increase of No-Value Activities

Conditions:

- In order to achieve a balance between risk and controls, internal controls should be proactive, value-added, and cost-effective and address exposure to risk.
- Internal control is a process designed to provide reasonable assurance regarding the achievement of objectives in the following categories:
  - Effectiveness and efficiency of operations
  - Reliability of financial reporting
  - Compliance with applicable laws and regulations
  - Organization goals and policies are being followed
- Several key points should be made about this definition:

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- ***People at every level of an organization affect internal control.*** Internal control is, to some degree, everyone's responsibility. Within HPHA, employees at all levels are responsible for internal control in their areas.
- ***Effective internal control helps an organization achieve its operations, financial reporting and compliance objectives.*** Effective internal control is a built-in part of the management process (i.e. plan, organize, direct, and control). Internal control keeps an organization on course towards its objectives and the achievement of its mission, and minimizes surprises along the way. Internal control promotes effectiveness and efficiency of operations, reduces the risk of asset loss, and helps to ensure compliance with laws and regulations. Internal control also ensures reliability of financial reporting (i.e. all transactions are recorded and that all transactions are real, properly valued, recorded on a timely basis, properly classified, correctly summarized, and posted.
- ***Internal control can provide only reasonable assurance – not absolute assurance – regarding the achievement of an organization's objectives.*** Effective internal control helps an organization achieve its objectives; it does ensure success. There are several reasons why internal control cannot provide absolute assurance that objectives will be achieved: cost/benefit realities, collusion among employees, and external events beyond an organization's control.

- Internal control consists of five interrelated components as follows:
  - Control (or Operating) Environment
  - Risk Assessment
  - Control Activities
  - Information and Communication
  - Monitoring
- All five internal control components must be present to conclude that internal control is effective.

Board of Directors

The Board of Directors shall appoint a Finance Task Force to review annual audit reports, findings, budgets, and other related financial activity to provide oversight and governance for the HPHA, when necessary.

The first step in internal control is for the Board of Directors to provide oversight and governance for the authority. The ACC agreement is between HUD and the Board of Directors. The ACC Agreement requires that financial records are maintained in an auditable condition, proper documentation is maintained, and a system of internal control is established. State of Hawaii law requires among other items, that a level of ethics be maintained and meetings are open to the public.

Strategy for Internal Control:

The internal control system for HPHA shall be comprised of the following practices, methods, and procedures which will safeguard assets, produce accurate accounting data, contribute to efficient operations and encourage adherence to management policies, limitations and other regulations.

I. Financial and Accounting Controls shall be implemented to ensure that transactions are properly recorded, financial reporting is accurate, and assets are safeguarded against loss from unauthorized use. *This is the responsibility of the Chief Financial Management Advisor and the Fiscal Officer for implementation.*
   a. Detailed financial policies and procedures in accordance with governing authority shall be written and utilized by the Fiscal Management Office. If necessary, policies should be adopted by the Board of Directors.
   b. Original copies necessary to create a chain of documentary evidence of each transaction shall be maintained.
      i. Retention of records shall be in accordance with HUD and state regulations.

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c. To the extent feasible, clearly established separation of duties and responsibilities shall be provided to each staff member.
   i. Bank statements should be received unopened and reconciled each month. This reconciliation shall be reviewed and approved by a higher level employee not involved with the check preparation process.
   ii. Employees who initiate transactions (i.e. acquisitions, custody or disposition of assets) shall have no responsibility for the accounting function related to the recording and posting of these transactions.
   iii. Payroll shall be distributed by an employee who is not involved in the following:
      1. the preparation of payroll,
      2. supervision of employees,
      3. approval of time records, or
      4. signing paychecks.
   iv. Petty cash shall be reconciled and counted by an employee that is not custodian of the fund.
   v. Signatories to checks shall require at least two signatures with at least one being limited to persons who have no access to accounting records or to petty cash.
   vi. Mailed checks shall not be allowed to return directly to the persons who prepared or initiated them.
   vii. Mailed receipts of funds shall be opened and a record of the money received should be prepared by an employee independent of other financial duties.
   viii. From time to time but no less frequently than yearly, inventories shall be verified by an employee other than the custodian of that inventory.

d. Proofs, checks, and supervisory review shall insure employee discharge of duties and minimize opportunity for malfeasance.
   i. Petty Cash
      1. An impress fund system shall be used for petty cash.
      2. The maximum amount of any individual disbursement shall be limited to $50.00.
      3. The petty cash fund shall be counted and balanced by an independent employee. The reconciliation of petty cash shall have supervisory review on a monthly basis.
      4. The petty cash shall be locked at all times when not in use.
   ii. Cash Disbursement
      1. Blank checks shall be properly controlled and kept in a secure place.
      2. Advance signing of blank checks is prohibited.
      3. Supporting documentation shall accompany checks when submitted for signature.
      4. Voided checks shall be properly mutilated and retained for subsequent examinations.
   iii. Cash Receipts
      1. Receipts of cash shall be documented by the issuance of a computer-generated receipt or a pre-numbered cash receipt as appropriate.
      2. All cash receipts shall be immediately recorded upon the books and deposited in an account.
      3. Validated duplicate deposit tickets or slips shall be obtained for each deposit made.
      4. Daily deposits shall be reviewed by someone other than the employee responsible for collections.
      5. Employees are prohibited from having custody of any unrecorded cash or negotiable documents of the authority.
   iv. Payrolls

1. The payroll shall be checked at regular intervals against the personnel records.
2. Clerical operations involved in the preparation of payroll checks shall be double-checked before the checks are printed and distributed.
3. Payroll checks shall be prepared using approved time and attendance reports.
4. An adequate current record is to be maintained of all personnel and pay rates.

v. Purchases and Expenditures
1. All expenditures must be preceded by approved requisitions indicating source and use of funds.
2. Purchase orders shall be pre-numbered (or controlled by computer application), and accounted for.
3. Invoices shall be delivered directly to the accounting section and compared against purchase orders and receiving reports.
4. Vouchers shall be examined by a responsible individual for completeness and required approvals.
5. Purchases for employees are prohibited.
6. Voided Purchase Orders are to be mutilated and retained for procurement policy.
7. All purchases are to be made in accordance with the procurement policy.

vi. Property and Equipment
1. A property ledger is to be maintained and balanced monthly against the general ledger.
2. A complete physical inventory is to be made of all property and equipment at least annually.
3. Disposition of property is to be authorized in accordance with policy and properly recorded.

e. Budget Controls are to be established to set objectives and to allocate available resources for individual programs, and for the Hawaii Public Housing Authority as an organization. A consolidated budget shall be prepared however, individual budgets must be prepared for each HUD and state funded program area.
i. Budgets are to be monitored on an ongoing basis.
ii. Any activity representing a departure from approved budget must be presented to the Executive Director and if appropriate to the Board of Commissioners for budget revision approval. Prior to commitment for expenditure.

f. Investment controls are to be established to assist in the controlling of investments and preventing loss or misuse of any funds for with the Hawaii Public Housing Authority is custodian. The controls established shall ensure the following:
i. Investment transactions are authorized by the Hawaii Public Housing Authority's Board of Directors and documented in the board minutes.
ii. Investment documents are kept in a safe fire-resistant locked file cabinet, safe deposit box, or held by an agent.
iii. Avoidance of Bearer-form securities.
iv. Separation of duties, for example CFMA shall not also be responsible for maintaining the accounting records of investments.
v. Investments will be maintained in a custodian or trust account.
vi. Investments will be in the name of the Hawaii Public Housing Authority.
vii. Investments will be recorded in detail in an investment ledger.
viii. Interest earned is collected and credited to the appropriate federal or state program using an appropriate allocation basis and is recorded in the accounting records timely.

ix. Investments are reconciled periodically to the investment ledger.
x. A system of cash forecasting is established to ensure that cash needs are adequately planned for and that excess cash balances are invested for periods that maximize returns.
xi. Instruct the Hawaii Public Housing Authority's external auditors to review investment activity to determine if it is in compliance with policies and procedures.

g. Financial Systems – the Hawaii Public Housing Authority manages its financial operation utilizing several automated systems for banking, recording transactions, receiving federal funds, etc.
   i. Access to these systems should be restricted according to job responsibilities. Security levels should be established between the Chief Financial Management Advisor and the Information Technology Office.
   ii. The accounting policies and practices instituted by the state comptroller will be the foundation of those established and implemented by the Fiscal Management Office

h. Account Reconciliations – routine reconciliations shall be completed on all accounts of the general ledger.
   i. Reconciliations shall be completed on all accounts of the general ledger.
   ii. Reconciliations shall be completed at least once monthly on cash, accounts receivable, accounts payable, inter-fund accounts, investments, and other accounts.
   iii. Reconciliations will be prepared and signed by the Chief Accountant, Fiscal Officer, and/or Chief Financial Management Advisor.

i. State funds are recorded in FAMIS and maintained by the Hawaii State Comptroller.
   i. State funds are also recorded in the Emphasys system, which is used as a subsidiary ledger for these programs and in the reporting of these funds in the Financial Data Schedule for the federal government.

j. Federal Funds are recorded only in the Emphasys system – which is the general ledger for these programs – and not in the state FAMIS system.

k. The Chart of Accounts is maintained by the Fiscal Officer.
   i. The account structure allows for the various internal (i.e. Board of Directors, Senior and Line Management) and external (i.e. Financial Statements, Regulatory Requirements, Legislative Requirements, etc) reporting requirements.

l. The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the reporting period.
   i. The Chief Financial Management Advisor and the Fiscal Officer will review and approve all accruals and accounting estimates in accordance with Generally Accepted Accounting Principles.

II. Financial Audit

a. The Hawaii Public Housing Authority prepares two financial reports to be audited by the external auditor.
   i. The first audit report is the authority's portion of the Statewide Comprehensive Annual Financial Report (CAFR).
      1. This report is to be completed and submitted no later than November 30th for issuance of the report from the state by December 31st.
   ii. The second report is the Single Audit Report, required by the federal government, which includes the financial statements, compliance, and internal control.
      1. This report is to be submitted no later than March 31st – 9 months after the June 30th year end.

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b. It is the responsibility of the Chief Financial Management Advisor, Fiscal Officer, and Chief Accountant to have the financial reports completed and ready for the audit based upon an approved schedule between the Hawaii Public Housing Authority and the external auditor.
    i. This schedule should be agreed upon prior to the start of field work.

III. Selection of the external auditor is done by the State of Hawaii and not by the Hawaii Public Housing Authority.
  a. The auditor selected must be qualified to perform an A-133 audit and must be selected utilizing a competitive procurement process.
    i. *"It is PIH/REAC's position that auditor rotation is healthy for the organization. It helps preserve auditor independence and provides a fresh 'pair of eyes' to ensure objectivity in the performance of the audit." (PROCURING AN AUDIT (GAAP Flyer #6) PIH/Real Estate Assessment Center)*

IV. Before budgeted funds can be expended; the Executive Director shall identify in writing the employees authorized to originate and approve specific business transactions.
  a. Delegations shall be reviewed periodically and cancelled when no longer required.
  b. A listing of employees authorized to approve and sign business transactions for the Hawaii Public Housing Authority shall be prepared by the Fiscal Management Office and distributed to each Branch/Section/AMP Manager as needed.
    i. In addition, the Fiscal Management Office shall also maintain a Signature Authority Process grid showing the signatures required to approve various business process of the Hawaii Public Housing Authority.

V. Accurate Records of the cost and accumulated depreciation of property, plant, and equipment shall be maintained by the Fiscal Management Office.
  a. The acquisition of capital assets should be organized to ensure that no unauthorized acquisitions have been made and that records of each acquisition are accurate, complete, and recorded in the appropriate period.
    i. This policy applies to all fixed assets purchased by the authority regardless of the source of funds.
  b. Capital Assets are generally funded by the Capital Fund Program (CFP) (federal funding) and the Capital Improvement Program (CIP) (state funding).
  c. The authority's fixed assets and expendable equipment may be disposed of only when they become obsolete, are beyond repair, or are too expensive to maintain.
    i. The disposal of fixed assets and expendable equipment will occur only after proper authorization has been given.
    ii. The Hawaii Public Housing Authority will maintain control over the disposition of property to preserve the accuracy of the records and to ensure that assets are safeguarded, improper disposal is avoided, and the best possible terms are received for disposal.
  d. This policy shall apply to all assets acquired by the Hawaii Public Housing Authority regardless of the source of funding used to originally acquire the asset.

VI. Prior to the implementation of Asset Management, funding was received by the Hawaii Public Housing Authority on an entity-wide basis. With the implementation of Asset Management, restrictions have been placed on how funds can be moved from AMP to AMP and AMP to the Central Office.
  a. There is a phase in period for the implementation for the transfer of cash beginning July 1, 2008.
  b. Excess cash represents non-restricted liquid or near liquid assets available after near term liabilities and normal project operation expenses are considered.
    i. Excess cash is calculated using a balance sheet approach.
    ii. HUD has developed policies and guidelines for PHAs using norms in the broader multi-family management industry as required under §990.255.

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iii. Excess cash will be determined based upon the project based financial data in the FDS.
   1. For the Hawaii Public Housing Authority, this is the submission of the June 30, 2008 Single Audit Report, which includes the project based FDS.
   2. The following line items will be used to determine the amount of excess cash for each AMP.
   3. The final determination of excess cash will be based upon the submission and approval of the audited FDS submission.
   4. The Chief Financial Management Advisor shall certify to the Executive Director the amount of excess cash available to be transferred, by AMP prior to any such transfer.

VII. The Executive Director is authorized by the Board of Directors to sign checks, drafts, or other orders for payment of money or initiate electronic transfers of fund against HPHA checking accounts.
   a. The Executive Director is authorized to approve the use of facsimile signatures, and to direct banks or other depositories to honor the use of them.
   b. The Executive Director shall be the representative of the Hawaii Public Housing Authority in, and is authorized to execute agreements in connection with, all matters relating to bank accounts and bank services; banking relationships; and financial and banking type services provided by entities other than banks.
   c. The Executive Director may delegate these responsibilities in writing to the appropriate staff.

VIII. It is the policy of the Hawaii Public Housing Authority to provide open access to all public information.
   a. Records which are not considered public information will be protected to insure the safety of private information.
   b. It is the policy of the Hawaii Public Housing Authority to classify, retain, and dispose of records as prescribed in the State of Hawaii's General Records Schedules (GRS) No. 1-11; Comptroller's Circular No. 2001-02, Policy and Guidelines Relating to Electronic Records Retention and Disposition; and HUD Handbook 7475.1, Rev. 1 (appendix on documents retention).
      i. The minimum retention period for records is contained in the GRS.
         1. Notwithstanding the state retention period, should such retention periods conflict with federal requirements, the period of longer retention shall apply.
      ii. A government record is defined as information, regardless of media or characteristics created, received, or maintained by an agency in the course of a business transaction and in pursuance of legal obligations.
         1. The authority's government records are typically generated pursuant to the operation of state and federally funded programs.
      iii. Record retention periods prescribed in the GRS are considered to be the minimum necessary under normal conditions.
         1. As long as minimum retention requirements are met, records covered by the GRS may be destroyed without further concurrence from the Comptroller.
         2. If legal or audit questions involving scheduled records arise before the records reach their authorized disposal dates or before the records are destroyed, the records must be retained until legal and/or audit issues are settled.

IX. Management Controls are to be established to monitor operations to ensure that programs are implemented in an efficient and economical manner.
   a. The authority shall establish and maintain an organization chart delineating the chain of command for its management system.
   b. Staff shall be provided with a clearly defined written statement of responsibilities and job accountability.

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c. To the extent feasible, separation of duties shall be maintained so that no one staff person has complete control over any asset.
d. The authority shall maintain a management information system that provides an internal flow of data for monitoring, forecasting, and policy decisions.
e. The authority shall maintain an effective personnel selection policy to promote the hiring of competent staff.
f. A supervisory review system shall be utilized to assure routine monitoring of employee/ contractor compliance with procedures and timeliness/quality of completed work.
g. Competitive procurement procedures shall be employed for all purchases.
h. An accurate inventory system shall be maintained.
i. The authority shall provide for the security of property and records.
j. A well-planned, organized, and supervised maintenance program must be established.
k. A timely, annual independent audit shall be performed.

Monitoring:

It is the responsibility of the Executive Director to ensure that internal controls are being followed and monitored. The Executive Director generally delegates the responsibility to senior management for following the internal control guidelines. Compliance or internal auditing will conduct operational audits to ensure that policy and procedures are being followed and bring to the attention of the Executive Director any deficiencies identified for corrective action.

Monitoring is the assessment of internal control performance over time; it is accomplished by ongoing monitoring activities and by separate evaluations of internal control such as self-assessments, peer reviews, and internal audits. The purpose of monitoring is to determine whether internal control is adequately designed, properly executed, and effective. Internal control is adequately designed and properly executed if all five internal control components (Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring) are present and functioning as designed. Internal control is effective if management and interested stakeholders have reasonable assurance that:

- They understand the extent to which operations objectives are being achieved.
- Published financial statements are being prepared reliably.
- Applicable laws and regulations are being complied with.

While internal control is a process, its effectiveness is an assessment of the condition of the process at one ore more points in time.

Just as control activities help to ensure that actions to manage risks are carried out, monitoring helps to ensure that control activities and other planned actions to affect internal control are carried out properly and in a timely manner and that the end result is effective internal control. Ongoing monitoring activities include various management and supervisory activities that evaluate and improve the design, execution, and effectiveness of internal control. Separate evaluations, on the other hand, such as self- assessments and internal audits, are periodic evaluations of internal control components resulting in a formal report on internal control. Department employees perform self-assessments; internal auditors who provide an independent appraisal of internal control perform internal audits.

Management's role in the internal control system is critical to its effectiveness. Managers, like auditors, don't have to look at every single piece of information to determine that the controls are functioning and should focus their monitoring activities in high-risk areas. The use of spot checks on transactions or basic sampling techniques can provide a reasonable level of confidence in that the controls are functioning as intended.

c. To the extent feasible, separation of duties shall be maintained so that no one staff person has complete control over any asset.
d. The authority shall maintain a management information system that provides an internal flow of data for monitoring, forecasting, and policy decisions.
e. The authority shall maintain an effective personnel selection policy to promote the hiring of competent staff.
f. A supervisory review system shall be utilized to assure routine monitoring of employee/ contractor compliance with procedures and timeliness/quality of completed work.
g. Competitive procurement procedures shall be employed for all purchases.
h. P-card purchases shall be made in accordance with the policies and procedures as stated in the State of Hawaii P-card manual.
i. An accurate inventory system shall be maintained.
j. The authority shall provide for the security of property and records.
k. A well-planned, organized, and supervised maintenance program must be established.
l. A timely, annual independent audit shall be performed.

Monitoring:

It is the responsibility of the Executive Director to ensure that internal controls are being followed and monitored. The Executive Director generally delegates the responsibility to senior management for following the internal control guidelines. Compliance or internal auditing will conduct operational audits to ensure that policy and procedures are being followed and bring to the attention of the Executive Director any deficiencies identified for corrective action.

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Approved by the Acting Executive Director
November 17, 2011

FOR ACTION

SUBJECT: To Adopt Revisions to the Admissions and Continued Occupancy Policy to Ban Medical Use of Marijuana in Federal Public Housing

I. FACTS

A. The Quality Housing and Work Responsibility Act of 1998 (42 U.S.C. §13661) (QHWRA)requires Public Housing Authorities (PHAs) to establish occupancy standards and lease provisions that will allow the PHA to terminate assistance for use of a controlled substance. The law does not compel PHAs to terminate assistance in such cases, and PHAs have discretion to determine continued occupancy policies that are most appropriate for their local communities.

B. Part IX of the Uniform Controlled Substances Act (Sections 329-121 through 329-128, Hawaii Revised Statutes), permits the use of marijuana for specified medical conditions. The law removes state-level criminal penalties on the use, possession, and cultivation of marijuana by patients who possess a signed statement from their physician affirming that he or she suffers from a debilitating medical condition and that the "potential benefits of medical use of marijuana would likely outweigh the health risks."

C. Patients diagnosed with the following illnesses are afforded legal protection under this Act: *cachexia*; *cancer*; *chronic pain*; *Crohn's disease*; *epilepsy and other disorders characterized by seizures*; *glaucoma*; *HIV or AIDS*; *multiple sclerosis and other disorders characterized by muscle spasticity*; and *nausea*. Other conditions are subject to approval by the Hawaii Department of Health.

D. Patients (or their primary caregivers) may legally possess up to three (3) ounces of usable marijuana, and may cultivate no more than seven (7) marijuana plants, of which no more than three (3) may be mature. The law establishes a mandatory, confidential state-run patient registry that issues identification cards to qualifying patients.

E. On February 10, 2011 the Assistant Secretary for Public and Indian Housing, U.S. Department of Housing and Urban Development (HUD) issued a memorandum addressing the medical use of marijuana in public housing and housing choice voucher programs (Attachment A). The memorandum states that new admissions of medical marijuana users are prohibited into the public housing and housing choice voucher programs due to the preemption of state laws to the contrary by the Controlled Substances Act, which lists marijuana as a Schedule I drug,[1] as well as the QHWRA.

F. The HUD memorandum further states that PHAs in states that have enacted laws legalizing the use of medical marijuana must establish a standard and adopt a written policy regarding whether or not to allow continued occupancy.

II. DISCUSSION

A. In response to the memorandum received from HUD, HPHA staff has conducted research into the practices of PHAs in other states that have also legalized the medicinal use of marijuana. Currently, 16 states and the District of Columbia permit the use of marijuana for medical reasons.

B. Staff developed an ad hoc methodology to conduct this research, which involved consultation with large PHA executive directors, legal counsel, planning officers, and compliance officers as well as the review of other Board actions and adopted ACOP language.

C. Survey findings indicate that, prior to the release of the January 20, 2011 HUD Memo (Attachment B), most PHAs referred medical marijuana cases to Compliance Office staff for resolution under Reasonable Accommodation procedures. The HUD memo prohibited the continuation of such practices.

D. Since the release of the two HUD Memos, surveyed PHAs have determined that in federal public housing, the federal Controlled Substances Act supersedes state laws decriminalizing the medical use of marijuana. Many indicated that they informally follow a "two strike" policy to prevent the hasty eviction of chronically ill tenants and to provide them an opportunity to seek alternate accommodations to continue their marijuana use.

E. Most PHAs have further recognized that the February 10, 2011 HUD Memo in Attachment A allows for a potential double standard regarding medical marijuana users. The memo categorically prohibits PHAs to admit new tenants that are medical marijuana users, but gives PHAs discretion as to

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[1] Schedule I drugs are substances with a very high potential for abuse and no accepted medical use in the United States.

whether to allow continued occupancy by current tenants that are medical marijuana users.

F. HPHA staff has determined that a differential policy of such a nature that prohibits admission to medical marijuana users but allows continued occupancy would create conflicting, confusing, inconsistent policies toward a single class of tenants. This would be difficult for staff to enforce and create inequity between current and potential program beneficiaries.

G. To adopt a policy that provides differential treatment could encourage fraud in the application process. Theoretically, a prospective tenant would be incentivized to conceal medical marijuana use until admitted to public housing since, once admitted, a permissive continued occupancy policy would authorize their marijuana use.

H. A prohibition on medical marijuana use in public housing would protect the health, safety, and welfare of all tenants. Many HPHA tenants that would suffer from the conditions allowed under the medical marijuana program in Hawaii would be elderly or disabled. These population groups are the most vulnerable to victimization from acquaintances and youth who are either seeking high quality marijuana for personal consumption or engaged in illicit trafficking of potentially dangerous or ineffective types of marijuana.

I. A prohibition on medical marijuana would further protect minor children currently residing in family public housing developments from exposure to a drug that remains classified as Schedule I under the Controlled Substances Act. This exposure could lead to abuse of the drug by users who are not diagnosed with one of the conditions specified under the Hawaii Revised Statutes and encourage an unhealthy pattern of abuse into adulthood.

J. The HPHA allows the use of drugs that contain marijuana synthetics, such as Marinol (dronabinol) and Cesamet (nabilone), which have been approved by the Food and Drug Administration for medical use. These legal alternatives are said to be effective to treat nausea and vomiting associated with cancer chemotherapy and are available by mail order with a valid prescription.

K. Currently, therelevant provisions of the HPHA's ACOP already refer to the federal Controlled Substances Act. Staff is proposing revisions that clarify the continued force of this policy that federal law supersede.

L. As a result of the above referenced policy reviews and staff surveys of other large PHAs, staff has developed recommended draft amendments to the current Admissions and Continued Occupancy policy (Attachment C).

M. The proposed amendment is currently under review by the Department of the Attorney General. Approval of the Attachment C draft amendmentto the ACOP would be subject to the review and advice of counsel.

III. RECOMMENDATION

That the HPHA Board of Directors Adopt Revisions to the Admissions and Continued Occupancy Policy to Ban Medical Use of Marijuana in Federal Public Housing.

Attachment A: Memorandum from HUD addressing medical marijuana dated February 10, 2011

Attachment B: Memorandum from HUD prohibiting reasonable accommodation for medical marijuana use dated January 20, 2011

Attachment C: Admissions and Continued Occupancy Policy (ACOP) Chapter 12 with recommended revision

Prepared by: Nicholas Birck, Chief Planner NB

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

ASSISTANT SECRETARY FOR
PUBLIC AND INDIAN HOUSING

February 10, 2011

MEMORANDUM FOR: All Field Offices and Public Housing Agencies (PHAs)

FROM: Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing

SUBJECT: Medical Marijuana Use In Public Housing and Housing Choice Voucher Programs

Overview

The Department has recently received numerous inquiries regarding the use of medical marijuana[1] in the Public Housing (PH) and Housing Choice Voucher (HCV) programs[2]. This memorandum intends to serve as guidance for field offices and PHAs on admissions, continued occupancy, and termination policies in states that have enacted laws that allow the use of medical marijuana. Currently fourteen states (Alaska, California, Colorado, Hawaii, Maine, Michigan, Montana, Nevada, New Jersey, New Mexico, Oregon, Rhode Island, Vermont, and Washington) and the District of Columbia have laws that legalize medical marijuana use.

New Admissions

Based on federal law, new admissions of medical marijuana users are prohibited into the PH and HCV programs. The Controlled Substances Act (CSA) lists marijuana as a Schedule I drug, a substance with a very high potential for abuse and no accepted medical use in the United States. The Quality Housing and Work Responsibility Act (QHWRA) of 1998 (42 U.S.C. §13661) requires that PHAs administering the Department's rental assistance programs establish standards and lease provisions that prohibit admission into the PH and HCV programs based on the illegal use of controlled substances, including state legalized medical marijuana. State laws that legalize medical marijuana directly conflict with the admission requirements set forth in QHWRA and are thus subject to federal preemption.

Current Residents

For existing residents, QHWRA requires PHAs to establish occupancy standards and lease provisions that will allow the PHA to terminate assistance for use of a controlled substance. However, the law does not compel such action and PHAs have discretion to determine continued occupancy policies that are most appropriate for their local communities. PHAs can also determine whether to deny assistance to or terminate individual medical marijuana users, rather than entire households, for both applicant and existing residents when appropriate. PHAs have discretion to determine, on a case-by-case basis, the appropriateness of program termination of existing residents for the use of medical marijuana.

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[1] The Department defines medical marijuana as marijuana which, when prescribed by a physician to treat a serious illness such as AIDS, cancer, or glaucoma, is legal under State law.
[2] Housing Choice Voucher programs include tenant-based vouchers and project-based vouchers.

ATTACHMENT A

PHAs in states that have enacted laws legalizing the use of medical marijuana must therefore establish a standard and adopt written policy regarding whether or not to allow continued occupancy or assistance for residents who are medical marijuana users. The decision of whether or not to allow continued occupancy or assistance to medical marijuana users is the responsibility of PHAs, not of the Department.

Food and Drug Administration Approved Drugs

PHAs should also be aware that the Food and Drug Administration (FDA) has approved drugs for medical uses which are comprised of marijuana synthetics, such as Marinol and Cesamet. These drugs are not medical marijuana and are legal under federal laws. These products have been through the FDA's rigorous approval process and have been determined to be safe and effective for their indications. They are therefore allowed in the public housing and voucher programs.

Thank you for your partnership and participation in the Department's programs, and for your attention to this important issue in providing quality housing and communities for all residents of public housing and voucher programs. Questions regarding this memorandum may be directed to Ms. Diane Yentel at 202-402-6051 or Diane.E.Yentel@hud.gov.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-0500

NERAL COUNSEL

JAN 20 2011

MEMORANDUM FOR: John Trasviña, Assistant Secretary for Fair Housing and Equal Opportunity

David Stevens, Assistant Secretary for Housing/ Federal Housing Commissioner

Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing

FROM: Helen R. Kanovsky

SUBJECT: Medical Use of Marijuana and Reasonable Accommodation in Federal Public and Assisted Housing.

I. *Introduction*

The Office of Fair Housing and Equal Opportunity (FHEO) requested our opinion as to whether Public Housing Agencies (PHAs) and owners of other federally assisted housing may grant current or prospective residents a reasonable accommodation under federal or state nondiscrimination laws for the use of medical marijuana.[1] Commensurate with the relatively recent upsurge of states passing medical marijuana laws, there has been a significant increase in the number of requests by residents of those states for exceptions to federal drug-free laws and policies to permit the use of medical marijuana as a reasonable accommodation for their disabilities. In 1999, this Office issued a Memorandum concluding that any state law purporting to legalize the use of medical marijuana in public or other assisted housing would conflict with the admission and termination standards found in the Quality Housing and Work and Responsibility Act of 1998 (QHWRA)[2] and be subject to preemption.[3] With this Memorandum, we reaffirm the Laster Memorandum's conclusions, and we address those conclusions in the context of requests for reasonable accommodation under federal and state nondiscrimination laws.

As discussed below, federal and state nondiscrimination laws do not require PHAs and owners of other federally assisted housing to accommodate requests by current or prospective

[1] For purposes of this Memorandum, "medical marijuana" refers to marijuana authorized by state medical marijuana laws, and the "use" of medical marijuana encompasses the use, unlawful possession, manufacture, and distribution of marijuana, as prohibited by the Controlled Substances Act. *See infra* Section III.B.2.
[2] QHWRA amended the United States Housing Act of 1937, 42 U.S.C. § 1437. Two of QHWRA's provisions, codified at 42 U.S.C. §§ 13661 and 13662, cover admission and termination standards, respectively, in federally assisted housing.
[3] *See* Sept. 24, 1999 Memorandum from Gail W. Laster, General Counsel, to William C. Apgar, Assistant Secretary, Office of Housing/Federal Housing Commissioner, and Harold Lucas, Assistant Secretary for Public and Indian Housing, on "Medical use of marijuana in public housing" [hereinafter Laster Memorandum] (attached).

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residents with disabilities to use medical marijuana. In fact, PHAs and owners may not permit the use of medical marijuana as a reasonable accommodation because: 1) persons who are currently using illegal drugs, including medical marijuana, are categorically disqualified from protection under the disability definition provisions of Section 504 of the Rehabilitation Act and the Americans with Disabilities Act; and 2) such accommodations are not reasonable under the Fair Housing Act because they would constitute a fundamental alteration in the nature of a PHA or owner's operations. Accordingly, PHAs and owners may not grant requests by current or prospective residents to use medical marijuana as a reasonable accommodation for their disabilities, and FHEO investigators should not issue determinations of reasonable cause to believe a PHA or owner has violated the Fair Housing Act based solely on the denial of a request to use medical marijuana as a reasonable accommodation.

While PHAs and owners may not grant reasonable accommodations for medical marijuana use, they maintain the discretion either to evict or refrain from evicting current residents who engage in such use, as set forth in QWHRA. *See infra,* Section V.

II. *Background*

A. *Federal Drug Laws*

Marijuana is categorized as a Schedule I substance under the Controlled Substances Act (CSA). *See* 21 U.S.C. § 801 *et seq.* The manufacture, distribution, or possession of marijuana is a federal criminal offense, and it may not be legally prescribed by a physician for any reason. *See* 21 U.S.C. §§ 841(a)(1); 844(a); 812(b)(1)(A)-(C).

B. *State Medical Marijuana Laws*

Since 1996, fifteen states and the District of Columbia have enacted laws that allow certain medical uses of marijuana despite the federal prohibition against its use.[4] Rather than permitting physicians to prescribe marijuana, these laws allow physicians to discuss the benefits and drawbacks of marijuana when determining whether to "recommend" it or "certify" that the patient qualifies for it under the medical conditions listed in the state statute. These state laws offer qualifying patients narrow exemptions from prosecution and/or arrest under state—but not federal—laws. The laws vary in how they protect medical marijuana users from state criminal laws, but all share the following features: 1) exemptions from arrest and/or prosecution for patients and caregivers who grow, possess, and use marijuana in conjunction with a doctor's "recommendation" or "certification"; 2) rules governing the caregiver's role in the procurement and administration of medical marijuana to the patient; 3) documentation requirements; and 4) quantitative limits on marijuana possession, cultivation, and usage.[5]

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[4] *See* Procon.org, "Medical Marijuana," *available at* http://medicalmarijuana.procon.org/view.resource.php?resourceID=000881; *Arizona Becomes 15th State to Approve Medical Marijuana*, N.Y. TIMES, Nov. 14, 2010, *available at* http://www.nytimes.com/2010/11/15/us/politics/15arizona.html.

[5] *See* MARIJUANA POLICY PROJECT, STATE-BY-STATE MEDICAL MARIJUANA LAWS 6-7 (2008), *available at* http://www.mpp.org/.../state-by-state-medical-marijuana-laws.html.

C. *Federal Admission and Termination Standards under QHWRA*

Section 576(b) of QHWRA addresses admissions standards related to current illegal drug use for all public housing and other federally assisted housing. Pursuant to that section, PHAs or owners

> shall establish standards that prohibit admission to the program or admission to federally assisted housing for any household with a member – (A) who the public housing agency or owner determines is illegally using a controlled substance; or (B) with respect to whom the public housing agency or owner determines that it has reasonable cause to believe that such household member's illegal use (or pattern of illegal use) of a controlled substance . . . may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

42 U.S.C. § 13661(b)(1).

QHWRA therefore requires PHAs and owners to deny admission to those households with a member who the PHA or owner determines is, at the time of consideration for admission, illegally using a "controlled substance" as that term is defined by the CSA. *See* Laster Memorandum at 2-3 & n.4. The Laster Memorandum advised that to determine whether an applicant is using a controlled substance at the time of consideration for admission, the use of the drug must have occurred recently enough to warrant a reasonable belief that the use is ongoing. *See id* at 3-4. This requires a highly individualized, fact-specific examination of all relevant circumstances. *Id.* at 4.

In contrast, under QHWRA's termination standards, PHAs and owners have the discretion to evict, or refrain from evicting, a current tenant who the PHA or owner determines is illegally using a controlled substance. PHAs or owners must establish standards or lease provisions that

> allow the agency or owner (as applicable) to terminate the tenancy or assistance for any household with a member – (1) who the public housing agency or owner determines is illegally using a controlled substance; or (2) whose illegal use (or pattern of illegal use) of a controlled substance . . . is determined by the public housing agency or owner to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

42 U.S.C. § 13662(a).

Thus, while PHAs and owners may elect to terminate occupancy based on illegal drug use, they are not required to evict current tenants for such use. *See* Laster Memorandum at 6-7. Further, PHAs and owners may not establish lease provisions or policies that affirmatively permit occupancy by medical marijuana users because doing so would divest PHAs and owners of the very discretion which Congress intended for them to exercise. *See id.* at 6. As with admission standards, the use of the illegal controlled substance must have occurred recently enough to warrant a reasonable belief that the use is ongoing.

III. *Federal nondiscrimination laws do not require PHAs and owners to allow marijuana use as a reasonable accommodation for disabilities.*

The Fair Housing Act, Section 504 of the Rehabilitation Act (Section 504), and Title II of the Americans with Disabilities Act (ADA) prohibit, among other things, discrimination against persons with disabilities in public housing and other federally assisted housing. 42 U.S.C. § 3604 (f)(1)-(3); 29 U.S.C. § 794(a); 42 U.S.C. § 12132. One type of disability discrimination prohibited by all three statutes is the refusal to make reasonable accommodations in rules, policies, and practices when such accommodations are necessary to provide the person with disabilities with the full opportunity to enjoy a dwelling, service, program or activity.[6]

To establish discrimination for failure to accommodate a disability, a plaintiff must prove the following elements: 1) the plaintiff meets the statute's definition of "disability" or "handicap"; 2) the accommodation is necessary to afford him or her an equal opportunity to use and enjoy the dwelling (Fair Housing Act) or is necessary to avoid discrimination against him or her in the public service, activity, or program (Section 504 and ADA); 3) the plaintiff actually requests an accommodation; 4) the accommodation is reasonable; and 5) the defendant refused to make the required accommodation.[7] The relevant elements for purposes of this Memorandum are the first and fourth: whether a medical marijuana user falls within the definition of "disability" or "handicap," and whether an accommodation allowing the use of medical marijuana is reasonable in the context of public housing or other federally assisted housing.

A. *Under Section 504 and the ADA, current illegal drug users, including medical marijuana users, are excluded from the definition of "individual with a disability" when the provider acts on the basis of the illegal drug use.*

An individual must be disabled to be entitled to a reasonable accommodation. Although medical marijuana users may meet this standard because of the underlying medical conditions for which they use or seek to use marijuana, Section 504 and the ADA categorically exempt current illegal drug users from their definitions of "disability" when the covered entity acts on the basis of such use:

> [T]he term "individual with a disability" does not include an individual who is currently engaging in the illegal use of drugs, when the covered entity acts on the basis of such use.[8]

1. "Illegal" use of drugs

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[6] 42 U.S.C. § 3604 (f)(3)(B) ("discrimination includes . . . a refusal to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford such person equal opportunity to use and enjoy a dwelling"); 28 C.F.R. § 35.130(b)(7) ("[a] public entity shall make reasonable modifications in policies, practices, or procedures when the modifications are necessary to avoid discrimination on the basis of disability, unless the public entity can demonstrate that making the modifications would fundamentally alter the nature of the service, program, or activity"); *Alexander v. Choate*, 469 U.S. 287, 301 (1985) (Section 504 requires recipients of federal financial assistance to provide reasonable accommodations to disabled persons).

[7] *See, e.g.*, Joint Statement of HUD and the Department of Justice, "Reasonable Accommodations Under the Fair Housing Act," at question 12 [hereinafter "Joint Statement"].

[8] 29 U.S.C. § 705(20)(C)(i); 42 U.S.C. § 12210(a).

Under Section 504 and the ADA, whether a given drug or usage is "illegal" is determined exclusively by reference to the CSA. *See* 29 U.S.C. § 705(10)(A)-(B); 42 U.S.C. §12110(d)(1). Because the CSA prohibits all forms of marijuana use, the use of medical marijuana is "illegal" under federal law even if it is permitted under state law. *See* 21 U.S.C. §§ 841(a)(1); 844(a); 812(b)(1)(A)-(C).

While Section 504 and the ADA contain language providing a physician-supervision exemption to the "current illegal drug user" exclusionary provisions, this exemption does not apply to medical marijuana users. The ADA's physician-exemption language, which mirrors Section 504, states:

> The term 'illegal use of drugs' means the use of drugs, the possession or distribution of which is unlawful under the Controlled Substances Act . . . . Such term does not include the use of a drug taken under supervision by a licensed health care professional, or other uses authorized by the Controlled Substances Act . . . or other provisions of Federal law.[9]

Because the phrase "supervision by a licensed health care professional" is modified by the subsequent phrase "or other uses authorized by the Controlled Substances Act," the exemption applies only to those uses that are sanctioned by the CSA. *See Barber v. Gonzales*, 2005 WL 1607189, at *1 (E.D. Wash. July 1, 2005); *James v. City of Costa Mesa*, 2010 WL 1848157, at *4 (C.D. Cal. April 30, 2010). Accordingly, because medical marijuana use violates the CSA, medical marijuana users are excluded from the definition of "individual with a disability" under Section 504 and the ADA, regardless of whether state laws authorize such use. *Barber*, 2005 WL 1607189, at *2.

2. Acting "on the basis of such use"

Section 504 and the ADA's exclusion of "current illegal drug users" applies to current medical marijuana users only when the PHA or owner is acting on the basis of that current use: "[T]he term 'individual with a disability' does not include an individual who is currently engaging in the illegal use of drugs, *when the covered entity acts on the basis of such use*." 29 U.S.C. § 705(20)(C)(i); 42 U.S.C. § 12210(a) (emphasis added); *see also* 28 C.F.R. § 35.131(a)(1) ("this part does not prohibit discrimination against an individual *based* on that individual's current illegal use of drugs.")(emphasis added).

A housing provider is acting on the basis of current drug use, when, for example, the provider evicts a tenant for violating the provider's drug-free policies. In that context, the tenant, even if suffering from a serious impairment such as cancer or multiple sclerosis, would not be "disabled" under the ADA or Section 504 for purposes of filing a claim under those laws challenging the eviction as disability discrimination. *See, e.g., Blatch v. Hernandez*, 360 F. Supp.

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[9] 42 U.S.C. § 12210(d)(1); *see also* 29 U.S.C. § 705(10)(B) (Section 504). Similarly, the Fair Housing Act House Report states that the "current illegal drug user" exclusionary provision in that law "does not eliminate protection for individuals who take drugs defined in the Controlled Substances Act for a medical condition under the care of, or prescription from, a physician." H.R. REP. NO. 100-711, at 22 (1988), *reprinted in* 1998 U.S.C.C.A.N. 2173, 2183.

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2d 595, 634 (S.D.N.Y. 2005) (concluding that otherwise disabled public housing residents with mental illnesses are not considered disabled if a provider evicts them based on their current illegal drug use). A tenant who has a disabling impairment and is a current illegal drug user could, however, bring a claim under the ADA or Section 504 for disability discrimination where the housing provider evicted the tenant because the tenant asked to have grab bars installed in the shower. In that case, the provider would not have acted on the basis of the illegal drug use, but because the tenant requested grab bars.

For the same reason, an otherwise disabled tenant – a tenant with cancer, for example – is not "disabled" under the ADA or Section 504 for purposes of challenging a housing provider's refusal to grant a tenant's request for a reasonable accommodation to use medical marijuana as a cancer treatment. In denying the cancer patient's request to use medical marijuana because it is an illegal drug, the housing provider would have been acting on the basis of current illegal drug use.[10]

Courts have specifically addressed this drug-use exclusion in medical marijuana cases, finding that otherwise disabled plaintiffs were excluded from protection under Section 504 and the ADA when housing entities took actions against them based on their use of medical marijuana. For example, one court rejected an ADA claim from a student with serious lower back problems who had requested an accommodation to use medical marijuana in a state university housing facility. *See Barber v. Gonzales,* 2005 WL 1607189, at *1 (E.D. Wash. July 1, 2005). The court noted that "a federal claim under the ADA *does not exist* because the term 'individual with a disability' does not include an individual who is currently engaging in the illegal use of drugs when the covered entity acted on the basis of such use." *Id.* (emphasis added).

In another case, a medical marijuana user requested an accommodation to a PHA's drug-free policy that would allow him to continue using and cultivating marijuana in his unit. *See Assenberg v. Anacortes Hous. Auth.*, 2006 WL 1515603, at *2 (W.D. Wash., May 25, 2006), *aff'd*, 268 Fed.Appx. 643 (9th Cir. 2008), *cert. denied*, 129 S.Ct. 104 (2008). The court concluded that although the tenant had a "debilitating" back injury, "because [he] was an illegal drug user, [the PHA] had no duty to accommodate him." 2006 WL 1515603 at *2, *5. The court of appeals affirmed and — with no analysis — stated that the ADA and Section 504 "expressly exclude illegal drug use" and "[the PHA] did not have a duty to reasonably accommodate [the plaintiffs'] medical marijuana use." *Assenberg*, 268 Fed. Appx. at 643; *see also Blatch v. Hernandez*, 360 F. Supp. 2d at 634 (finding that, in the context of general illegal drug use in public housing, under Section 504 and the ADA "the mentally disabled status of a current illegal drug user against whom action is taken based on that drug use . . . is [not] a viable basis for a claim that [the Housing Authority] is required to accommodate the disabled person by changing its generally-applicable rules.").

Thus, persons seeking an accommodation to use medical marijuana are not "individuals with a disability" under Section 504 and the ADA and therefore do not qualify for reasonable accommodations that would allow for such use. Furthermore, because requests to use medical marijuana prospectively are tantamount to requests to become a "current illegal drug user," PHAs are prohibited from granting such requests. However, current medical marijuana users are

[10] We note that PHAs or owners that choose to exercise their discretion under QHWRA not to evict a current tenant for medical marijuana use may not later use this drug use as pretext for refusing to provide other, non-marijuana-related accommodations.

disqualified from protection under the ADA and Section 504 only when the housing provider takes actions based on that illegal drug use.

B. *Though otherwise disabled medical marijuana users are not excluded from the Fair Housing Act's definition of "handicap," accommodations allowing for the use of medical marijuana in public housing or other federally assisted housing are not reasonable.*

The Fair Housing Act's illegal drug use exclusion is defined differently from the exclusion found in Section 504 and the ADA. Under the Fair Housing Act,

> "Handicap" means, with respect to a person—
>
> (1) a physical or mental impairment which substantially limits one or more of such person's major life activities . . .
>
> . . .
>
> But such *term* does not include current, illegal *use* of or addiction to a controlled substance (as defined in Section 802 of Title 21 [CSA]).[11]

Unlike the language in Section 504 and the ADA, this provision does not categorically exclude individuals from protection under the Fair Housing Act. Rather, it prevents a current illegal drug user or addict from asserting that the drug use or addiction is itself the basis for claiming that he or she is disabled under the Act. Thus, if a person claims that medical marijuana use or addiction is the sole condition for which that person seeks a reasonable accommodation, that individual is not "handicapped" within the meaning of the Fair Housing Act, and no duty arises to accommodate such use. However, a person who is otherwise disabled (e.g., cancer, multiple sclerosis) is not disqualified from the definition of "handicap" under the Act merely because the person is also a current illegal user of marijuana. Because persons suffering from underlying disabling conditions not related to drug use are not disqualified from the Fair Housing Act's definition of "handicap" by virtue of their current medical marijuana use, we must examine whether accommodating such use is reasonable under the Act.[12]

1. Accommodations allowing the use of medical marijuana in public housing or other federally assisted housing are not reasonable under the Fair Housing Act.

Under the Fair Housing Act and other civil rights statutes protecting persons with disabilities, an accommodation may be denied as not reasonable if either: 1) granting the

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[11] 42 U.S.C. § 3602(h) (emphasis added).

[12] In *Assenberg v. Anacortes Hous. Auth.*, the trial court, with no analysis, determined that because the tenant was an illegal drug user, the PHA had no duty to accommodate him under the Fair Housing Act, the ADA, or Section 504. *See* 2006 WL 1515603, at *5. The court of appeals affirmed, stating only that the Fair Housing Act, the ADA, and Section 504 "all expressly exclude illegal drug use, and [the PHA] did not have a duty to accommodate [the tenant's] medical marijuana use." 268 Fed. Appx. at 644. Although the district court and the court of appeals, in unpublished opinions, each cited to the exclusionary provisions in the three statutes to support this conclusion, both courts failed to recognize the distinction between the statutory language in the Fair Housing Act, on the one hand, and the language in Section 504 and the ADA, on the other. *See* 2006 WL 1515603, at *5; 268 Fed. Appx. at 644.

accommodation would require a *fundamental alteration in the nature* of the housing provider's operations; or 2) the requested accommodation imposes an *undue financial and administrative burden* on the housing provider. *See, e.g.,* Joint Statement, *supra* note 7, at 3.

Accommodations that allow the use of medical marijuana would sanction violations of federal criminal law and thus constitute a fundamental alteration in the nature of the housing operation. Indeed, allowing such an accommodation would thwart a central programmatic goal of providing a safe living environment free from illegal drug use. Since the inception of the public housing program in 1937, Congress and HUD have consistently maintained that one of the primary concerns of public housing and other assisted housing programs is to provide "decent, safe, and sanitary dwellings for families of low income." United States Housing Act of 1937, Pub. L. No. 75-412, 50 Stat. 888 (1937); 42 U.S.C. § 1437a(a)(5)(C)(b)(1); *see also* 24 C.F.R. § 880.101 (same with respect to Section 8 program). Congress has made it clear that providing drug-free housing is integral to the government's responsibility in this regard: "[T]he Federal Government has a duty to provide public and other federally assisted low-income housing that is decent, safe, and *free from illegal drugs*." 42 U.S.C. § 11901(1) (emphasis added). Toward this end, Congress specifically vested PHAs and owners with the authority to take action against illegal drug use, including the use of medical marijuana. Illegal drug use renders the user ineligible for admission to public or other assisted housing,[13] conflicts with drug-free standards that PHAs and owners are required to establish for current tenants,[14] and would violate a user-tenant's lease obligation to refrain from engaging in any drug-related criminal activity on or off the premises.[15]

Although PHAs and owners are not charged with enforcing federal criminal laws, requiring them to condone violations of those laws would undermine a PHA or owner's operations. In the public housing context, courts considering accommodations requiring PHAs to alter their drug-free policies to allow tenants with disabilities to use medical marijuana have found them unreasonable because they would have the perverse effect of mandating that PHAs violate federal law. *See Assenberg*, 2006 WL 1515603, at * 5 ("'Reasonable' accommodations do not include requiring [a PHA] to tolerate illegal drug use or risk losing its funding for doing so"); *Assenberg*, 268 Fed.Appx. at 643 ("Requiring public housing authorities to violate federal law would not be reasonable"). For similar reasons, courts have been unwilling even to require employers to modify their drug-testing and termination policies to allow *off-site* use of marijuana in states authorizing medical marijuana use. *See, e.g., Ross v. Ragingwire Telecommunications, Inc.*, 33 Cal. Rptr. 2d 803, 808 (Cal. Ct. App. 2005) (stating that "[i]t is not reasonable to require an employer to accommodate a disability by allowing an employee's drug use when such use is illegal."). Because they would require that

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[13] *See* 42 U.S.C. § 13661 (requiring PHAs or owners to establish admission standards that "prohibit admission to . . . federally assisted housing for any household with a member who the [PHA] or owner determines is illegally using a controlled substance . . . ."); 24 C.F.R. § 5.854 (same as applied to federally assisted housing); 24 C.F.R. § 960.204 (same as applied to public housing).

[14] *See* 42 U.S.C. § 13662 (requiring PHAs or owners to establish standards that "allow the agency or owner . . . to terminate the tenancy or assistance for any household with a member . . . who the [PHA] or owner determines is illegally using a controlled substance . . . ."); 42 U.S.C. § 1437d(l)(6) (requiring public housing leases to state that "any drug-related criminal activity on or off such premises, engaged in by a public housing tenant, any member of the tenant's household, or any guest or other person under the tenant's control, shall be cause for termination of tenancy."); 24 C.F.R. § 966.4(l)(5)(i)(B) (same).

[15] *See* 24 C.F.R. § 966.4(f)(12)(i)(B) (requiring lease to provide that tenant is obligated to assure that no tenant, member of the household, or guest engages in drug-related criminal activity on or off premises); 24 C.F.R. § 5.858 (same as applied to all federally assisted housing).

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PHAs and owners condone illegal drug use and would undermine the long-standing programmatic goal of providing a safe living environment free from illegal drug use, accommodations allowing marijuana-related activity constitute a fundamental alteration in the nature of the PHA or owner's operations and are therefore not reasonable.

2. Other marijuana-related conduct that is not reasonable

The CSA prohibits not only the use of marijuana, but also its manufacture, possession, and distribution, regardless of state medical marijuana laws. *See* 21 U.S.C. §§ 841(a)(1); 844(a). The drug-free policy to which PHAs and owners must adhere, as expressed in the mandatory lease terms described above, requires that PHAs and owners have the discretion to evict tenants for "any drug-related criminal activity on or off such premises." *Supra* note 14. Tenants likewise must refrain from engaging in drug-related criminal activity. *Supra* note 15. As a result, mandatory drug-free policies prohibit all forms of "drug-related criminal activity," including the possession, cultivation, and distribution of marijuana. *See* 24 C.F.R. §§ 966.2 and 5.100 (defining "drug-related criminal activity" in relation to the CSA). Consequently, just as accommodations allowing the *use* of medical marijuana are not reasonable, accommodations allowing other marijuana-related conduct prohibited by the CSA are also not reasonable.

IV. *In the unlikely event that state nondiscrimination laws are construed so as to require PHAs and owners to permit medical marijuana use as a reasonable accommodation, those laws would be subject to preemption by federal law.*

Because PHAs and owners are also bound by the laws of the state in which they operate, medical marijuana users might attempt to avail themselves of the reasonable accommodation provisions found in state nondiscrimination laws. Some state nondiscrimination statutes do not have explicit provisions excluding current illegal drug users from their definitions of "disability." Furthermore, while some states do exclude current illegal drug users from protection, they may not consider behavior that complies with state law, such as the state-authorized use of medical marijuana, to be illegal drug use.

We nonetheless believe it is unlikely that state nondiscrimination laws would be interpreted to require PHAs and owners of federally assisted housing to permit the use of federally-prohibited drugs. For example, the Supreme Court of California held that an otherwise disabled plaintiff failed to state a cause of action under a state nondiscrimination law when he alleged that his employer had unlawfully discharged him because of his off-site medical marijuana use. *See Ross v. Ragingwire Telecommunications, Inc.*, 42 Cal. 4th 920, 924 (Cal. 2008). The court reasoned, in part, that because employers have a legitimate interest in considering the use of federally-illicit drugs when making employment decisions, the employer had no duty to accommodate the plaintiff's medical marijuana use: "[California law] does not require employers to accommodate the use of illegal drugs. The point is perhaps too obvious to have generated appellate litigation . . . ." *Id.* at 926.

If a state nondiscrimination law were construed to require accommodations allowing for the use of medical marijuana, such an interpretation would be subject to preemption by the federal laws

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governing drug use in public housing and other federally assisted housing, and by the CSA. The CSA expressly preempts state laws that "positively conflict" with the CSA. *See* 21 U.S.C. § 903. A state law that would require accommodation of medical marijuana use "positively conflicts" with the CSA because it would mandate the very conduct the CSA proscribes. *See* 21 U.S.C. § 903; 21 U.S.C. 841(a)(1); 844(a) (criminalizing marijuana-related conduct); *United States v. Cannabis Cultivators Club*, 5 F. Supp. 2d 1086, 1100 (N.D. Cal. 1998) (interpreting the "positive conflict" language in the CSA to preempt state laws that "purport to make legal any conduct prohibited by federal law"); *see also Columbia v. Washburn Products, Inc.*, 134 P.3d 161, 166-67 (Or. 2006) (Kistler, J., concurring) (concluding, in state employment discrimination case involving the use of medical marijuana, that "the federal prohibition on possession is inconsistent with the state requirement that defendant accommodate its use . . . . The fact that the state may choose to exempt medical marijuana users from the reach of state criminal law does not mean that the state can affirmatively require employers to accommodate what federal law specifically prohibits.").

Although federal laws governing public housing and federally assisted housing do not expressly state an intention to preempt state law, a state law interpreted to require accommodation of medical marijuana use would nonetheless be subject to preemption under the doctrine of implied conflict preemption. Implied conflict preemption arises where "compliance with both federal and state regulations is a physical impossibility," or where state law "stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress." *Gade v. Nat'l Solid Wastes Mgmt.*, 505 U.S. 88, 98 (1992) (internal citations and quotations omitted). State nondiscrimination laws requiring accommodation of medical marijuana use would be subject to preemption by federal laws governing drug use in public housing and other federally assisted housing because: 1) by requiring an accommodation when federal admissions standards mandate the exclusion of the applicant, they would render compliance with federal law impossible; and 2) by requiring an accommodation that divests PHAs and owners of the discretion to evict provided by QHWRA and HUD regulations, they would stand as an obstacle to the accomplishment and execution of federal law objectives. *See supra* Section II.C. and notes 13-14.

V. *Conclusion*

In sum, PHAs and owners may not grant reasonable accommodations that would allow tenants to grow, use, otherwise possess, or distribute medical marijuana, even if in doing so such tenants are complying with state laws authorizing medical marijuana-related conduct. Further, PHAs and owners must deny *admission* to those applicant households with individuals who are, at the time of consideration for admission, using medical marijuana. *See* 42 U.S.C. § 13661(b)(1)(A); Laster Memorandum at 2.

We note, however, that PHAs and owners have statutorily-authorized discretion with respect to evicting or refraining from evicting *current residents* on account of their use of medical marijuana. *See* 42 U.S.C. § 13662(a)(1); Laster Memorandum at 5-7. If a PHA or owner desires to allow a resident who is currently using medical marijuana to remain as an occupant, the PHA or owner may do so as an exercise of that discretion, but not as a reasonable accommodation. HUD regulations provide factors that PHAs and owners may consider when determining how to exercise their discretion to terminate tenancies because of current illegal drug use. *See* 24 C.F.R. §§ 966.4(l)(5)(vii)(B) (factors for PHAs); 5.852 (factors for PHAs and owners operating other assisted housing programs).

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-0500

OFFICE OF THE GENERAL COUNSEL

September 24, 1999

MEMORANDUM FOR: William C. Apgar, Assistant Secretary, Office of Housing/Federal Housing Commissioner, H

Harold Lucas, Assistant Secretary, Office of Public and Indian Housing, P

FROM: Gail W. Laster, General Counsel, G

Gail W. Laster

SUBJECT: Medical use of marijuana in public housing

The Office of Housing requested our opinion with respect to whether a section 8 tenant's use of medical marijuana[1] requires an owner to terminate the tenancy of the medical marijuana user. It further inquired whether the cost of medical marijuana is deductible for purposes of determining adjusted income under applicable section 8 regulations.[2] Several HUD Field Offices have also requested guidance on this matter. Because these issues are also relevant to the public housing program and the section 8 programs operated by the Office of Public and Indian Housing, this memorandum is also addressed to that office. As more fully articulated below, we conclude that State laws purporting to legalize medical marijuana directly conflict with the admission and occupancy requirements of the Quality Housing and Work Responsibility Act of 1998 ("Public Housing Reform Act") and are thus subject to preemption.[3]

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[1] The term "medical marijuana" in this memorandum means marijuana which, when prescribed by a physician to treat a serious illness such as AIDS, cancer, or glaucoma, is legal under State law.

[2] These issues arose in the wake of Washington State's November 3, 1998 referendum in which voters approved the medical use of marijuana. According to the Office of National Drug Control Policy ("ONDCP"), the following States have enacted laws purporting to legalize medical marijuana to date: Alaska, Arizona, California, Connecticut, Massachusetts, New Hampshire, Nevada, Oregon, Vermont, Virginia, and Washington and, depending on the interpretation of the law in Louisiana, may also be legal there under certain circumstances. See ONDCP's web page, "Status of State Marijuana Initiatives" (copy attached).

[3] The Public Housing Reform Act amended the United States Housing Act of 1937 ("Act"), 42 U.S.C. § 1437. As more fully discussed below, it also contains four freestanding sections, sections 576

I. Admissions Standards

Section 576(b)(1) of the Public Housing Reform Act requires public housing agencies ("PHAs") and owners to establish standards that:

> ***prohibit*** admission to . . . federally assisted housing for any household with a member--
> (A) who the public housing agency or owner determines is illegally using a controlled substance; or
> (B) with respect to whom the public housing agency or owner determines that it has reasonable cause to believe that such a household member's illegal use (or pattern of illegal use) of a controlled substance . . . may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

42 U.S.C. §13661(b)(1) (emphasis added). We interpret the word "prohibit" in this context to mean that the admission standards which the statute prescribes require that PHAs and owners ***must*** deny admission to the first class of households, i.e., those with a member who the PHA or owner determines is, at the time of consideration for admission, illegally using a controlled substance.[4] See 64 Fed. Reg. 40262, 40270 (1999) (to be

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through 579, which apply across the board to all federally assisted housing. Three of these four sections, section 576 ("Screening of Applicants for Federally Assisted Housing"), section 577 ("Termination of Tenancy and Assistance for Illegal Drug Users and Alcohol Abusers in Federally Assisted Housing"), and section 579 ("Definitions"), govern the questions articulated above. They are codified in Chapter 135 ("Residency and Service Requirements in Federally Assisted Housing") of Title 42 of the United States Code, 42 U.S.C. §§ 13661, 13662, & 13664, rather than with the Act itself.

[4] None of the three applicable freestanding provisions identified in footnote 3 contains a definition of "controlled substance." Section 579(a)(1) of the Public Housing Reform Act, however, attributes the related phrase, "drug-related criminal activity," with the meaning specified in section 3(b) of the Act. 42 U.S.C. § 13664(a)(1). Section 3(b)(9) of the Act defines "drug-related criminal activity" as "the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is identified in section 102 of the Controlled Substances Act.)" 42 U.S.C. § 1437b(9). The Controlled Substances Act in turn

codified at 24 C.F.R. §§ 5.853(a)(1)) (proposed July 23, 1999). Id. at 40274 (to be codified at 24 C.F.R. § 882.518(a)(1)(i)).

With respect to the determination as to whether a person is illegally using a controlled substance, the Act does not indicate a minimum length of time that must have transpired since the last illegal use of a controlled substance for an applicant to be deemed eligible to receive Federal assistance. Legislative history to the Americans with Disabilities Act ("ADA"), which similarly excludes "current users of illegal drugs" from its protections, indicates that in excluding such persons from coverage, Congress intended to exclude persons "whose illegal use of drugs occurred recently enough to justify a reasonable belief that a person's drug use is current." H.R. Conf. Rep. No. 101-596, at 64, reprinted in 1990 U.S.C.C.A.N. 267, 573. See also, D'Amico v. City of New York, 955 F. Supp. 294, 298 (S.D. N.Y. 1997) (Rehabilitation Act's prohibition against current illegal use of controlled substances encompasses illegal uses occurring recently enough to justify reasonable belief that illegal drug use is current), aff'd 132 F.3d 145 (2d Cir.), cert. denied, 118 S.Ct. 2075 (1998). We thus interpret the Public Housing Reform Act's prohibitions against "current" illegal use of a controlled substance as encompassing uses occurring recently enough to warrant a reasonable belief that the use is ongoing.

The courts of appeal which have addressed this issue in cases brought under Federal civil rights statutes have reached different conclusions regarding the length of time that must have passed since the last instance of illegal use for a person not to be considered a "current" illegal user. Most agree, however, that the issue of whether or not a person is a "current" illegal user under Federal civil rights laws requires a highly individualized, fact-specific examination of all relevant circumstances. See, e.g., Shafer v. Preston Memorial Hospital, 107 F.3d 274, 278 (4th Cir. 1997) (employee whose last illegal use of drugs occurred three weeks prior to termination held to be "currently engaging in the illegal use of drugs" under ADA); Collins v. Longview Fibre Co., 63 F.3d 828, 833 (9th Cir. 1995) (passage of "months" between last illegal use of controlled

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defines "controlled substance" as "a drug or other substance, or immediate precursor, included in schedule I, II, III, IV, or V of part B of this subchapter." 42 U.S.C. § 802(6). Schedule I includes marijuana. 21 U.S.C. § 812(c) (Schedule I) (c)(10). We therefore attribute the latter definition of "controlled substance" to that phrase, as used in sections 576 and 577 of the Public Housing Reform Act. Sullivan v. Stroop, 496 U.S. 478, 484 (1990) ("identical words used in different parts of the same Act are intended to have the same meaning") (quoting Helvering v. Stockholms Enskilda Bank, 293 U.S. 84, 87 (1934)).

substance and termination held insufficient for employees to escape classification of current illegal users under ADA); United States v. Southern Management Corp., 955 F.2d 914, 918 (4th Cir. 1992) (persons drug-free for one year held not "current" users under Fair Housing Act). In any event, it is likely that when issues arise with respect to medical marijuana, the person in question will be currently using the controlled substance.

With respect to the second class of households addressed in section 576(b)(1)(B), i.e., those including a member for whom the PHA or owner determines that reasonable cause exists to believe that the member's pattern of illegal use of a controlled substance may interfere with other residents' health, safety, or right to peaceful enjoyment[5], section 576(b)(2) of the Public Housing Reform Act affords PHAs and owners limited discretion to admit such households. That section provides as follows:

> ***Consideration of Rehabilitation.***--In determining whether, pursuant to paragraph (1)(B), to deny admission to the program or federally assisted housing to any household based on a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol by a household member, a public housing agency or an owner may consider whether such household member--
>
> (A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);
>
> (B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or
>
> (C) is participating in a supervised drug or

[5] Section 576(b)(1)(B) of the Public Housing Reform Act does not expressly limit the reasonable cause determination to ***past*** illegal use or a ***past and noncontinuing*** pattern of illegal use, of a controlled substance. But given section 576(b)(1)(A)'s prohibition against admitting any household with a member who the PHA or owner determines is illegally using a controlled substance, i.e., at the time of consideration for admission or recently enough to warrant a reasonable belief that a household member's illegal use is ongoing, we interpret section 576(b)(1)(B) to require PHAs and owners to deny admission to households based on a reasonable cause determination that the household member's ***past*** illegal use or ***past and noncontinuing*** pattern of illegal use of a controlled substance may interfere with other residents' health, safety, or right to peaceful enjoyment of the premises. 42 U.S.C. § 13661(b)(1)(B).

alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

42 U.S.C. § 13661(b)(2). A PHA or owner may admit such a household under this provision after having determined that both conditions in one of the three considerations enumerated above have been met, i.e., some evidence of drug rehabilitation and no current illegal use. See 64 Fed. Reg. at 40270 (to be codified at 24 C.F.R. § 5.860(a)). As with households including a member who the PHA or owner determines is illegally using a controlled substance, a PHA or owner may admit a household under section 576(b)(1)(B) on the condition that the household member for whom reasonable cause exists to believe that such person's past and noncontinuing illegal use may interfere with other residents' health, safety, or right to peaceful enjoyment, may not reside with the household or on the premises. 64 Fed. Reg. at 40270 (to be codified at 24 C.F.R. § 5.860(b)).

The law of preemption provides that "it is not necessary for a federal statute to provide explicitly that particular state laws are preempted." Hillsborough County v. Automated Medical Laboratories, Inc., 471 U.S. 707, 713 (1985). Moreover, a State statute "is invalid to the extent that it 'actually conflicts with a . . . federal statute.'" International Paper Co., v. Ouellette, 479 U.S. 481, 492 (1987) (quoting Ray v. Atlantic Richfield Co., 435 U.S. 151, 158 (1978). "Such a conflict will be found when the state law 'stands as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress.'" Ouellette, 479 U.S. at 492 (quoting Hillsborough County, 471 U.S. at 713).

It is our opinion that State statutes which purport to legalize marijuana stand as such an obstacle to the accomplishment of the purpose of section 576(b)(1) of the Public Housing Reform Act, i.e., to require owners of federally assisted housing to "establish standards that prohibit admission to federally assisted housing" for the two categories of households identified in section 576(b)(1). To the degree that a PHA may look to these State laws for authorization to admit families with a member who is using medical marijuana on the grounds that under State law the use of medical marijuana is not the illegal use of a controlled substance, we believe that the PHA would not be in compliance with section 576. We therefore conclude, with regard to required standards prohibiting admission to federally assisted housing of households with members who are illegally using a controlled substance, that State medical marijuana statues which purport to remove medical marijuana from classification as a controlled substance are preempted by section 576 of the Public Housing Reform Act.

II. Termination of Tenancy and Assistance

With regard to existing public housing tenants and program participants, section 577(a) of the Public Housing Reform Act requires that PHAs and owners:

> establish standards or lease provisions for continued assistance or occupancy in federally assisted housing that *allow* the agency or owner . . . to terminate the tenancy or assistance for any household with a member--
>
> (1) who the public housing agency or owner determines is illegally using a controlled substance; or
>
> (2) whose illegal use (or pattern of illegal use) of a controlled substance . . . is determined by the [PHA] or owner to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

42 U.S.C. § 13662(a) (emphasis added). Unlike the prescribed admission standards, which "prohibit" admission of households identified in section 576(b)(1), the prescribed continued occupancy and assistance standards merely "allow" termination when a PHA or owner determines that a household member is illegally using a controlled substance or when a household member displays a past and noncontinuing pattern of illegal use which is determined by the PHA or owner to interfere with other residents' health, safety, or right to peaceful enjoyment. See 64 Fed. Reg. at 40274 (to be codified at 24 C.F.R. § 882.518(b)(1)(i)).

As discussed above, with respect to the classification of medical marijuana, Federal law preempts any discretion on the part of the PHA or owner from determining that medical marijuana is not a controlled substance. Therefore, an owner or PHA could not make a determination that use of medical marijuana per se is never grounds for termination of tenancy or assistance. And, consequently, could not establish standards or lease provisions that generally permit occupancy of Federally assisted housing by medical marijuana users.

That being said, the statute provides the PHA and the owner with the discretion to determine on a case-by-case basis when it is appropriate to terminate the tenancy or assistance of a household. The propriety of any decision to evict a household or to terminate assistance for past or current illegal use of a controlled substance, or for a stated or demonstrated intent by a resident prospectively to use medical marijuana, requires a highly individualized, fact-specific analysis that is tailored to the relevant circumstances of each case. See Southern Management Corp., 955 F.2d at 918; Forrisi v. Bowen, 794 F.2d 931, 933 (4th

Cir. 1986) (decided under Rehabilitation Act). It is therefore not practicable to articulate specific guidance which is relevant to all cases where a PHA is considering eviction or termination of assistance for past or current illegal use of a controlled substance or for a resident's stated or demonstrated intent prospectively to use medical marijuana.

In determining how to exercise the discretion which section 577 of the Public Housing Reform Act affords, however, PHAs and owners should be guided by the fact that historically, HUD has not extensively regulated the area of eviction and termination of assistance, leaving the ultimate determination of whether to evict or terminate assistance to their reasoned discretion. HUD intends that PHAs and owners utilize their discretion under section 577 to make consistent and reasoned determinations with respect to eviction and termination of assistance determinations. In cases where a household member states or demonstrates an intent prospectively to use medical marijuana, PHAs and owners should consider all relevant factors in determining whether to terminate the tenancy or assistance, including, but not necessarily limited to: (1) the physical condition of the medical marijuana user; (2) the extent to which the medical marijuana user has other housing alternatives, if evicted or if assistance were terminated; and (3) the extent to which the PHA or owner would benefit from enforcing lease provisions prohibiting the illegal use of controlled substances.

For households with a member who a PHA or owner determines to be illegally using a controlled substance or whose past and noncontinuing pattern of illegal use of a controlled substance is determined by the PHA or owner to interfere with other residents' health, safety, or right to peaceful enjoyment, the prescribed continued occupancy and assistance standards, like the prescribed admissions standards, must allow the PHA or owner to consider evidence of successful rehabilitation or current participation in a supervised drug rehabilitation program when determining whether to terminate tenancy or assistance to such a household. Section 577(b).

Again as discussed above with respect to section 576, State statutes which purport to legalize medical marijuana directly conflict with the quoted provisions of section 577 of the Public Housing Reform Act insofar as they purport to remove marijuana, when used pursuant to a physician's prescription, from the Controlled Substances Act's list of controlled substances. The limited discretion which section 577 affords PHAs and owners to refrain from terminating the tenancy of or assistance for illegal drug use, however, does not include any discretion to determine that marijuana is not a controlled substance within the meaning of the Controlled Substances Act, 21 U.S.C. § 812(b)(1)(c), even if a State statute purports to legalize its use for medical purposes.

If enforced, such laws would "stand[] as an obstacle to the accomplishment and execution of the full purposes and objectives of Congress" in enacting section 577 of the Public Housing Reform Act, i.e., to require that PHAs and owners "establish standards which allow them to terminate the tenancy or assistance" for either class of households identified in section 577(a). Ouellette, 479 U.S. at 492 (quoting Hillsborough County, 471 U.S. at 713). If given effect, such laws would operate to divest PHAs and owners of the discretion which Congress intended them to have regarding termination of tenancy or assistance for use of a controlled substance. We thus conclude that State medical marijuana statutes, insofar as they may be interpreted to mean that use of medical marijuana is not the illegal use of a controlled substance, are preempted by section 577 of the Public Housing Reform Act.

III. Conclusion

Based on this analysis, we conclude that PHAs and owners must establish standards that require denial of admission to households with a member whom the PHA or owner determines to be illegally using a controlled substance, or for whom it determines that reasonable cause exists to believe that a household member's pattern of illegal use of a controlled substance may interfere with other residents' health, safety, or right to peaceful enjoyment. Section 576(b). The Public Housing Reform Act affords PHAs and owners limited discretion to admit households with a member for whom such a reasonable cause determination is made in the face of evidence of rehabilitation. Section 576(b)(2). HUD's proposed rule would further allow a PHA or owner to impose as a condition to admission a requirement that "any household member who engaged in or is culpable for the drug use . . . may not reside with the household or on the premises." 64 Fed. Reg. at 40270 (to be codified at 24 C.F.R. § 5.860(b)). Because State medical marijuana laws, insofar as they may be interpreted to mean that use of medical marijuana is not the illegal use of a controlled substance, directly conflict with the objective of the Public Housing Reform Act's requirements regarding admissions, they are preempted.

We further conclude that PHAs and owners must establish standards or lease provisions for continued assistance or occupancy which allow termination of tenancy or assistance for any household with a member who the PHA or owners determines to be illegally using a controlled substance or whose past and noncontinuing pattern of illegal use of a controlled substance is determined by the PHA or owner to interfere with other residents' health, safety, or right to peaceful enjoyment. The Public Housing Reform Act affords PHAs and owners limited discretion to refrain from terminating the tenancy or assistance for any household with a member for whom such a determination is made in the face of evidence of rehabilitation. Section 577(b). HUD's proposed rule would further allow a PHA or owner to impose as a condition for continued assistance a requirement that "any household member who engaged in or is culpable for the drug use . . may not reside with the household or on the premises." 64 Fed. Reg. at 40270 (to be codified at 24 C.F.R. § 5.860(b)).

The standards which section 577 requires must also allow PHAs and owners to terminate the tenancy of or assistance to a household with a member who states or demonstrates an intent prospectively to use medical marijuana. In determining whether to exercise their discretion to evict or terminate assistance for such a household, PHAs and owners should consider all relevant factors particular to each case, including, but not necessarily limited to: (1) the physical condition of the medical marijuana user; (2) the extent to which the medical marijuana user has other housing alternatives, if evicted or it assistance were terminated; and (3) the extent to which the PHA or owner would benefit from enforcing lease provisions that prohibit illegal use of controlled substances.

With regard to the Office of Housing's question concerning the deductibility of the cost of medical marijuana, the Internal Revenue Service has already concluded, based on the premise that marijuana is a Federally controlled substance for which there are no legal uses, that the cost of medical marijuana is not a deductible medical expense. Rev. Ruling 97-9, 1997-9 I.R.B. 4, 1997 WL 61544 (I.R.S.). While for the purposes of HUD's assisted housing programs, PHAs and owners are not technically bound by the IRS Revenue Ruling, consistent with the conclusions in this memorandum, we believe that PHAs and owners should be advised that they may not allow the cost of medical marijuana to be considered a deductible medical expense.

Chapter 12

RENTAL AGREEMENT TERMINATIONS

[24 CFR 966.4]

INTRODUCTION

The PHA may terminate tenancy for a family because of the family's action or failure to act in accordance with HUD regulations [24 CFR 966.4 (l)(2)], and the terms of the rental agreement. This Chapter describes the PHA's policies for notification of rental agreement termination and provisions of the rental agreement.

A. TERMINATION BY TENANT

The tenant may terminate the rental agreement by providing the PHA with a written twenty-eight (28) day advance notice as defined in the rental agreement.

B. TERMINATION BY PHA

Termination of tenancy will be in accordance with the PHA's most current rental agreement.

The rental agreement may be terminated by the PHA at any time by giving written notice for serious or repeated violation of material terms of the rental agreement, including, but not limited to the following:

- Nonpayment of rent, repeated chronic late payment of rent, failure to pay rent in full when due, and/or nonpayment of other charges (i.e. excess utilities, maintenance and towing charges) due under the rental agreement, or;
- Failure to obtain prior written consent of Management, to allow members of the household to engage in legal profit making activities in the dwelling unit, where Management determines that such activities are incidental to primary use of the unit for residence by members of the household;
- Failure to report changes in family income, assets, and employment and household composition as required by Management to determine Tenant's rental rate and eligibility for continued occupancy; changes shall be reported within ten (10) business days or

    (1) Discovery after admission of facts that made the tenant ineligible or
    (2) Discovery of material false information, information withheld, willful misstatements, or fraud by the Tenant at the time of admission, reexamination, interim, or at any other time;
    (3) Tenant is ineligible for continued occupancy;

- Permitting any person to occupy the dwelling unit other than persons listed on the most current household composition form(s), except that with prior written consent of Management, a foster child/adult or a live-in aide may reside in the unit;

- Failure to observe all applicable laws, rules, regulations, and ordinances of governmental authorities that pertain to and establish standards for residential occupants;

- Failure to abide by the Project Rules and all applicable rules, regulations, and supplemental agreements that shall be available at the Project Office and incorporated by reference in the Lease;

- Failure to pay for repair of all damages to the dwelling unit or to any appliances or equipment furnished by Management, in excess of ordinary wear and tear, and for any repairs to the Project buildings, facilities, or common areas, required because of the wrongful act or negligence of Tenant, Tenant's household, guests, or visitors;

- Committing or suffering any damage to the dwelling unit, any act that shall cause increase in the premiums for fire and other casualty insurance on the building, or any noise or nuisance to the disturbance of other Tenants of the Project;

- Making any alterations or additions to the dwelling unit, including the installation of any additional locks, bolts, screws or other fixtures, or any decorations therein which shall damage or deface the doors, windows, walls, or floors without obtaining Management's prior written consent;

- Assigning the rental agreement or subletting the dwelling unit;

- Failure to peaceably surrender the dwelling unit to Management in good order and condition, except for ordinary wear and tear, and return all keys thereto upon the termination of the tenancy for any cause;

- Failure to keep the dwelling unit and such other areas as may be assigned to Tenant for Tenant's exclusive use in a clean, sanitary and safe condition;

- Failure to dispose of all ashes, garbage, rubbish and other waste from the premises in a sanitary and safe manner;

- Failure to use only in a reasonable manner all electrical, plumbing, sanitary, ventilating, air conditioning and other facilities and appurtenances including elevators;

- Failure to refrain from and cause Tenant household members and guests to refrain from destroying, defacing, damaging or removing any part of the premises or Project;

- Failure to agree to transfer to an appropriate size dwelling unit based on family composition, upon notice by Management that such a dwelling unit is available;

- Refusal to transfer or relocate for reasons including but not limited to, health & safety, repair, abatement, construction or renovation of the unit;

- Keeping or permitting to be kept any animal, as a pet or otherwise, in or about the dwelling unit, except as provided by law and, in all other housing, in accordance with the Pet Policy which is incorporated by reference in the rental agreement;

- Failure to refrain from storing any unlicensed, inoperable or abandoned vehicle on the Project premises; and if the vehicle is required to be towed by Management, upon billing, Tenant shall pay for any charges incurred by Management;

- Failure to comply with all obligations imposed upon Tenants by applicable provisions of building and housing requirements of applicable building codes, housing codes, health codes, materially affecting health and safety;

- Failure to comply with all HUD regulations pertaining to the requirement that all adult household members, unless exempt, participate for at least eight hours per month in community service or an economic self-sufficiency program; non-compliance will result in denial of rental agreement renewal; and

- Failure to be physically present and residing in the dwelling unit;

- Failure to accept Management's offer of a revision to the existing rental agreement. Such revision must be on a form adopted by the agency in accordance with regulations. Management must give Tenant written notice of the offer of revision at least sixty (60) calendar days before it is scheduled to take effect. The offer must specify a reasonable time limit within that period for acceptance by the Tenant;

- Failure to conduct himself and cause other persons who are on the premises with Tenant consent to conduct themselves in a manner which will not disturb Tenant neighbors' peaceful enjoyment of their accommodations and will be conducive to maintaining the Project in a decent, safe and sanitary condition, and not loiter or drink alcoholic beverages in the project's common areas as defined in the Project Rules;

- Failure to assure that Tenant, any member of the household, a guest or another person under Tenant control, shall not engage in:

  (1) Any criminal activity or alcohol abuse that threatens the health, safety or right to peaceful enjoyment of Management's public housing premises by other public housing residents or neighboring residents or employees of Management,

  (1)(a) "Alcohol abuse" means a tenant or any member of the tenant's household has engaged in abuse or a pattern of abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents, or furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers. The PHA will consider the alcohol abuse to be a *pattern* if there is more than one incident during the previous one (1) month.

  (2) The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug; or any drug-related criminal activity on or off such premises. <u>Since public housing is a federally subsidized program, federal law regarding the use of controlled substances supersedes state law. Therefore, the "illegal use of a drug", "possession of a drug with intent to manufacture, sell, distribute, or use the drug", and "drug-related criminal activity" include the use of medical marijuana prescribed pursuant to Hawaii Revised Statute §§ 329-121 through 329-128</u>.

  (3) Any illegal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage;

Management will immediately seek termination of the rental agreement if it determines that any member of the household has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing. Any drug-related criminal activity in violation of this section shall be cause for termination of tenancy and for eviction from the unit. Management has the discretion to consider all the circumstances and effects of the violation.

A PHA may evict for criminal activity by administrative action if the PHA determines that the covered person has engaged in criminal activity, regardless of whether the person has been arrested or convicted of criminal activity and without satisfying the standard of proof used for a criminal conviction.

Note: For a criminal conviction the standard of proof is "beyond a reasonable doubt", while for civil cases, such as evictions, the standard of proof is based on "the preponderence of the evidence". Note that a PHA cannot simply allege that criminal activity has occurred, however. Some sort of evidence will be required. For example, if the PHA claims that drug-related criminal activity has occurred, proof that illegal drugs were involved will be needed (i.e., testimony of a police officer).

In evaluating evidence of negative behavior, the PHA will give fair consideration to the seriousness of the activity with respect to how it would affect other residents, and/or likelihood of favorable conduct in the future which could be supported by evidence of rehabilitation.

The PHA may waive the requirement regarding drug-related criminal activity if:

- The person demonstrates successful completion of a credible rehabilitation program approved by the PHA, or
- The individual involved in drug-related criminal activity is no longer in the household and/or has been removed as a household member because the person is incarcerated.

The PHA may permit continued occupancy provided the family accepts imposed conditions that the involved family member(s) does not reside in the unit. The PHA may consider evidence that the person is no longer in the household such as a divorce decree/incarceration/death/copy of a new lease for the person including the owner's telephone number and address or other substantiating evidence.

C. NOTIFICATION REQUIREMENTS

Notice of Violation of Rental Agreement

In case of any default by the Tenant in the payment of rental or the observance and performance of any covenant under the Rental Agreement, the PHA shall notify the Tenant of the default in writing and shall specify the time within which the default and noncompliance must be remedied and corrected. If the Tenant fails to remedy and correct the default and noncompliance within the time specified in the notice, the PHA may terminate the rental agreement; however, the PHA shall not terminate or refuse to renew the rental agreement other than for serious or repeated violation of material terms of the agreement such as failure to make payments due under the rental agreement or to fulfill Tenant's obligations set forth under the rental agreement or for other good cause.

After the Notice of Violation is sent, if the Manager extends the time to cure, the extension must be justified by documentation or verification in the tenants file.

Tenants shall be notified of specified time to remedy the violation as follows:

TYPE OF VIOLATION	**TIME TO REMEDY**
Any member of the household has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing	0 Days
Any drug related criminal activity on or off the project premises	0 Days
Any member of the household has been convicted of a felony	0 Days
Where tenant has received notice from the United States Department of Housing and Urban Development that the tenant is no longer eligible to remain in the unit	0 Days
A history of chronic violations of any material term of the Rental Agreement (Chronic is defined as 3 notices of violation of the same provision of the Rental Agreement issued to the tenant within a 12 month period.)	0 Days
A history of chronic rent delinquency. (Chronic is defined as 3 notices of violation of the same provision of the rental agreement issued to the tenant within a 12 month period.)	0 Days
Any violation of any provision of the Rental Agreement that potentially threatens the health or safety of other residents or the Corporation's employees or their representatives (ex. Fire hazards, slip and falls, unsanitary conditions, vicious animals, etc.)	24 Hours
Non payment or failure to pay rent when due	14 Days
Any Other Violation	30 days in all other cases unless management can justify the deviation from the 30 days

D. NOTICE OF PROPOSED TERMINATION OF RENTAL AGREEMENT

The PHA must give written notice of proposed rental agreement termination. The notice to the tenant shall state specific grounds for termination, and shall inform the tenant of the tenant's right to make such reply as the tenant may wish. The notice shall also inform the tenant of the right (pursuant to Sec. 966.4 (m)) to examine PHA documents directly relevant to the termination or eviction. The notice shall also inform the tenant of the tenant's right to request a hearing in accordance with the PHA's grievance procedure. (See Chapter 13, Complaints, Grievances and Hearings.)

Notices of rental agreement termination shall be in writing and delivered to the tenant or adult member of the household or sent by first class mail properly addressed to the tenant. If the tenant is visually impaired, all notices must be in an accessible format, or put in accessible format if requested.

If the PHA proposes termination of the rental agreement, written notice must be given. (PHA may terminate the rental agreement as follows):

- The PHA will immediately proceed with termination of tenancy of persons convicted of manufacturing or producing methamphetamine on the premises of the assisted housing project in violation of any Federal or State law. "Premises" is defined as the building or complex in which the dwelling unit is located, including common areas and grounds.
- A reasonable time, defined in the lease as not to exceed thirty (30) days considering the seriousness of the situation: (1) If the health or safety of other residents, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; (2) If any member of the household has engaged in any drug-related or violent criminal activity; or (3) If any member of the household has been convicted of a felony
- 14 calendar days in the case of failure to pay rent;
- Thirty days in all other cases.

Any violation under section 201G-52, HRS, shall constitute cause for the project managers within each county to initiate eviction proceedings.

E. EVICTION BASED ON DELINQUENT RENT ACCOUNTS

Before the management unit (MU) can send the eviction referral, the MU must meet the following statutory requirements.

1. **WRITTEN NOTICE** – SB331 (Act 227) requires that written notice be sent to Tenant no later than 45 days from the date of delinquency, (NOTE: the RENT COLLECTION POLICY REQUIRES MANAGEMENT TO SEND IT ON OR ABOUT THE 15TH DAY OF THE MONTH). This written notice should contain the following information and attachments:

   1. Continued delinquency shall result in tenant's eviction

   2. Tenant has a right to apply for interim adjustment in rent

   3. Explain the steps of the grievance and eviction processes and how the processes protect the tenant

   4. Sample letter for demanding a grievance hearing

   5. Set forth location, date, and time of meeting which SHALL NOT BE SCHEDULED EARLIER THAN 14 DAYS FROM DATE OF THE WRITTEN NOTICE at which tenant may meet with corporation to discuss the delinquency in rent

   6. Tenant shall either attend meeting or contact the corporation before the meeting to reschedule

2. **MEETING**

   1. MU to discuss cause of Tenant's delinquency and may offer suggestions that are appropriate to address the cause(s) of tenant's delinquency

   2. Consider whether a reasonable payment plan is appropriate for the tenant's situation – if appropriate. If a repayment plan offered to tenant, it cannot exceed **SIX (6) months** pursuant to Hawaii Administrative Rules (HAR) section 17-2020 (Eviction Rules). The repayment period should NOT extend beyond six months.

   3. Inform tenant and explain that continued delinquency shall result in their eviction

   4. Inform tenant and explain their right to apply for an interim adjustment in rent

   5. Inform tenant and explain the grievance and eviction process and how the processes protect them

3. **CHECKLIST** – the corporation shall develop a checklist outlining the issues covered at the Meeting (i.e. cause of delinquency, suggestions from management, consideration of a

reasonable payment plan, consequence of continued delinquency, interim adjustment, grievance and eviction process)

1. Management AND tenant shall complete, sign and date the checklist to memorialize the meeting

If tenant fails to attend or reschedule the Meeting	**If tenant attends the Meeting**
1. MU sends tenant a **SECOND WRITTEN NOTICE** informing tenant that MU shall proceed to terminate the tenancy because of the outstanding rent delinquency and tenant's failure to respond to the written notice scheduling the Meeting 2. Tenant has 30 days from second written notice to request a grievance hearing 3. If tenant fails to request a grievance hearing within 30 days, MU has a right to proceed with the eviction hearing pursuant to section 201G-53, HRS	1. MU decides what action is appropriate for tenant's case and **NOTIFIES TENANT OF MU'S DECISION IN WRITING** 2. If decision is to terminate the tenancy the written notice shall inform tenant that a. Tenant has 30 days from receipt of the notice to request a grievance hearing b. If tenant fails to request a grievance hearing within 30 days, the corporation has the right to proceed with eviction pursuant to section 201G-53, HRS

F. EVICTION BASED ON NON-RENT VIOLATION

1. For non-rent violations received as a complaint, MU shall follow the HCDCH complaint procedure.

2. For non-rent violations observed by MU staff, MU shall conduct their investigation.

3. If the violation is not resolved after the investigation, the MU shall send the Tenant a written notice of the violation which shall include the following info:

- Specify the Rental Agreement provision violated
- Detailed description of the violation
- Time that Tenant should cure the violation, if applicable
- Notification that continued violation or failure to correct violation by the deadline may result in termination of the rental agreement

4. If the non-rent violation is not resolved or corrected, or calls for immediate termination of the Rental Agreement, MU shall send Tenant a Written Notice of Violation and Proposed Termination of the Rental Agreement which shall contain the following information and attachments:

    - Specify the Violation
    - Identify the Rental Agreement provision violated
    - Explain steps of the grievance procedure and eviction process
    - Attach sample letter for requesting grievance hearing
    - Inform Tenant that MU shall proceed to terminate tenancy because violation continuing or not corrected or because violation calls for immediate termination of the Rental Agreement
    - Tenant has 30 days to initiate Grievance Procedure
    - If Tenant fails to request Grievance Procedure within 30 days, MU has right to proceed to eviction hearing pursuant to 201G-53, HRS

G. REFERRAL TO THE EVICTION BOARD

Via interoffice memorandum (IOM)

1. Violation of SPECIFIC Provision of the Rental Agreement – should be consistent with all the written notices to tenant informing them of the violation
2. Identify the Tenant, Address and Household
3. Provide some background of Tenant
4. Cite the rental agreement provisions
5. Cite SPECIFIC info supporting your allegations that tenant violated the RA (i.e. on March 21, 2004, management received a complaint from another resident that you were pulling fire alarms off the wall). The more specific your information, the better for your case.
6. Identify the number of times with specific dates that management sent notices to tenant regarding the violation and attach the notices to the IOM in its entirety and in chronological order.
7. Identify the number of meetings or telephone contacts with specific dates you've had with tenant regarding the violation and attach your notes of the contacts to the IOM in chronological order.

8. Recommendation to the Board
9. Manager or Deputy Manager's signature on the IOM – the Originator of the IOM should be a Manager or Deputy Manager. You will be testifying at the hearing.

H. ORDER OF DOCUMENTS IN REFERRAL

RENT CASES:

1. IOM
2. Updated Summary of Rent Payment Sheet - Prepare a summary sheet for the board to reference. (SEE EXAMPLE) Information should include month, charges, payments/credits, balance, and notes.
3. All relevant correspondence with oldest dated letter on the top and most recent dated letter on the bottom.
4. RA (include Grievance Procedure, project rules, pet policy and any other documents referenced on the Rental Agreement)
5. Form 4057

NON-RENT CASES:

1. IOM
2. Correspondence in chronological order.
3. Other supporting notes, incident reports, etc., in chronological order.
4. RA
5. Form 4057

I. SERVICE OF DOCUMENTS (Notice of Hearing, Findings, Writs)

Service of the documents is set forth in the HAR section 17-2020 - they are very specific and we must follow them or service is not valid – which means the case cannot be heard and we'd have to reschedule the hearing to arrange for valid service.

The Notice of Hearing must be served on the Tenant AT LEAST FIVE days before the hearing. For neighbor islands, HRO sends the Notices out at least 3 weeks before the hearing in case a posting has to be requested. MU should monitor the service with the process server.

Posting must be approved in writing by the Eviction board before you can post. HAR also requires the document to be mailed via first class mail in addition to posting, which HRO completes.

J. WRIT ENFORCEMENT

Manager or Deputy Manager should ALWAYS be present at the enforcement to answer questions about the issues at the hearing, the rights on appeal or arrangements for storage or retrieval of their belongings. Maintenance staff may be present to assist with changing locks and inventory, but do not send them alone.

When the PHA evicts an individual or family for criminal activity, the PHA shall notify the Post Office that the individual or family is no longer residing in the unit.

K. RECORD KEEPING

A written record of every termination and/or eviction shall be maintained by the PHA at the development where the family was residing, and shall contain the following information:

- Name of resident, Social Security_number, race and ethnicity and identification of unit occupied;
- Date of the Notice of Lease Termination and any other notices required by State or local law; these notices may be on the same form and will run concurrently;
- Specific reason(s) for the Notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the Notices described in detail (other than the Criminal History Report);
- Date and method of notifying the resident;
- Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions.

Records for persons whose leases were terminated for any reason will be kept by the PHA indefinitely.

FOR ACTION

SUBJECT: Requesting Approval to Amend the Section 8 Administrative Plan Requirements For Reinspection When the Landlord Documents That Required Repairs Were Completed

I. FACTS

A. The Hawaii Public Housing Authority (HPHA) is required to conduct an annual inspection of each Housing Choice Voucher (HCV) unit under lease, to ensure that it continues to meet the Housing Quality Standards (HQS) set by the Section 8 Administrative Plan. The inspection covers conditions related to the health and safety of the residents, and conditions that should be addressed but do not necessarily present a danger to the residents.

B. When a deficiency is found HPHA staff notify the property owner and the resident, and set a reasonable time period for remedying the deficiency. Current policy requires that staff reinspect the property after the repair is made. If the repair is not made as required by the end of the correction period, or any PHA approved extension, the unit is not eligible for participation in the HCV program and rent payments are abated.

C. This same reinspection policy applies to all deficiencies, large and small, and whether or not related to the health and safety of the resident.

II. DISCUSSION

A. Reinspections are appropriate for significant deficiencies, and for any conditions related to health and safety. However, it is an inefficient use of staff time to conduct a reinspection for minor repairs. The requested change in the Section 8 Administrative Plan would distinguish between minor conditions and those related to health and safety.

B. When a unit fails inspection and repairs not related to health and safety are necessary, HPHA will not conduct a reinspection if the landlord provides documentation that the repairs were completed. Sufficient proof will need to show that a contractor or the landlord completed the repair. If a contractor completes the repair, for example, a bill describing the repair will suffice; if the landlord completes the repair, a receipt for parts will suffice. If the repair does not require a contractor or the purchase of materials, a written statement from the landlord describing how the repairs were made will be accepted. At the next annual inspection, staff will verify that the repairs were made as claimed. If any deception is found, the property owner will no longer be allowed to document repairs, in addition to any other appropriate sanctions.

C. The PHA will continue to conduct reinspections for all health and safety conditions. When the PHA decides to conduct reinspections the family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the PHA will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with PHA policies. If the PHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Administrative Plan Chapter 12.

III. RECOMMENDATION

That the Hawaii Public Housing Authority Board of Directors approve the proposed changes to the Section 8 Administrative Plan, to not conduct a reinspection if the landlord provides documentation that the non-health and safety repairs were completed.

Attachment: Section 8 Administrative Plan, Page 8-16

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

Adopted by the HPHA Board of Directors:

David Gierlach, Chairperson

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Extensions

For conditions that are life-threatening, the PHA cannot grant an extension to the 24 hour corrective action period. For conditions that are not life-threatening, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate [24 CFR 982.404].

PHA Policy

Extensions will be granted in cases where the PHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

A repair cannot be completed because required parts or services are not available.

A repair cannot be completed because of weather conditions.

A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case by case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

Reinspections

PHA Policy

The PHA ~~will~~ may conduct a reinspection immediately following the end of the corrective period, or any PHA approved extension.

The PHA will continue to conduct reinspections for exigent health and safety conditions. When the PHA decides to conduct reinspections the family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the PHA will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with PHA policies. If the PHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

Attachment

Section 8 Administrative Plan, Page 8-16

(Attachment is forthcoming.)

FOR ACTION

MOTION: To Accept the HPHA's Public Housing Assessment System Score Issued by the U.S. Department of Housing and Urban Development for the Fiscal Year Ended June 30, 2010

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 was evaluated by HUD with respect only to its management operations.

In 1998, the PHAS expanded assessment of a public housing agency to four key areas of a PHA's operations:

(1) Physical Condition of the PHA's properties;
(2) PHA's Financial Condition;
(3) Management Operations; and
(4) Residents' service and satisfaction assessment (through a resident survey conducted by HUD).

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

B. On February 23, 2011, HUD issued changes to the PHAS under the Interim PHAS Rules. The Interim PHAS score for Fiscal Year (FY) 2010-2011 is comprised of assessments in four major operational areas – physical, financial, management, capital fund (formerly the resident survey).

C. On September 15, 2011, the HPHA received a notice from Mr. Johnson Abraham, Program Manager, Integrated Assessment Subsystem from the US Department of Housing & Urban Development indicating that for the fiscal year ended June 30, 2010, the HPHA was rated as a "troubled PHA" under the old PHAS rating system with a score of 66. See attached.

D. The HUD notification also included that HPHA could appeal its PHAS score pursuant to 24 CFR § 902.69 if an objectively verifiable and material error existed in the score of one or more of the PHAS indicators, which, if corrected, would have result in a significant change in the PHAS score and designation.

II. DISCUSSION

A. Based on the areas in the PHAS where HPHA was rated substandard, it was determined that HPHA would not submit an appeal of the score for the fiscal year ended June 30, 2010.

B. Discussion with the local HUD office indicate that "HPHA will be on the troubled PHA list when the next report of troubled PHAs is released around the end of December. At that time, HUD will issue a letter to HPHA that explains what will happen. Part of what HUD will determine at that time is the level of attention it will provide to HPHA to develop the recovery and sustainability agreement."

C. HUD will likely have an agreement for Board action in the February/March 2012 time frame.

D. Attached for the Board's information are the HPHA's REAC inspection scores for the fiscal year ended June 30, 2011. A review of the scores indicate that HPHA showed an overall improvement under the Physical Assessment SubSystem of the PHAS. This increase in scores will help to improve HPHA's PHAS scores for the most recent fiscal year.

E. A review of the PHAS score also indicates that HPHA need to improve on tenant receivables (i.e., rent collection). Additionally, the HPHA suffered audit penalties for receiving a qualified audit and for failing to submit the audited financial data submission on time.

As previously discussed with the Board, the HPHA received a qualified audit because the Department of Accounting and General Services (DAGS) did not issue the Other Post Employment Benefits (OPEB) expenses to State agencies on a timely basis. Since then DAGs has issued the OPEB expenses and HPHA has requested that the auditor reissue the audit with an unqualified opinion.

F. Staff will continue to submit regular reports to the Board on areas of concern and/or improvement related to the PHAS.

III. STAFF RECOMMENDATION

That the HPHA Board of Directors to Accept the HPHA's Public Housing Assessment System Score Issued by the U.S. Department of Housing and Urban Development for the Fiscal Year Ended June 30, 2010

Attachments: Public Housing Assessment System (PHAS) Score Report for the Transition Year, Fiscal Year Ended June 30, 3010

REAC Scores for the HPHA for Fiscal Year Ended June 30, 2011

Prepared by: Stephanie Fo, PMMSB Chief____

Adopted by the HPHA Board of Directors:

David Gierlach
Chair

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U. S. Department of Housing and Urban Development
OFFICE OF PUBLIC AND INDIAN HOUSING
REAL ESTATE ASSESSMENT CENTER

Report Date: 9/15/2011

Public Housing Assessment System (PHAS) Score Report for the Transition Year

PHA Code:	HI001
PHA Name:	Hawaii Public Housing Authority
Fiscal Year End:	6/30/2010

PHAS Indicators	Score	Maximum Score
Physical	17	30
Financial	17	30
Management	23	30
Resident	9	10
PHAS Total Score	**66**	**100**
PHAS Designation	**Troubled**	

Initial PHAS score issued date: **8/31/2011**

Financial Sub-Indicators **Submission Type: Audited/A-133**	Score	Maximum Score
1. Current Ratio	7.50	9.00
2. Months Expendable Funds Balance	7.50	9.00
3. Tenant Receivable Outstanding	0.00	4.50
4. Occupancy Loss	2.12	4.50
5. Net Income	1.50	1.50
6. Expense Management	1.50	1.50
Less: Audit Penalities	-2.92	
Total Financial Score	**17.20**	**30.00**

Notes:

1. The sum of the sub-indicator scores may not equal the overall score due to rounding.
2. PCNE adjustment will not display in REAC's on-line system.
3. REAC on-line system may display data which is more current than the data shown on this Score Report.

November 03, 2011

PHAS Physical Report for Fiscal Year 2010

PHA Information

PHA Code:	HI001	**PHA Name:**	Hawaii Public Housing Authority	**Fiscal Year End:**	06/30

Physical Score (rounded) *N/A* **Number of Projects:** 16 **Systemic Deficiencies**

Inspection Complete Date	Project ID	Inspection Number	Unit Count	Property (Development)	Overall Score 100 - Point Basis	Overall Score 30 - Point Basis	Inspection Reason
02/01/2011	HI001000046	354090	101	AMP 46 COUNTY OF HAWAII	68c	20.4	Reinspection
01/04/2011	HI001000045	354089	225	AMP 45 KOOLAU VILLAGE	45c*	13.5	Reinspection
12/24/2010	HI001000044	354088	258	AMP 44 - WAIMAHA/SUNFLOWER	39c*	11.7	Reinspection
12/23/2010	HI001000035	354085	587	AMP 35 - PUNCHBOWL HOMES	43c*	12.9	Reinspection
12/21/2010	HI001000039	354087	196	KAHEKILI TERRACE	66c*	19.8	Reinspection
12/20/2010	HI001000038	354086	319	KEKAHA HAAHEO	53c	15.9	Reinspection
12/17/2010	HI001000049	354091	150	AMP 49 WAHIAWA TERRACE	49c*	14.7	Reinspection
09/03/2010	HI001000030	345886	362	PUUWAI MOMI	62c*	18.6	Rescore
09/03/2010	HI001000034	345890	580	KALAKAUA HOMES	75c	22.5	Rescore
07/26/2010	HI001000040	345895	744	KUHIO PARK TERRACE	40c*	12.0	Initial
07/23/2010	HI001000033	345889	371	KAMEHAMEHA HOMES	57c*	17.1	Initial
07/23/2010	HI001000032	345888	363	MAYOR WRIGHT HOMES	52c	15.6	Initial
07/22/2010	HI001000031	345887	373	KALIHI VALLEY HOMES	64b*	19.2	Initial
07/20/2010	HI001000037	345892	300	AMP 37 LANAKILA HOMES	77b*	23.1	Initial
07/19/2010	HI001000050	345901	115	PALOLO VALLEY HOMES	40c*	12.0	Initial
07/19/2010	HI001000043	345896	199	AMP 43 KA HALE KAHALUU	64c*	19.2	Initial

* Smoke detector violation.
The letter "a" is given if no health and safety deficiencies were observed other than for smoke detectors. The letter "b" is given if one or more non-life threatening H&S deficiencies, but no life threatening H&S deficiencies were observed other than for smoke detectors.
The letter "c" is given if there were one or more life threatening H&S deficiencies observed.

Comments or Questions? Contact the REAC Technical Assistance Center.

integrated assessment subsystem (nass) reac home | systems menu

REAL ESTATE ASSESSMENT CENTER
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

skip navigation

November 03, 2011

PHAS Physical Report for Fiscal Year 2011

PHA Information

PHA Code:	HI001	**PHA Name:**	Hawaii Public Housing Authority	**Fiscal Year End:**	06/30

Physical Score (rounded) *N/A* **Number of Projects:** 16 **Systemic Deficiencies(not available)**

Inspection Complete Date	Project ID	Inspection Number	Unit Count	Property (Development)	Overall Score		Inspection Reason	Original Fiscal Year	Original Date of Inspection	Ideal Future Date(IFD)	IFD Update Date	IFD Comments
					100 - Point Basis	40 - Point Basis						
10/21/2011	HI001000038	363827	319	KEKAHA HAAHEO	61c	24.4	Rescore	2011	08/22/2011	06/30/2012	10/21/2011	Inspection Re-score updated IFD by 1 year
10/21/2011	HI001000032	363822	363	MAYOR WRIGHT HOMES	66b	26.4	Rescore	2011	07/26/2011	06/30/2012	10/21/2011	Inspection Re-score updated IFD by 1 year
10/13/2011	HI001000034	363824	580	KALAKAUA HOMES	76b	30.4	Rescore	2011	08/03/2011	06/30/2012	10/13/2011	Inspection Re-score updated IFD by 1 year
09/08/2011	HI001001105	364667	20	Lanakila Homes Phase IIIA	98b	39.2	Initial	2011	08/10/2011	06/30/2014		
09/07/2011	HI001000045	363832	225	AMP 45 KOOLAU VILLAGE	58b	23.2	Initial	2011	08/31/2011	06/30/2012		
09/02/2011	HI001000050	363835	115	PALOLO VALLEY HOMES	66c	26.4	Initial	2011	08/02/2011	06/30/2012		
09/02/2011	HI001000035	363825	587	AMP 35 - PUNCHBOWL HOMES	80b	32.0	Initial	2011	08/01/2011	06/30/2013		
09/02/2011	HI001000046	363833	101	AMP 46 COUNTY OF HAWAII	78b	31.2	Initial	2011	08/25/2011	06/30/2012		
09/01/2011	HI001000044	363831	258	AMP 44 - WAIMAHA/SUNFLOWER	56b	22.4	Initial	2011	08/29/2011	06/30/2012		
08/23/2011	HI001000030	363820	362	PUUWAI MOMI	64b	25.6	Initial	2011	08/16/2011	06/30/2012		
08/22/2011	HI001000037	363826	300	AMP 37 LANAKILA HOMES	84b	33.6	Initial	2011	08/09/2011	06/30/2013		
08/18/2011	HI001000049	363834	150	AMP 49 WAHIAWA TERRACE	65c	26.0	Initial	2011	08/15/2011	06/30/2012		
08/16/2011	HI001000043	363830	200	AMP 43 KA HALE KAHALUU	75b	30.0	Initial	2011	08/08/2011	06/30/2012		
08/11/2011	HI001000033	363823	371	KAMEHAMEHA HOMES	74b	29.6	Initial	2011	07/29/2011	06/30/2012		
08/11/2011	HI001000040	363829	171	KUHIO PARK TERRACE	58c	23.2	Initial	2011	07/27/2011	06/30/2012		
07/29/2011	HI001000031	363821	373	KALIHI VALLEY HOMES	73b	29.2	Initial	2011	07/25/2011	06/30/2012		

* Smoke detector violation.
The letter "a" is given if no health and safety deficiencies were observed other than for smoke detectors. The letter "b" is given if one or more non-life threatening H&S deficiencies, but no life threatening H&S deficiencies were observed other than for smoke detectors.
The letter "c" is given if there were one or more life threatening H&S deficiencies observed.

Comments or Questions? Contact the REAC Technical Assistance Center.

Approved by Acting Executive Director
November 17, 2011

FOR ACTION

MOTION: To Adopt Board Resolution No. 55 To Close the Oahu Federal Family Public Housing Waitlist for One (1) Year Starting January 1, 2012, and To Authorize the Executive Director to Extend the Closure of the Waitlist for up to an Additional 12 Months

I. FACTS

A. The waiting list for family public housing on Oahu currently has over 9,000 applicants, and the Application Services Unit receives an average of 235 additional applications per month. In contrast, only between 5 and 10 units become available for a new tenant each month.

B. Applicants are put on the wait list based on what section of the island they want to live in (Waianae, Honolulu, etc) and the type of unit they need (one bedroom, two bedroom, ADA, etc).

C. Preference is given to applicants in any of the following categories. These families go to the top of the waiting list and are placed before any family without a preference:

- Victims of domestic violence;
- Involuntary displaced ;
- Homeless persons who live in transitional shelters or supportive housing programs;
- Unsheltered homeless persons who are in compliance with a social services plan.
-

The average wait for applicants who do have a preference is from two to seven years; those with no preference have even longer waits. Wait time varies based on the location and size of unit the family is waiting for.

II. DISCUSSION

A. The HPHA fills unit vacancies first from the tenant transfer list before considering applicants from the waitlist. Under current regulations, residents already in public housing who need a different type of unit, due to a change in family size, or who need an accessible unit, must be accommodated by being put on a transfer list. If there is no transfer list for the specific unit type that has become available, an applicant on the waiting list is placed in the available unit.

B. Most of the applicants at the top of the wait list for a given available unit type are those with a preference who have been put ahead of the eligible families without a preference; consequently, few non-preference families get placed in family public housing. Even those with a preference usually wait for 2 to 7 years, depending on the type and location of unit they are waiting for.

C. Maintaining an expanding wait list is not in the interests of the public or the agency. HPHA staff spend an inordinate amount of time maintaining wait lists and re-documenting the status and needs of applicants who will likely never get to the top of the list. In addition, when the applications staff try to contact the family at the top of the list to notify them of an available unit, often they have been waiting so long that they cannot be located, or their living or financial situation has changed so staff must begin the recertification process again with the next name on the list. Working with a list on which families have been waiting for years is very inefficient and time consuming.

D. Additionally, the HPHA is required to purge the waitlist on an annual basis to remove families that are no longer in need of public housing; do not qualify for public housing; or cannot be contacted.

E. Staff is recommending closing the waitlist for new applicants for family federal public housing on Oahu, until the families on the existing list have been placed, or determined to be no longer eligible or interested. Once the list has been reduced to manageable levels it would be re-opened for new applicants. If the waitlist is not reduced to a manageable level within 12 months, through the annual waitlist purge and the placement of eligible families, staff is recommending that the Board allow the Executive Director to extend the closure of the waitlist for up to an additional 12 months.

F. The waiting lists for elderly housing, families on other islands, and for state public housing would not be affected. This change would apply only to the Oahu federal family public housing.

G. In the past, the HPHA has closed all or portions of the wait list with the approval of the Board of Directors.

III. RECOMMENDATION

That the HPHA Board of Directors to Adopt Board Resolution No. 55 approving the closing of the Oahu Federal Family Public Housing Waitlist and authorizing the Executive Director to extend the closure of the wait list for up to an additional twelve months.

Prepared by: Stephanie Fo, PMMSB Chief SF

Adopted:

____
David Gierlach
Chair

RESOLUTION NO. 55

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION APPROVING THE CLOSING OF THE OAHU FEDERAL FAMILY PUBLIC HOUSING WAITLIST AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXTEND THE CLOSURE OF THE WAIT LIST FOR UP TO AN ADDITIONAL TWELVE MONTHS

WHEREAS, the Hawaii Public Housing Authority (HPHA) currently has more than 9,000 applicant families on the waiting list for family federal public housing and receives an average of 235 additional applications per month, and

WHEREAS, due to the lack of affordable housing on Oahu few families are able to move out of public housing and consequently only 5 to 10 units of family federal public housing are vacated and become available for new occupants each month, and

WHEREAS, the wait list gives placement preference to victims of domestic violence, displaced families and homeless families, yet even those with such preferences have a wait of two to seven years before they are placed, and families without a placement preference wait even longer, and

WHEREAS, it is unfair to eligible applicants without a placement preference to remain on the list for many years with no reasonable chance to be placed, while new applicants with a placement preference are continually added to the list ahead of them, and

WHEREAS, processing and maintaining the large waitlist consumes a significant amount of HPHA staff time without providing a corresponding benefit to citizens, and closing the list for one year in order to reduce or clear it, and place those applicants who have waited years, would be beneficial to the public and the agency, and

WHEREAS, in the past the HPHA Board of Directors has approved closing all or portions of the wait list in order to reduce its size.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Hawaii Public Housing Authority hereby approves closing the waitlist for family federal public housing for one year effective January 1, 2012 and authorizes the Executive Director to extend the closure for up to twelve additional months if necessary.

The UNDERSIGNED, hereby certifies that the foregoing Resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on November 17, 2011.

Adopted:

____
By: David Gierlach, Chairperson

V. REPORTS

A. Board Task Force Reports: Update from the Executive Director Search Task Force

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(2), to consider the hiring of an Executive Director, where consideration of matters affecting privacy will be involved.

Executive Director Search

Task Force Report

- HPHA advertised from October 16, 2011 through November 4, 2011.
  Newspapers: Honolulu Star Advertiser, Midweek, Garden Island, Maui News, Hawaii Herald Tribune and HPHA website.
- A total of 62 resumes received, and culled 10 resumes to conduct first interview.
  HPHA received resumes from the following geographic location:
  - Oahu 28
  - Maui 10
  - Hawaii 10
  - Kauai 5
  - Out-of-State 4
  - No physical address 5
- Task Force tentative schedule to meet and review resumes on November 22, 2011.
- Timeline to conduct interviews: November 27, 2011 – December 2, 2011.
- Task Force will conduct interviews and select candidates for second interviews.
- Second interviews will be held during a special or regular board meeting. Target date January 2012.
- All candidates must be able to meet all board members during the second interview.

Executive Director's Board Status Report
October/November 2011

I. Accomplishments for the Month of October 2011

Major Programs

A. Public Housing

- As of October 31, 2011, rent collections for HPHA State properties was 96.58%, and the total tenant occupancy rate was 95.94%.
- As of October 31, 2011, rent collections for HPHA Federal properties were 95.05%, and the total tenant occupancy rate was 91.201%.
- All Public Housing Specialists, AMP Managers and PMMSB Monitors received Nan McKay Occupancy and Rent Calculation training. A test of the information covered was administered. A follow up training plan will be determined for staff that failed the test.
- Four AMPs received a higher REAC score after staff requested data base adjustments for work currently under contract to be repaired. The AMP scores are reflected on the REAC For Info provided in your board packet.
- PMMSB has two new Program Specialist that will begin their employment on November 7, 2011. They will be assisting with Resident Services, Resident Associations, Grievances, the Resident Advisory Board meetings, AMP monitoring and contract monitoring.
- **AMP 31 (Hauiki Homes):**Implemented Youth Program (Tuesdays and Thursdays) for At Risk Youth in Low Income Housing to provide Martial Arts Training and Discipline and Community Service Development.
- **AMP 31 (Puahala Homes):** Meeting with Resident Association President to discuss site improvements, proposed community clean up, unsupervised youth on property, community relation development and security lighting for building 3 and 7. Working to open elections for new members for the Puahala Homes Resident Board.
- **AMP 46 (All Projects):** Food and nutrition classes to assist low-income families have started. The course is four weeks with six different topics covered.
- **AMP 49 (Wailalua)** – New AMP Management private Manager started October 1, 2011. Since they began their new on site Maintenance supervisor began to address the community concerns regarding drugs and

drinking in the parking lots when he received a death threat over the phone. The Acting Executive Director and PMMSB Chief visited the onsite staff and surveyed the area. The parking lots will be chained off and bollards will be installed to deter entry onto the property. Site Manager is requesting additional lights and security camera's. To date there have been no further threats and the loitering in the parking lot has decreased significantly.

B. Section 8 Subsidy Programs

- For Section 8 Subsidy Activities in October 2011 see Program Reports.

C. Construction Management Branch

Large Capacity Cesspools
- Contract documents for Willocks Construction are being processed to initiate award and implementation of the work at Kealakehe, Hale Hauoli and Lokahi on the Big Island.
- Contractor for Hale Ho`olulu in Kilauea has completed work and required documents filed with the Hawaii Department of Health (HIDOH) including certified "as-builts." Documentation was also transmitted to the Environmental Protection Agency (EPA).
- Excess stockpiled soil (less than 100 cubic yards) have been dispersed and graded at the adjacent vacant land at Hale Hoolulu in Kilauea, Kauai that is also owned by HPHA.
- Hired new staff for Project Engineer position.

Administrative Services

A. Compliance Office

- Resolved approximately 30 tenant requests for reasonable accommodations under Section 504 of the Rehabilitation Act and the Fair Housing Act.

  Here are the statistics:

  10 for transfers to ADA accessible or ground floor units.
  4 for transfers for other reasons.
  5 for installation and use of air conditioner.
  4 for service or comfort animals.
  3 for minor modifications such as grab bars and door knobs.
  2 for increase in utility allowance for use of medical equipment.
  1 for a reserved parking stall.

B. Planning and Evaluation Office

Media Inquiries
- Received media inquiry from Star-Advertiser regarding KPT renovations; referred to Michaels Development Company.

- Received media inquiry from Keoki Kerr of KITV regarding smoking ban in public housing. Reported that HPHA is still in the process of researching potential policies and procedures and will consult with the Resident Advisory Board (RAB) before bringing it before the Board of Directors. Informed KITV that the HPHA is supportive of providing healthy living environments to all tenants, but we would need to work with a number of partners to develop such a policy, including the Department of Health, DOH, RAB, Property Management, and the Board of Directors.

Legislative

- Coordinated and attended meeting between Representative Gil Riviere, Hawaii Affordable Properties, Inc. and PMMSB at Kupuna Home O'Waialua to update him on progress being made since the AMP went under private management. He was impressed with the quality of the on-site manager and the work that has progressed there.

- Responded to information request from Senator Clarence Nishihara whether Kamalu and Ho'olulu elderly housing had resident associations. They currently do not but the inquiry would be referred to PMMSB to investigate whether potential existed for formation and will provide follow up.

- Responded to information request from Representative Aaron Ling Johanson whether Pu'uwai Momi had a resident association to speak with concerning community issues. Informed that the development did not have a resident association, but offered to assist in outreach efforts to our tenants. No meeting date scheduled.

- Responded to information request from Representative Joey Manahan regarding pedestrian bridge connecting the Towers at Kuhio Park to Richard Lane. Referred to owner of bridge, DLNR, and requested to be included in discussions regarding it as a neighboring landowner. No meeting date scheduled.

- Continue to work with Senator Chun Oakland regarding Kuakini Street extension project. Senator Chun Oakland is requesting the HPHA to take deed ownership of certain remnant parcels which will result from the construction of the improved roadway since the other governmental parties involved are prohibited from owning and maintaining the land. Still pending information from the Governor's Office regarding this assumption of ownership.

- Contacted Senator Chun Oakland to reschedule Informational Briefing regarding the Legislative Auditor's Management Audit. Rescheduled to December 1, 2011 at 10:00 AM.

- Coordinated and attended meeting between Representative Gil Riviere, Hawaii Affordable Properties, Inc. and PMMSB at Kupuna Home O'Waialua to update him on progress being made since the AMP went under private

management. He was impressed with the quality of the on-site manager and the work that has progressed there.

- Provided Representative Pono Chong with follow up documentation from the September meeting. He requested information regarding vacancies, preferences, evictions, and programs offered by HUD that HPHA does not administer.
- Received inquiry from House Committee on Finance requesting site visits to the Towers at Kuhio Park and Wilikina Apartments. Coordinated with Committee Clerk, HPHA staff and Michaels Development Company to schedule the visits for the afternoon of November 30, 2011.

C. Fiscal Management Office

- Banyan Audit completed.
- For Fiscal Management Office Activities, see Financial reports.

D. Contracts and Procurement

For Solicitations and Contracts Issued in October 2011 see Program Reports.

E. Information Technology Office

- Coordinated onsite training for the Elite financial modules implementation, which included onsite assistance from an Emphasys financial consultant.
- Coordinated continued weekly remote Elite training for Section 8 personnel.

F. Hearings Office

For Hearings Office Activities in October 2011 see Program Reports.

G. Personnel

Summary of HPHA Staffing Turnover for FY 2012

Staffing as of October 31, 2011, Full-time Equivalent positions:
Filled positions: 255
Vacant positions: 94
Total FTEs: 349
New Hires: 7

Recruitment:

- Interviews held, results/ start date/job offers:
  - Building Engineer IV. Start date 11/1/11
  - Project Engineers (2 positions). Pending recommendation to DHS
  - Contracts Specialist (Goods and Services). Start 11/16/11

- Compliance Specialist. Start 11/7/11
- Resident Services Specialist (2 positions). Both start date of 11/7/11
- General Construction and Maintenance Supervisor/AMP 34. Start 11/3/11
- Building Maintenance Worker I (AMP 33). Pending start date.
- Carpenter AMP 30 and AMP 35. Pending start date.
- General Laborer IIs (2 positions/AMP 31). Pending start dates.
- General Laborer Is (3 positions for AMP 30 and AMP 34). Pending start date.

- Eligible list received; interviews scheduled:
  - Public Housing Supervisor VI (PMMS Branch). Interviews scheduled mid November.
  - Public Housing Supervisor IV (AMP 30). Interviews scheduled mid November.
  - Public Housing Supervisor III (AMP 38). Interviews scheduled mid November.

- Continuous Recruitment thru NEOGOV:
  - Public Housing Supervisor VI (PMMSB).
  - Public Housing Supervisor V (Section 8)
  - Building Maintenance Worker I (AMP 38).
  - Welder I (Central Maintenance Services Section).
  - Plumber Helper (Central Maintenance Services Section).

Safety/Workers Compensation:
Received one injury with no lost time.

II. Planned Activities for the Month of November 2011

Major Programs

A. Public Housing

- Prepare presentation for Legislative Briefing on State Auditor's Legislative Audit covering the period of July1, 2006 through June 30, 2010.
- Prepare instructions for monitoring
- Site visits to AMPs with failing REAC scores

B. Section 8 Subsidy Programs

- Continue to monitor lease-up of tenant based vouchers; VASH vouchers; rent supplement program
- Continue to work with Michaels Development Company on the use of project based vouchers at Kuhio Park Terrace
- Review Request from Mutual Housing to increase rents.

C. Construction Management Branch

- Continue to monitor expenditures of ARRA Capital Fund grant to close March 2012.

Administrative Services

A. Compliance Office

- Administer contract with National Center for Housing Management for HPHA Self-evaluation and transition plan.
- LEP Public Hearings scheduled for November 9, 2011.

B. Planning and Evaluation Office

- Work with the HPHA Board and Office of the Governor to prepare for the upcoming legislative session.
- Assist PMMSB branch with Legislative Briefing presentation on State Legislative audit for the period of July 1, 2006 through June 30, 2010.
- Compile information and begin assembling information for PHA Plan

C. Fiscal Management Office

- Complete FYE financial and single audit. Projected date: December 31, 2011.
- Continue to work with vendor and ITO on conversion to Elite.

D. Personnel

- Continue recruitment/hiring for critical and vacant positions. Continue to follow-up with DHS PERS to ensure offers are made to qualified candidates before they take other positions.
- Respond to inquiries from SSMC. (Staff requests that the Board 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.

FEDERAL PUBLIC HOUSING

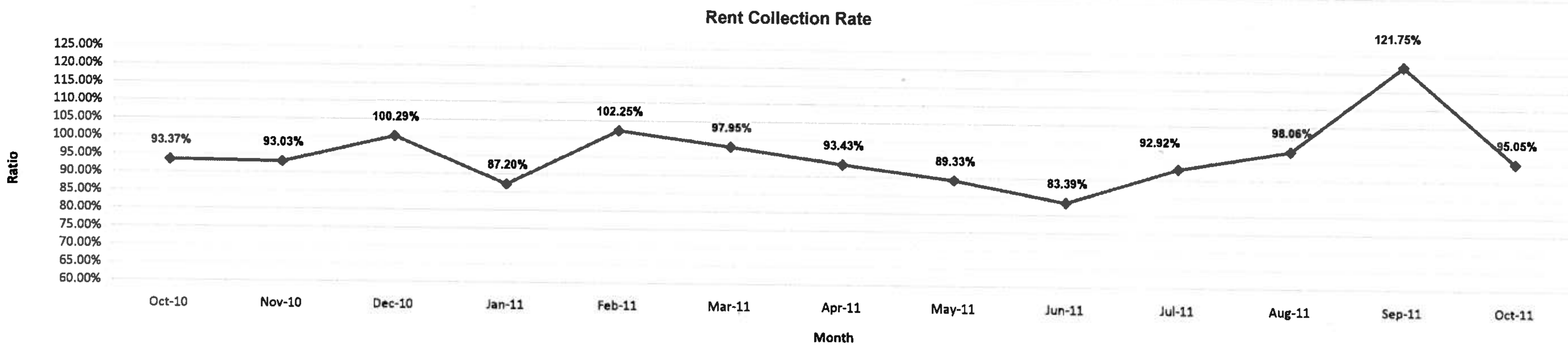
Rent Collection from October 2010 to October 2011

	Oct-10			Nov-10			Dec-10		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	$ 120,443.00	$ 111,022.68	92.18%	$ 118,608.00	$ 118,589.01	99.98%	$ 119,818.00	$ 121,417.37	101.33%
Kauai	$ 87,799.00	$ 75,384.51	85.86%	$ 86,778.00	$ 78,276.56	90.20%	$ 86,291.00	$ 80,138.98	92.87%
Maui	$ 39,537.00	$ 36,257.17	91.70%	$ 40,455.00	$ 39,564.88	97.80%	$ 40,468.00	$ 39,643.97	97.96%
Oahu	$ 1,129,657.95	$ 1,063,431.20	94.14%	$ 1,136,947.46	$ 1,049,993.07	92.35%	$ 1,130,424.71	$ 1,139,769.79	100.83%
Total	$ 1,377,436.95	$ 1,286,095.56	93.37%	$ 1,382,788.46	$ 1,286,423.62	93.03%	$ 1,377,001.71	$ 1,380,970.11	100.29%

	Jan-11			Feb-11			Mar-11		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	$ 120,161.00	$ 106,426.15	88.57%	$ 118,550.70	$ 137,139.87	115.68%	$ 123,938.00	$ 116,949.67	94.36%
Kauai	$ 83,914.00	$ 68,105.59	81.16%	$ 83,547.00	$ 82,100.90	98.27%	$ 83,159.00	$ 76,059.50	91.46%
Maui	$ 39,164.00	$ 36,337.62	92.78%	$ 40,207.00	$ 38,945.99	96.86%	$ 38,867.00	$ 43,430.34	111.74%
Oahu	$ 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%
Total	$ 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	97.95%

	Apr-11			May-11			Jun-11		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	$ 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	$ 79,632.00	$ 68,713.39	86.29%	$ 80,434.00	$ 69,028.50	85.82%	$ 79,977.00	$ 69,040.63	86.33%
Maui	$ 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	$ 1,107,278.94	$ 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	$ 1,351,337.94	$ 1,262,498.32	93.43%	$ 1,330,180.98	$ 1,188,262.39	89.33%	$ 1,324,366.66	$ 1,104,405.07	83.39%

	Jul-11			Aug-11			Sep-11			Oct-11		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	$113,713.50	$111,319.98	97.90%	$115,666.00	$121,351.38	104.92%	$84,374.00	$115,921.69	137.39%	$115,276.00	$115,980.86	100.61%
Kauai	$79,108.00	$63,237.00	79.94%	$77,537.00	$71,685.17	92.45%	$59,469.00	$69,959.18	117.64%	$76,718.00	$78,481.84	102.30%
Maui	$42,037.00	$43,722.93	104.01%	$44,681.00	$48,814.87	109.25%	$34,889.00	$46,767.70	134.05%	$47,144.00	$44,929.36	95.30%
Oahu	$908,990.06	$844,614.03	92.92%	$906,855.05	$880,691.57	97.11%	$732,192.65	$876,381.22	119.69%	$901,126.01	$844,396.33	93.70%
Total	$ 1,143,848.56	$ 1,062,893.94	92.92%	$ 1,144,739.05	$ 1,122,542.99	98.06%	$ 910,924.65	$ 1,109,029.79	121.75%	$ 1,140,264.01	$ 1,083,788.39	95.05%



Federal LIPH
HPHA Island Overview Report
October 2011

	Occupancy *							LIPH and Elderly Waiting List**				
Island	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	623	533	89	85.55%	17	9	1	Average Income	40	0.36%	6.70	3.34
Kauai	319	275	44	86.21%	1	1	0	Low Income (80%)	168	1.52%	2.91	1.95
Maui	196	147	49	75.00%	1	1	0	Very Low Inc. (50%)	1,045	9.47%	2.90	1.94
Oahu	3,554	3,324	212	93.53%	9	3	18	Extrmly Low Inc. (30%)	9,784	88.65%	2.55	1.76
Total	**4,692**	**4,279**	**394**	**91.20%**	**28**	**13**	**19**		**11,037**	**100.00%**	**2.60**	**1.79**

	Non Vacated Delinquencies***				Collection Rate		
Island	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
Hawaii	29	$ 16,800.10	32	$ 17,150.00	$ 115,276.00	$ 115,980.86	**100.61%**
Kauai	51	$ 31,624.38	37	$ 97,959.54	$ 76,718.00	$ 78,481.84	**102.30%**
Maui	9	$ 1,711.00	18	$ 5,641.93	$ 47,144.00	$ 44,929.36	**95.30%**
Oahu	383	$ 198,903.41	256	$ 309,086.42	$ 901,126.01	$ 844,396.33	**93.70%**
Total	**472**	**$ 249,038.89**	**343**	**$ 429,837.89**	**$ 1,140,264.01**	**$ 1,083,788.39**	**95.05%**

* Occupancy also counts Scheduled for Modernization Units.

* Occupancy reflects removal of KPT 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
October 2011

	Occupancy*						
AMP	Total Available Units	Total Occupied Units	Total Vacant Units (excludes rent ready)	Occupancy Ratio	Move-Ins	Transfers	Units Rent Ready
30P-Aiea	362	340	22	93.92%	2	1	0
31P-KVH	373	330	39	88.47%	1	1	4
32P-MWH	363	348	15	95.87%	0	0	0
33P-Kam/Kaamanu	371	359	11	96.77%	0	0	1
34P-Kalakaua	581	550	27	94.66%	3	1	4
35P-Kalanihuia	587	571	14	97.27%	2	0	2
37P-Hilo	322	251	71	77.95%	10	7	0
38P-Kauai	319	275	44	86.21%	1	1	0
39P-Maui	196	147	49	75.00%	1	0	0
40P-KPT	170	160	10	94.12%	0	0	0
43P-Kona	200	196	3	98.00%	4	0	1
44P-Leeward Oahu	258	226	26	87.60%	0	0	6
45P-Windward Oahu	225	221	4	98.22%	0	0	0
46P-Kamuela	101	86	15	85.15%	3	2	0
49P-Central Oahu	149	111	38	74.50%	0	0	0
50P-Palolo	115	108	6	93.91%	1	0	1
Total	4,692	4,279	394	91.20%	28	13	19

	Non Vacated Delinquencies**				Collection Rate		
AMP	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
30P-Aiea	76	46,742.51	37	50,368.89	$ 122,147.00	$ 107,893.91	88.33%
31P-KVH	38	27,093.45	22	39,585.95	$ 86,418.00	$ 71,561.80	82.81%
32P-MWH	45	25,615.88	27	23,135.80	$ 107,976.33	$ 96,964.45	89.80%
33P-Kam/Kaamanu	56	23,323.91	39	42,769.87	$ 85,232.00	$ 82,438.19	96.72%
34P-Kalakaua	13	7,322.00	6	13,132.40	$ 127,651.84	$ 131,016.20	102.64%
35P-Kalanihuia	24	6,516.00	9	8,189.29	$ 139,885.01	$ 138,621.74	99.10%
37P-Hilo	11	3,165.10	9	5,974.00	$ 62,078.00	$ 62,145.56	100.11%
38P-Kauai	51	31,624.38	37	97,959.54	$ 76,718.00	$ 78,481.84	102.30%
39P-Maui	9	1,711.00	18	5,641.93	$ 47,144.00	$ 44,929.36	95.30%
40P-KPT	24	11,195.93	42	29,278.35	$ 67,771.00	$ 60,923.71	89.90%
43P-Kona	8	4,087.00	4	494.33	$ 36,230.00	$ 36,273.95	100.12%
44P-Leeward Oahu	49	25,389.18	44	56,236.53	$ 47,953.00	$ 43,261.32	90.22%
45P-Windward Oahu	37	15,148.70	17	15,493.05	$ 66,309.00	$ 63,413.67	95.63%
46P-Kamuela	10	9,548.00	19	10,681.67	$ 16,968.00	$ 17,561.35	103.50%
49P-Central Oahu	10	6,123.00	7	9,851.22	$ 31,548.00	$ 29,139.51	92.37%
50P-Palolo	11	4,432.85	6	21,045.07	$ 18,234.83	$ 19,161.83	105.08%
Total	472	$ 249,038.89	343	$ 429,837.89	$ 1,140,264.01	$ 1,083,788.39	95.05%

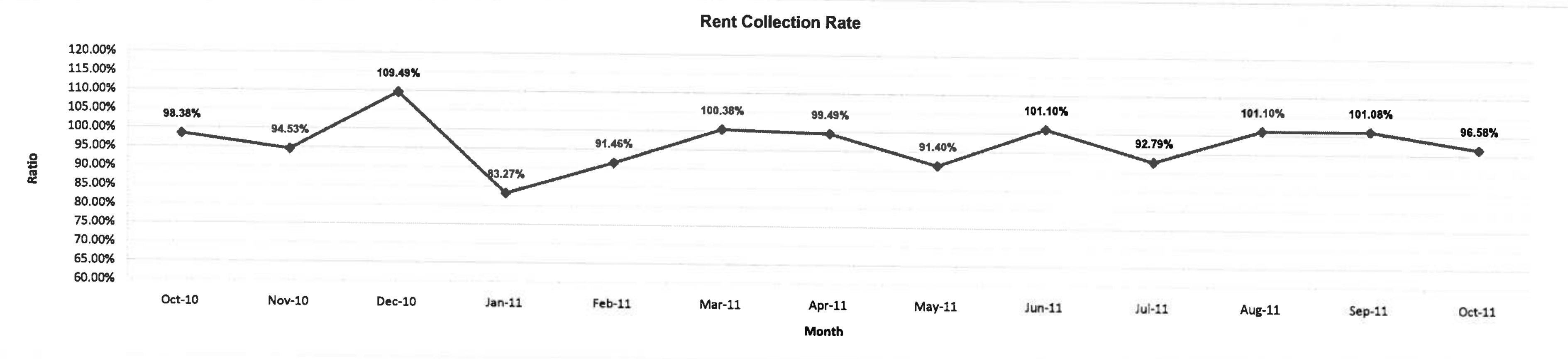
* Occupancy also counts Scheduled for Modernization Units.
* Occupancy reflects removal of KPT Units.
** Delinquencies and Collections reflect only Rents, Prepays and Payment Agreements (Bill Code 0001 and 0006).

STATE PUBLIC HOUSING

Rent Collection from October 2010 to October 2011

	Oct-10			Nov-10			Dec-10			Jan-11			Feb-11			Mar-11		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	$ 9,941.00	$ 9,159.12	92.13%	$ 9,528.76	$ 8,883.15	93.22%	$ 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%
Kauai	$ 5,580.00	$ 5,643.00	101.13%	$ 5,498.00	$ 4,278.00	77.81%	$ 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%
Maui	$ 5,286.00	$ 4,309.00	81.52%	$ 6,089.00	$ 5,866.00	96.34%	$ 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%
Oahu	$ 227,374.00	$ 225,048.63	98.98%	$ 227,636.00	$ 216,122.73	94.94%	$ 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	$ 232,605.36	101.37%
Total	$ 248,181.00	$ 244,159.76	98.38%	$ 248,751.76	$ 235,149.88	94.53%	$ 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%

	Apr-11			May-11			Jun-11			Jul-11			Aug-11			Sep-11			Oct-11		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	$ 13,492.00	$ 13,372.00	99.11%	$ 13,190.00	$ 11,357.00	86.10%	$ 13,820.00	$ 11,564.00	83.68%	$ 14,198.00	$ 11,011.00	77.55%	$ 14,673.00	$ 13,607.60	92.74%	$ 12,542.20	$ 11,476.80	91.51%	$ 14,366.00	$ 10,717.00	74.60%
Kauai	$ 5,368.00	$ 4,504.00	83.90%	$ 5,243.00	$ 4,449.00	84.86%	$ 5,210.00	$ 3,640.00	69.87%	$ 5,336.00	$ 5,095.00	95.48%	$ 5,511.00	$ 4,705.00	85.37%	$ 3,899.00	$ 3,093.00	79.33%	$ 5,336.00	$ 4,690.00	87.89%
Maui	$ 5,562.00	$ 3,882.00	69.80%	$ 5,339.00	$ 5,014.00	93.91%	$ 5,470.00	$ 4,680.00	85.56%	$ 5,327.00	$ 5,744.00	107.83%	$ 5,305.00	$ 5,650.00	106.50%	$ 5,995.00	$ 6,340.00	105.75%	$ 4,825.00	$ 3,322.00	68.85%
Oahu	$ 228,396.00	$ 229,762.40	100.60%	$ 227,111.00	$ 208,478.54	91.80%	$ 228,510.00	$ 235,913.89	103.24%	$ 228,461.00	$ 213,201.40	93.32%	$ 228,214.00	$ 232,531.34	101.89%	$ 236,848.68	$ 241,166.02	101.82%	$ 228,648.00	$ 225,787.56	98.75%
Total	$ 252,818.00	$ 251,520.40	99.49%	$ 250,883.00	$ 229,298.54	91.40%	$ 253,010.00	$ 255,797.89	101.10%	$ 253,322.00	$ 235,051.40	92.79%	$ 253,703.00	$ 256,493.94	101.10%	$ 259,284.88	$ 262,075.82	101.08%	$ 253,176.00	$ 244,516.56	96.58%



State LIPH
HPHA Island Overview Report
October 2011

	Occupancy*							LIPH and Elderly Waiting List**				
Island	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	47	6	83.93%	1	0	3	Average Income	27	0.34%	7.43	3.64
Kauai	26	23	3	88.46%	0	0	0	Low Income (80%)	81	1.01%	2.64	1.84
Maui	32	23	9	71.88%	0	0	0	Very Low Inc. (50%)	691	8.58%	2.86	1.91
Oahu	749	735	12	98.13%	5	0	2	Extrmly Low Inc. (30%)	7,258	90.08%	2.42	1.66
Total	**863**	**828**	**30**	**95.94%**	**6**	**0**	**5**		**8,057**	**100.00%**	**2.47**	**1.69**

	Non Vacated Delinquencies***				Collection Rate		
Island	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
Hawaii	9	$ 4,195.00	12	$ 16,478.17	$ 14,366.00	$ 10,717.00	74.60%
Kauai	5	$ 2,671.20	3	$ 13,377.46	$ 5,336.00	$ 4,690.00	87.89%
Maui	5	$ 1,584.00	18	$ 15,555.53	$ 4,825.00	$ 3,322.00	68.85%
Oahu	20	$ 13,756.57	50	$ 199,727.69	$ 228,648.00	$ 225,787.56	98.75%
Total	**39**	**$ 22,206.77**	**83**	**$ 245,138.85**	**$ 253,175.00**	**$ 244,516.56**	**96.58%**

* 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 LIPH
HPHA Project Overview Report
October 2011

	Occupancy *						
Project	Total Available Units	Total Occupied Units	Total Vacant Units (excludes rent ready)	Occupancy Ratio	Move-Ins	Transfers	Units Rent Ready
2201-Hauiki	46	43	3	93.48%	0	0	0
2202-Puahala Homes	128	121	6	94.53%	1	0	1
2204-Kawailehua	26	23	3	88.46%	0	0	0
2205-Kahale Mua	32	23	9	71.88%	0	0	0
2206-Lokahi	30	26	4	86.67%	0	0	0
2207-Ke Kumu Elua	26	21	2	80.77%	1	0	3
2401-Hale Po'ai	206	205	1	99.51%	2	0	0
2402-La'iola	108	106	2	98.15%	1	0	0
2403-Kamalu-Ho'olulu	220	220	0	100.00%	1	0	0
2404-Halia Hale	41	40	0	97.56%	0	0	1
Total	863	828	30	95.94%	6	0	5

	Non Vacated Delinquencies**				Collection Rate		
Project	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
2201-Hauiki	3	$ 2,430.00	12	$ 79,078.51	$ 16,868.00	$ 16,491.12	97.77%
2202-Puahala Homes	16	$ 10,730.57	24	$ 116,076.26	$ 47,401.00	$ 41,894.44	88.38%
2204-Kawailehua	5	$ 2,671.20	3	$ 13,377.46	$ 5,336.00	$ 4,690.00	87.89%
2205-Kahale Mua	5	$ 1,584.00	18	$ 15,555.53	$ 4,825.00	$ 3,322.00	68.85%
2206-Lokahi	4	$ 1,548.00	3	$ 12,967.50	$ 9,019.00	$ 6,516.00	72.25%
2207-Ke Kumu Elua	5	$ 2,647.00	9	$ 3,510.67	$ 5,347.00	$ 4,201.00	78.57%
2401-Hale Po'ai	0	$ -	5	$ 2,284.00	$ 57,603.00	$ 58,039.00	100.76%
2402-La'iola	0	$ -	7	$ 1,986.52	$ 33,455.00	$ 34,020.00	101.69%
2403-Kamalu-Ho'olulu	1	$ 596.00	2	$ 302.40	$ 62,351.00	$ 64,577.00	103.57%
2404-Halia Hale	0	$ -	0	$ -	$ 10,970.00	$ 10,766.00	98.14%
Total	39	$ 22,206.77	83	$ 245,138.85	$ 253,175.00	$ 244,516.56	96.58%

* Occupancy also counts Scheduled for Modernization Units.

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

VACANT UNIT INFORMATION REPORT
FEDERAL PROJECTS

October 1, 2011

(1) AMPS	(2) Number of Units Per AMP	(3) Total Vacant Units on Oct. 1	(4) Total Move-Ins for the entire month of Oct.	(5) Units Rent Ready and Not Occupied in Oct.	(6) HUD Approved Special Service Units	(7) Units on Hold for Relocation	(8) Admin Hold (Justify in Remarks colum)	(9) HUD Approved Units Scheduled Demolition	(10) Units AMP Responsible For and/or To Repair	(11) Units CMB will Repair	(12) Remarks Any data entered into colums (7) and (8) require an explanation.
30	363	25	2	4	1	0	0	0	12	6	
31	373	42	1	2	0	0	0	0	4	35	
32	364	16	0	1	1	0	1	0	8	5	
33	373	15	7	3	2	0	0	0	3	0	
34	583	35	3	4	3	0	0	0	25	0	
35	587	18	2	4	0	0	0	0	11	1	
37	386	95	5	0	2	0	0	64	10	14	
38	321	40	3	0	2	8	0	0	13	14	CMB relocation units
39	196	47	1	2	0	0	0	0	9	35	
40	176	14	0	0	1	0	0	4	5	4	
43	202	8	4	2	1	0	0	0	1	0	
44	260	34	0	6	2	0	0	0	11	15	
45	226	4	0	0	1	0	0	0	0	3	
46	103	16	0	0	2	8	0	0	0	6	8 units being used for relocation @ Hale Hauoli Elderly
49	150	36	0	0	1	0	0	0	16	20	
50	118	11	2	0	3	0	0	0	5	1	
TOTAL	**4,781**	**456**	**30**	**28**	**22**	**16**	**1**	**68**	**133**	**159**	

*This count includes all units which are occupied or designated as social services, resident association, area office, public safety, anti-drug, administrative hold, available, CMS, sent to maintenance, maintenance hold, Capital Fund, on-scheduled modernization, relocation and scheduled for demolition.

VACANT UNIT INFORMATION REPORT
STATE PROJECTS
October 1, 2011

(1) AMPS	(2) Number of Units Per AMP	(3) Total Vacant Units on Oct. 1	(4) Total Move-Ins for the entire month of Oct.	(5) Units Rent Ready and Not Occupied in Oct.	(6) Special Service Units	(7) Units on Hold for Relocation	(8) Admin Hold (Justify in Remarks colum)	(9) Approved Units Scheduled Demolition	(10) Units AMP Responsible For and/or To Repair	(11) Units CMB will Repair	(12) Remarks Any data entered into colums (7) and (8) require an explanation.
31	174	9	0	1	2	0	0	0	5	1	
37	30	4	0	0	0	0	1	0	1	2	Admin Hold unit submitted to HEPS for Bid, but later denied funding. Needs $25k of work; advised AMP to submit Form A
38	26	3	0	0	0	1	0	0	0	2	2 units under CMB const'n for ADA renovations; 1 being used as a hotel unit during renovations.
39	32	9	0	3	0	0	0	0	4	2	
42	576	0	0	0	0	0	0	0	0	0	
46	26	5	0	3	1	0	0	0	1	0	
TOTAL	**864**	**30**	**0**	**7**	**3**	**1**	**1**	**0**	**11**	**7**	

*This count includes all units which are occupied or designated as social services, resident association, area office, public safety, anti-drug, administrative hold, available, CMS, sent to maintenance, maintenance hold, Capital Fund, on-scheduled modernization

VMS Data Collection Report		
From	8/1/2011	
To	9/1/2011	
As of	11/10/2011	
PHA Code	HI901	
PHA Name	Hawaii Public Housing Authority	
Point of Contact	Stephanie Fo	
Point of Contact Phone	(808) 832-4696	
E-mail	stephanie.l.fo@hawaii.gov	
	Aug-11	Sep-11
Litigation		
Litigation HAP		
1 Year Mainstream	174	175
1 Year Mainstream HAP	$151,612	$151,626
Homeownership	10	10
Homeownership HAP	$9,981	$9,985
New Home Owners - This Month		
Moving To Work Vouchers		
HAP Moving To Work Vouchers:		
Family Unification		
Family Unification HAP		
2008 and 2009 Family Unification		
2008 and 2009 Family Unification HAP		
2008 and 2009 Non-Elderly Disabled		
2008 and 2009 Non-Elderly Disabled HAP		
Portable Vouchers Paid	25	22
Portable Voucher HAP	$18,924	$16,118
Hope 6 Section 8 Vouchers		
Hope 6 Section 8 Vouchers		
Tenant Protection		80
HAP Tenant Protection		$147,051
Enhanced Vouchers this Month		
Veteran's Affair Supported Housing (VASH) Voucher	125	123
Veteran's Affair Supported Housing (VASH) HAP	$87,064	$87,357
DHAP to HCV Vouchers Leased		
DHAP to HCV Voucher HAP		
All Other Vouchers	1,420	1,478
HAP All Other Vouchers	$1,358,753	$1,477,598
FSS Escrow Deposits	$3,181	$3,308
All Voucher HAP Expenses After the First of Month	$5,469	$8,558
Total Vouchers	1,754	1,888
HAP Total	$1,634,984	$1,901,601
on the last day of the Month	1,754	1,888
Leasing		
Temporary Housing Units to HCV Conversion - HAP		
leased above		
of the last day of the month	7	7
Portability - In	7	22
Portability - In	$7,855	$12,690
AHAPs and HAPs	187	187
Mainstream 5-Year		
HAP Mainstream 5-Year		
Tenant Protection - New this Month		
Fraud Recovery - Amount Booked this Month	$62,978	$862
Interest or other income earned this month from the investment of HAP funds and Net Restricted Assets	$2,796	$30
FSS Escrow Forfeitures		$1,726
Number of Hard-to-House Families Leased	16	15
Number of LBP Initial Clearance Tests		
older		
Number of LBP Risk Assessments		
FSS Coordinator	$10,505	$10,505

FSS Coordinator Expenses Not Covered by FSS Grant	$11,495	$12,224
Administrative Expense	$137,133	$161,809
Audit		
Month	$3,029,616	$1,091,273
the Month	$1,333,110	$3,271,454
Voucher Program Only	$2,897,571	$1,638,266
Administrative Fee Earned		
Hard to House		
LBP Clearance Test		
LBP Risk Assessment		
Mobility Counseling		
Preliminary Fees		
Housing Conversion Fees		
Regional Opportunity Counseling		
Expense Amount 1		
Expense Description 1		
Expense Amount 2		
Expense Description 2		
Expense Amount 3		
Expense Description 3		
Expense Amount 4		
Expense Description 4		
Expense Amount 5		
Expense Description 5		
Comments	118 PBV unleased and unpaid.	120 PB vouchers unleased and unpaid.
DVP Families Assisted		
Actual DVP HAP Provided		
New DVP Families Assisted this month		
DVP Homeless Families Assisted		
Actual DVP HAP Provided for Homeless families		
New Families Assisted (new this month)		
Families Assisted		
HAP for Families Assisted		
New this month		
DHAP-IKE Families Assisted		
HAP for Families Assisted		
New Homeless Families Assisted		
Security Deposits Paid		
Utility Deposits Paid		
Security Deposits Returned		
Utility Deposits Returned		
Portability - In		
Portability - In		
Disaster Relief Families Assisted (exclude Ports)		
New KDHAP Families Assisted		
Actual KDHAP Rental Assistance Provided		
Actual Security Deposit		
Actual Utility Deposit		
KDHAP Security Deposit Refunds		
KDHAP Utility Deposit Refunds		

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)
EXPENDITURE REPORT

Current Date: 11/7/2011 15:04

Project	Contract No.	NTP Issued	Contract Amount	Reporting Year 1 Q1 Oct-Dec 09	Reporting Year 1 Q2 Jan-Mar 10	Reporting Year 1 Q3 Apr-Jun 10	Reporting Year 1 Q4 Jul-Sep 10	Reporting Year 2 Q1 Oct-Dec 10	Reporting Year 2 Q2 Jan-Mar 11	Reporting Year 2 Q3 Apr-Jun 11	Reporting Year 2 Q4 Jul-Sep 11	Reporting Year 3 Q1 Oct-Dec 11	Reporting Year 3 Q2 Jan-Mar 12	Total
Makua Alii - Construction Mgt. Service (SSFM International, Inc.)	CMS 08-39-SA02	N/A	$409,171.00				$55,290.00	$82,935.00	$68,615.72	$57,880.00	$28,940.00	$14,470.00		$308,130.72
Kalihi Valley Homes - Site & Dwelling Improvements, Phase 4A (Rainforest G Construction, LLC)	CMS 09-15-CO01	10/26/09	$1,567,032.00			$525,000.00	$1,024,966.00	$4,949.00	$8,677.10	$2,785.38				$1,566,377.48
Kaimalino & Kealakehe - Reroofing & Misc. Repairs (Coastal Construction, Inc.)	CMS 10-01	2/1/10	$1,915,750.00			$547,988.92	$915,892.18	$314,970.15	$136,898.75					$1,915,750.00
Hale Hauoli - Reroof & Renovation (Isemoto Contracting Co., Ltd.	CMS 10-07	9/7/10	$2,031,067.00						$370,068.04	$278,616.52	$278,392.87			$927,077.43
Makani Kai Hale I & II - Physical Improvements (Artistic Builders Corporation)	CMS 10-08	6/4/10	$1,651,764.59				$97,806.05	$914,441.75	$430,200.96	$185,779.14	$23,536.69			$1,651,764.59
Makua Alii - Reroof and Structural Repairs (Hi-Tec Roofing, Inc.)	CMS 10-09	4/26/10	$2,235,868.11				$590,989.39	$684,994.43	$559,087.69	$272,585.49				$2,107,657.00
Kalakaua Homes - Reroofing (Tory's Roofing & Waterproofing, Inc.)	CMS 10-10	5/20/10	$780,552.56					$700,813.82			$29,676.97			$730,490.79
Kahekili Terrace - Physical Improvements (F&H Construction)	CMS 10-11	6/28/10	$5,079,289.00					$2,388,927.77	$514,302.01	$994,257.77	$1,124,529.05			$5,022,016.60
Kalanihuia - Reroof & Elevator Lobby Improvements (ABC Design Center)	CMS 10-12	4/19/10	$196,864.85				$20,330.00	$167,412.30	$9,122.55					$196,864.85
Administration	N/A	N/A	$378,083.89		$601,688.00									$601,688.00
Total Amount:			$16,245,443.00	$0.00	$601,688.00	$1,072,988.92	$2,705,273.62	$5,259,444.22	$2,096,972.82	$1,791,904.30	$1,485,075.58	$14,470.00	$0.00	$15,027,817.46
Budget Balance:				$16,245,443.00	$15,643,755.00	$14,570,766.08	$11,865,492.46	$6,606,048.24	$4,509,075.42	$2,717,171.12	$1,232,095.54	$1,217,625.54	$1,217,625.54	
Percentage Expended:				0.00%	3.70%	6.60%	16.65%	32.37%	12.91%	11.03%	9.14%	0.09%	0.00%	

NOTE: HPHA must expend at least 60% of all ARRA Funds no later than March 17, 2011. The expenditure rate of xx.xx% is actual expenditures made based on eLOCCS input and check cut by FMO as of October 31 , 2011.

Construction Management Branch
Status Report for Large Capacity Cesspool Conversions (LCCC) Statewide
November 2, 2011

Completed Activities

- All sewage system related work at Hale Ho`olulu in Kilauea, Kauai have been completed and required documents filed with the Hawaii Department of Health (HIDOH) including certified "as-builts." Confirmation that the required work is complete has been transmitted to the Environmental Protection Agency (EPA). After receipt of this document, the EPA can then release HPHA from requirements of the EPA grant.

- Excess stockpiled soil (less than 100 cubic yards) have been dispersed and graded at the adjacent vacant land at Hale Hoolulu in Kilauea, Kauai that is also owned by HPHA.

- Contract documents for Willocks Construction are being processed to initiate award and implementation of the work at Kealakehe, Hale Haouli and Lokahi on the Big Island.

Planned Activities

- Draft of the "5-year Maintenance of Individual Wastewater Systems (IWS) and Underground Injection Control (UIC) Seepage Pits" bid documents for HPHA properties statewide are being prepared for review and approval.

- The Attorney General's office will be assisting in drafting the necessary documents requesting the cancellation of the Executive Orders relating to the Hawaii Public Housing Authority's (HPHA) responsibilities of the Teacher's Cottages in Maui and Hawaii counties, issuing management and control to the Department of Education (DOE), in reference to Consent Agreement/Final Order (CA/FO) requirements of the Environmental Protection Agency (EPA).

- The Hawai`i Housing Finance & Development Corporation (HHFDC) and Hawai`i Public Housing Authority (HPHA) will enter into a Memorandum of Agreement (MOA) or similar document to address the sharing of a sewer lateral (used by properties owned by the two agencies) but located on the La`ilani property on the Big Island (owned by the HHFDC) once the contractor is on board and can conduct field verifications. The MOA will address the cost-sharing of maintenance and repair of the sewer lateral shared by the two agencies.

Trends/Issues

- Honokaa sewer main is expected to be ready for connection for all affected properties (including Hale Haouli) by March 2012. Upon receipt of letter from the County, connection has to occur within 90 days.

Risks

- **Group 2** cesspools had a March 2009 deadline. Environmental Protection Agency (EPA) noted that the sewer connection for Kealakehe and Hale Haouli on the Big Island are still outstanding and are not yet in compliance. However, David Albright, head of the EPA regional office in San Francisco, indicated that penalizing HPHA for delays is not a top enforcement priority and that he believes that there is no need to amend the CA/FO to amend deadline dates.

11/7/11

House Bills Still Active in the Biennial Supplemental Year

Bill Number	Subject	Status/Current Referral	Reason for Opposition
H.B. 39	Prohibit liquor possession in public housing common areas	Deferred by House Committee on Housing (HSG) for HPHA to address in House Rules	No opposition
H.B. 45	Broaden 1st Degree Criminal Trespass to include premises of public housing	HSG	Duplicative of current policy
H.B. 46 H.D. 1	Prohibit smoking in (partially) enclosed common areas	House Committee on Judiciary	Should be addressed through house rules
H.B. 231 H.D. 2 S.D. 1	Create pilot security program at Mayor Wright Homes	Senate Committee on Ways & Means (WAM)	Should be addressed through budget bill
H.B. 534	Require review of KPT redevelopment project	HSG	N/A
H.B. 754 H.D. 1	Require minimum rent of $250/month in state housing	FIN	Would create undue burden on current tenants
H.B. 755 H.D. 1	Modify eviction procedures - conform to federal law and require hearings officers instead of eviction board		Eviction board should remain
H.B. 1118	Mandatory reporting of certain crimes	Deferred by HSG	Duplicative of current policy
H.B. 1303 H.D. 2 S.D. 1	Authorizes CAM, requires minimum rent, streamline preferences	Deferred by WAM	Duplicative of current policy
H.B. 1304	Authorizes reimbursement for damages created by tenants	Deferred by HSG	Duplicative of current policy
H.B. 1398	Authorizes public-private partnerships with exemptions from Procurement Code	HSG	N/A
H.B. 1512	Established Weed & Seed in DLIR	JUD	No opposition
H.B. 1513	Same as 1512	Conference Committee	No opposition
H.B. 1573	Shortens notice requirements for meetings, grievances, rules violations, leases, maintenance work	Deferred by HSG	Should be addressed by agency administratively

Contract & Procurement Office
Monthly Status Report for October 2011

Solicitations Issued in October 2011:

- None

Contracts Executed in October 2011:

Contract No.	Contractor & Project	Supp. Amount	Total Amount
CMS 11-19	Puuwai Design & Construction, LLC Provide Labor, Materials, and Equipment to Renovate 1 Vacant Unit at Kapaa (AMP 38) on the Island of Kauai Completion Date: 180 Calendar Days from Notice to Proceed		$89,900.00
CMS 10-09-CO04	Hi-Tec Roofing, Inc. Provide Additional Labor, Materials, and Equipment for Reroof and Structural Repairs – Remove Existing Kitchen Cabinets and Install New Kitchen Base Cabinet, Counter Top, and Pantry and Relocate Existing Grab Bar Inside Bathroom at Makua Alii (AMP 34) on the Island of Oahu Completion Date: November 2, 2011	$42,700.56	$2,235,868.11
CMS 10-21-SC03	Global Specialty Contractors Provide Additional Labor, Materials, and Equipment for Site Improvements – Replace Galvanized Water Line with Copper, Restore all AC/sidewalks damaged by unforeseen waterline breakage for Site Improvements at Puahala Homes (AMP 31) on the Island of Oahu Completion Date: December 23, 2011	$114,706.00	$2,670,974.00
CMS 11-02-SC01	Ralph S. Inouye Co., Ltd. Provide Additional Labor, Materials, and Equipment for Building Improvements – Paving, Retaining Wall Repair, Waterline Installation, Landscaping and Sidewalk Repair at Hale Poai (MU 42) on the Island of Oahu Completion Date: October 21, 2011	$16,241.00	$1,655,686.00
CMS 11-02-SC02	Ralph S. Inouye Co., Ltd. Provide Additional Labor, Materials, and Equipment for Building Improvements – Installation of 10 Roof Drains at Hale Poai (MU 42) on the Island of Oahu Completion Date: November 18, 2011	$15,859.00	$1,671,545.00

Contract No.	Contractor & Project	Supp. Amount	Total Amount
CO 11-01	National Center for Housing Management Conduct an Assessment of the Hawaii Public Housing Authority's Compliance with the Fair Housing Amendments Act of 1988, the Americans with Disabilities Act (Section 504), Violence Against Women Act (VAWA) Section 515-3, Hawaii Revised Statutes, and Related State and Federal Laws in its Federal and State Public Housing Programs and its Non-Dwelling Facilities End Date: April 25, 2013		$535,500.00
ITO 11-01	EMSS, Inc. Furnish Printing and Mailing Services for the Monthly Tenant Rent Bills for the Hawaii Public Housing Authority End Date: September 25, 2012		$52,674.64
PMB 11-13	Maximum Events Security, Inc. Furnish Security Services at Kalakaua Homes, Makua Alii and Paoakalani under Asset Management Project 34 on the Island of Oahu End Date: June 30, 2012		$90,306.72
PMB 07-07-SC03	Realty Laua, LLC Continue to Furnish Property Management, Maintenance and Resident Services at Kuhio Park Terrace – Lowrise, Kuhio Homes and the Ka Hale Kameha'ikana Resource Center under Asset Management Project 40 on the Island of Oahu End Date: July 31, 2012	$1,190,928.00	$13,972,819.58
PMB 08-20-SC01	Hawaii Affordable Properties, Inc. Continue to Furnish Property Management, Maintenance and Resident Services at Hale Poai, Halia Hale, Kamalu, Hoolulu and Laiola under Management Unit 42 on the Island of Oahu End Date: August 31, 2012	$1,019,748.00	$3,752,988.00
PMB 08-16-SC03	Realty Laua, LLC Continue to Furnish Property Management, Maintenance and Resident Services at Koolau Village, Hookipa Kahaluu, Kaneohe Apartments, Kauhale Ohana and Waimanalo Homes under Asset Management Project 45 on the Island of Oahu End Date: January 31, 2012	$281,562.00	$1,863,462.00
PMB 10-01-SC01	Lions' Cleaning & Maintenance, Inc. Continue to Furnish Custodial Services for the Hawaii Public Housing Authority's Central Offices End Date: August 31, 2012	$79,874.90	$159,749.80

Contract No.	Contractor & Project	Supp. Amount	Total Amount
PMB 10-02-SC01	Garden Isle Disposal, Inc. Continue to Furnish Refuse Collection Services at Kawailehua – State and Kawailehua – Federal under Asset Management Project 38 on the Island of Kauai End Date: August 31, 2012	$21,644,86	$42,665.72
PMB 10-03-SC01	Ewa Pointe Realty Continue to Furnish Property Management, Maintenance and Resident Services at Waimaha-Sunflower, Kauiokalani, Maili I, Maili II, and Nanakuli Homes under Asset Management Project 44 on the Island of Oahu End Date: August 31, 2012	$640,303.32	$1,247,305.40
PMB 10-04-SC02	Sears, Roebuck & Co. Continue to Furnish Refrigerators for State and Federally Funded Low Income Public Housing Complexees Statewide End Date: June 30, 2012	$60,842.46	$824,061.18

HEARINGS O[illegible]ICE-STATEWIDE FEDERAL EVICTI[illegible] REFERRALS

	REFERRALS								
		REASON FOR REFERRAL		RESULT OF EVICTION REFERRAL					
MONTH	Total	Rent	Other	Evict	Evict with Cond	10-day Cure	Dismiss	Continued	Completed
FY 2008	145	108	37	56	39	18	5	37	118
FY 2009	232	194	38	94	63	5	11	59	173
FY 2010	263	223	40	109	83	4	6	61	202
FY 2011	178	140	38	68	54	5	5	46	132
FY 2012	32	26	4	10	12	0	1	9	22

July 2010 - October 2011

	REFERRALS								
		REASON FOR REFERRAL		RESULT OF EVICTION REFERRAL					
MONTH	Total	Rent	Other	Evict	Evict with Cond	10-day Cure	Dismiss	Continued	Completed
July 10	20	12	8	10	4	2	0	4	16
Aug 10	15	11	4	6	0	0	0	9	6
Sept 10	18	13	5	6	7	1	0	4	14
Oct 10	20	15	5	5	4	1	3	7	13
Nov 10	28	23	5	9	7	1	2	9	19
Dec 10	0	0	0	0	0	0	0	0	0
Jan 11	4	3	1	2	2	0	0	0	4
Feb 11	26	20	6	17	6	0	0	3	23
Mar 11	15	14	1	3	8	0	0	4	11
Apr 11	18	16	2	6	9	0	0	3	15
May 11	10	10	0	2	6	0	0	2	8
June11	4	3	1	2	1	0	0	1	3
July 11	5	3	2	2	1	0	0	2	3
Aug 11	11	8	3	3	3	0	1	4	6
Sept11	9	8	1	2	5	0	0	2	7
Oct 11	7	7	0	3	3	0	0	1	6
TOTALS	210	166	44	78	66	5	6	55	154

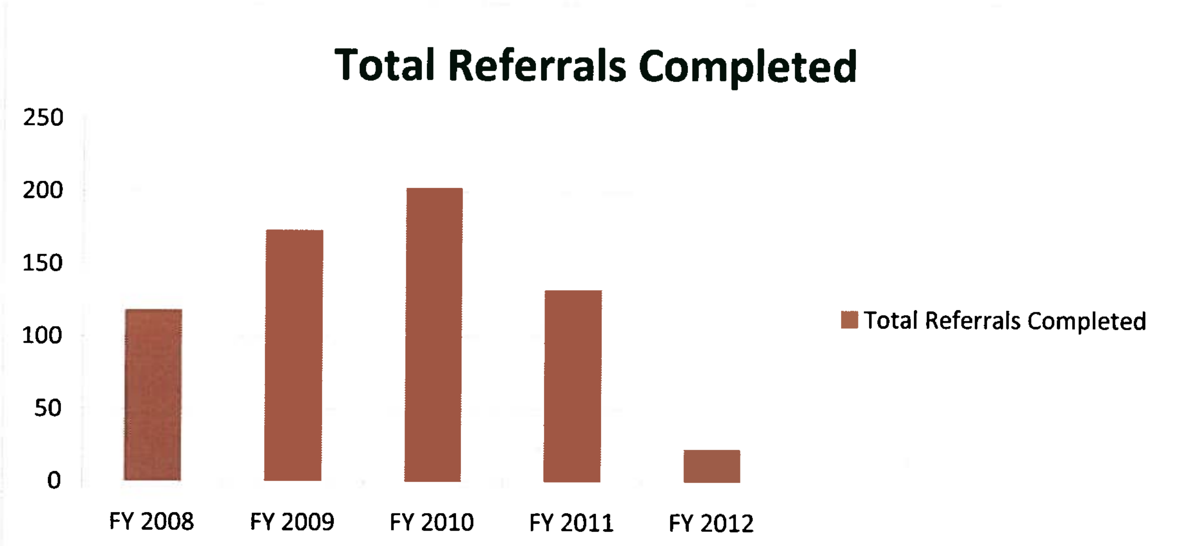
Total # of Cases Heard for the Month of October 2011: 7
(Oahu & Neighbor Islands)

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

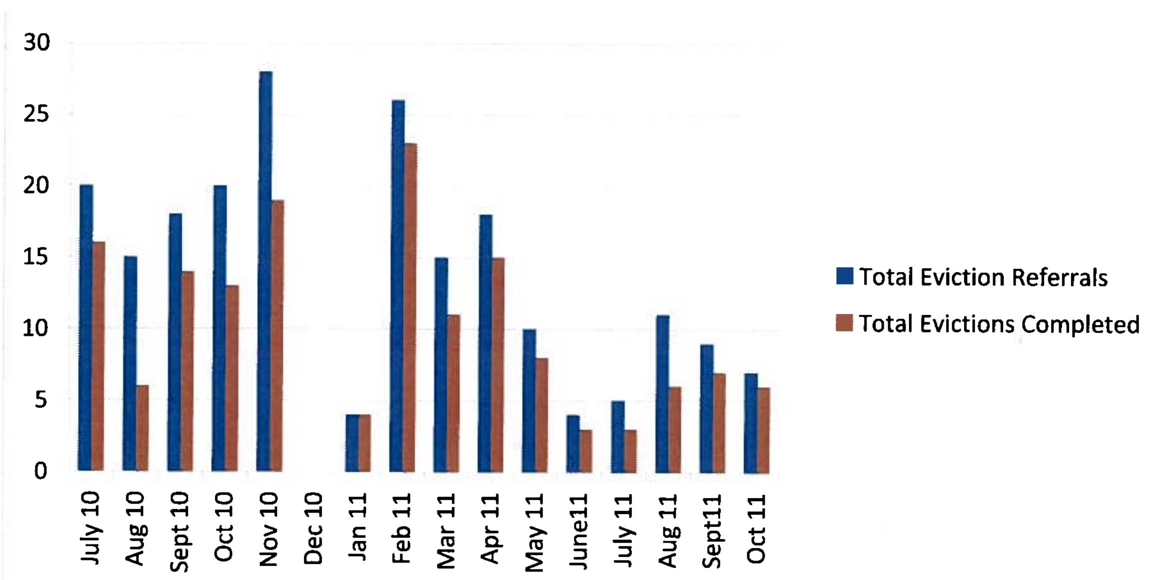
Delinquent balances for rent cas[illegible]rdered evicted for month of October [illegible]1:

AMP 40	Kuhio Homes	$5,546
AMP 43	Kaimalino	$423
Total		**$5,969**

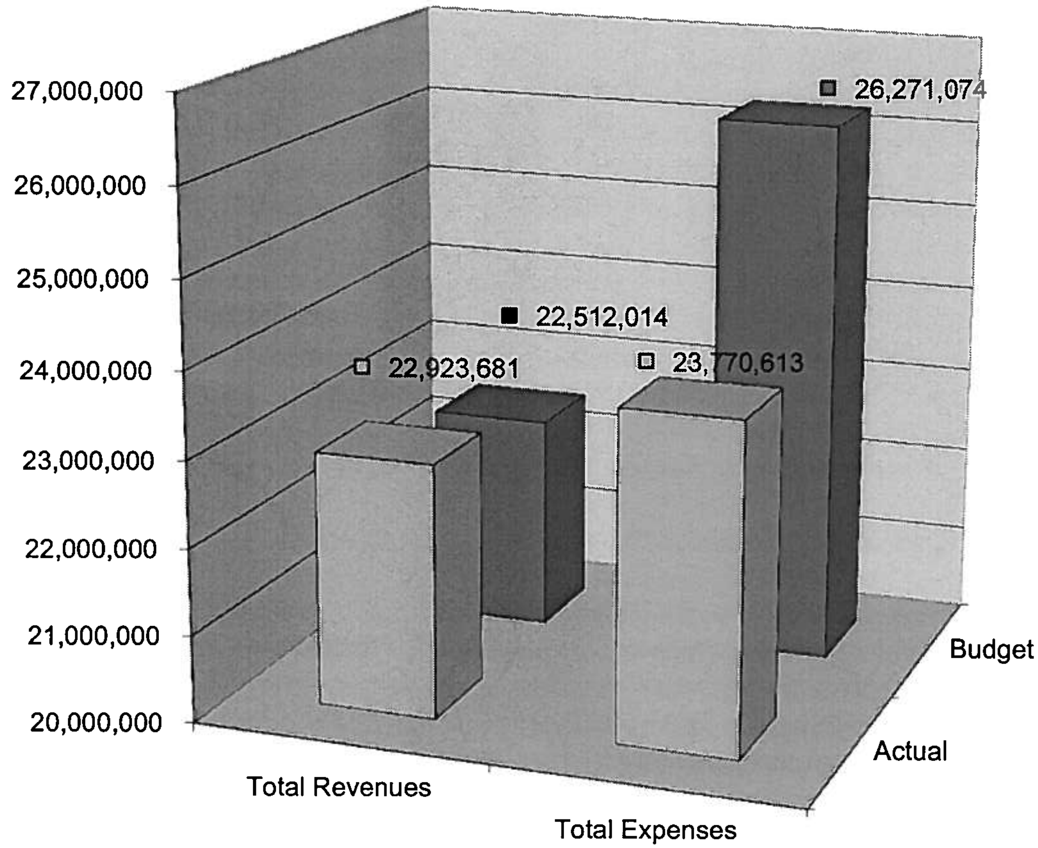
Fiscal Years 2008-2012



July 2010 - October 2011 (By Month)



HPHA September 30, 2011 Actual VS Budget



	Total Revenues	Total Expenses
Actual	22,923,681	23,770,613
Budget	22,512,014	26,271,074

HAWAII PUBLIC HOUSING AUTHORITY
AGENCY TOTAL
ACTUAL VS BUDGET COMPARISON
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2011
(Amounts in Full Dollars)

	MONTH OF SEPTEMBER, 2011				YEAR TO DATE ENDING SEPTEMBER 30, 2011						
	Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
REVENUES											
Dwelling Rental Income	$ 1,355,573	$ 1,486,923	$ (131,350)	-9%	$ 4,087,263	$ 4,456,633	$ (369,370)	-8%	$ 4,647,455	$ (560,192)	-12%
HUD Operating Subsidies	5,662,858	5,193,757	469,101	9%	16,500,810	15,581,630	919,180	6%	16,510,986	(10,176)	0%
COCC Fee Income	328,346	404,518	(76,172)	-19%	1,034,153	1,213,554	(179,401)	-15%	813,888	220,266	27[illegible]
General Fund	78,641	104,426	(25,785)	-25%	235,923	313,278	(77,355)	-25%	14,037	221,886	1581%
Grant Income	-	-	-	0%	-	-	-	0%	-	-	0%
Other Income	628,991	315,653	313,338	99%	1,065,532	946,919	118,613	13%	1,080,570	(15,038)	-1%
Total Revenues	**8,054,409**	**7,505,277**	**549,132**	**7%**	**22,923,681**	**22,512,014**	**411,667**	**2%**	**23,066,935**	**(143,254)**	**-1%**
EXPENSES											
Administrative	536,127	1,047,979	511,852	49%	2,167,451	3,153,662	986,211	31%	2,040,068	(127,383)	-6%
Asset Management Fees	-	62,099	62,099	100%	-	186,297	186,297	100%	-	-	0%
Management Fees	276,580	303,452	26,872	9%	872,957	910,356	37,399	4%	952,289	79,332	8%
Bookkeeping Fees	51,766	52,264	498	1%	161,196	156,792	(4,404)	-3%	155,880	(5,316)	-3%
Housing Assistance Payments	3,725,577	3,747,601	22,024	1%	11,143,379	11,242,803	99,424	1%	11,147,256	3,877	0%
Tenant Services	302,804	23,628	(279,176)	-1182%	305,354	71,133	(234,221)	-329%	90,674	(214,679)	-237%
Utilities	927,698	1,002,415	74,717	7%	2,988,420	3,007,243	18,823	1%	3,330,980	342,560	10%
Maintenance	682,091	1,275,656	593,565	47%	2,600,193	3,823,121	1,222,928	32%	3,349,032	748,839	22%
Protective Services	42,356	108,538	66,182	61%	121,895	325,614	203,719	63%	235,915	114,020	48%
Insurance	57,919	77,662	19,743	25%	207,147	232,834	25,687	11%	309,878	102,732	33%
General Expenses	979,880	1,053,745	73,866	7%	3,202,622	3,161,219	(41,403)	-1%	2,195,831	(1,006,791)	-46%
Total Expenses	**7,582,797**	**8,755,039**	**1,172,242**	**13%**	**23,770,613**	**26,271,074**	**2,500,461**	**10%**	**23,807,804**	**37,191**	**0[illegible]**
Net Income(Loss)	**$ 471,612**	**$ (1,249,762)**	**$ 1,721,374**	**138%**	**$ (846,932)**	**$ (3,759,060)**	**$ 2,912,128**	**77%**	**$ (740,869)**	**$ (106,064)**	**-14%**
CASH BASIS:											
Net Income(loss) per Above	**$ 471,612**	**$ (1,249,762)**	**$ 1,721,374**	**138%**	**$ (846,932)**	**$ (3,759,060)**	**$ 2,912,128**	**77%**	**$ (740,869)**	**$ (106,064)**	**-14%**
Add back non cash items:											
Depreciation Expense	1,066,708	909,621	157,087	17%	2,951,328	2,728,847	222,481	8%	1,939,375	1,011,953	52%
Bad Debt Expense	5,514	13,669	(8,155)	-60%	13,096	41,007	(27,911)	-68%	2,866	10,231	357%
TOTAL CASH BASIS	**$ 1,543,834**	**$ (326,472)**	**$ 1,870,306**	**573%**	**$ 2,117,492**	**$ (989,206)**	**$ 3,106,698**	**314%**	**$ 1,201,372**	**$ 916,120**	**76%**

CONSOLIDATED BALANCE SHEET
HAWAII PUBLIC HOUSING AUTHORITY
FUND FROM 130 TO 150, 007, 024, 181, 265, 318, 337
FOR PERIOD ENDING SEPTEMBER 30, 2011
AGENCY TOTAL

		September	August	Increase (Decrease)
ASSETS:				
Cash		43,836,420	44,207,874	(371,454)
Receivables:				
Accrued Interest	646,223			
Tenant Receivables	4,920,858			
Other	1,431,708			
Less Allowance for Doubtful Accounts	(3,775,373)	3,223,416	3,393,939	(170,523)
Total receivables				
Prepaid Expenses		1,731,694	1,739,542	(7,848)
Inventories		932,307	911,628	20,680
Interprogram Due From		14,686,677	13,887,961	798,715
Total Current Assets		**64,410,514**	**64,140,944**	**269,570**
Property, Plant & Equipment:				
Land	21,451,327			
Buildings	499,169,582			
Furniture & Equipment	6,140,472			
Motor vehicles	1,355,056			
Construction in Progress	9,265,865			
Less: Accumulated Depreciation	(304,157,887)	233,224,415	234,291,123	(1,066,708)
Notes, Loans & Mortgage Receivable-Non Current		426,100	426,100	-
Other Long term assets		-	-	-
Total Assets		**298,061,029**	**298,858,167**	**(797,139)**

CONSOLIDATED BALANCE SHEET
HAWAII PUBLIC HOUSING AUTHORITY
FUND FROM 130 TO 150, 007, 024, 181, 265, 318, 337
FOR PERIOD ENDING SEPTEMBER 30, 2011
AGENCY TOTAL

		September	August	Increase (Decrease)
LIABILITIES AND EQUITY:				
Accounts Payable		659,800	722,041	(62,241)
Accrued Expenses		391,325	391,325	-
Accrued Salaries & Wages		513,739	576,891	(63,152)
Accrued Vacation		649,885	649,885	-
Tenant Security Deposits		783,816	781,031	2,785
Other Liabilities & Deferred Income		8,073,131	9,318,598	(1,245,466)
Interprogram Due To		7,497,890	7,665,648	(167,758)
Total Current Liabilities		**18,569,586**	**20,105,419**	**(1,535,832)**
Accrued Pension and OPEB Liability		6,029,526	6,029,526	-
Accrued Compensated Absences - Non Current		1,663,695	1,663,695	-
Accrued Expenses		121,690	118,681	3,009
Net Assets:				
Restricted Net Assets	1,900,129			
Unrestricted Net Assets	270,623,335			
Net Income Year to Date	(846,932)			
Total Equity		**271,676,531**	**270,940,846**	**735,685**
Total Liabilities & Equity		**298,061,029**	**298,858,167**	**(797,139)**

HAWAII PUBLIC HOUSING AUTHORITY
Board Report – September 2011

AGENCY TOTAL – Variance Analysis based on any increases over 10% with the month of being the basis for the variances.

I. INCOME STATEMENT

A. REVENUES:

Actual revenues for the month of September increased to $549k or 7% versus Budget due to HUD Operating Subsidies increasing from 92% of prior year subsidy as Budgeted to 100% or an increase of $469k and the Year to date increase was $919k or 6% due to the same factor.

The variance from prior year was a $10k decrease reflecting the 100% subsidy by HUD. Also affecting revenues were the July and August receipts of Administrative fees received from HUD for the July period and August periods which were received in September thereby impacting revenues by $288k excluding the September payment of $144k (re Bremerton).

Management fees and asset management fees combined were off $(76)k primarily due to the overestimating of the AMPs fees which were calculated on an annualized basis. Tenant rental revenues for the month of September decreased $(131)k due to decreases in Project revenues vs budget; a decrease of $(369) year to date and $(560)k vs prior year. Prior year decrease was due to the sale of KPT Towers in May 2011.

B. EXPENSES:

Administrative:

Reflecting a decrease of $509k in administrative salaries and wages and employee benefits or 49% due reduction in staffing positions for the month of September that were budgeted to be filled. Correspondingly for year-to-date there were favorable variance in salaries and wages and benefits of $813k; management and bookkeeping fees $33k; office expenses of $33k; legal expenses $40k; equipment purchases $40k; subscriptions $23k and travel $39k resulting in a 31% decrease in administrative expenses primarily due to annualizing of expenses.

For the year to date variance salaries and wages and benefits reflected an increase of $(103)k due to hiring that taken place with the relaxing of hiring for Federal funded positions. Accounting and audit fees showed a $(72)k increase reflecting the increase accruals for fees to cover Banyan and Wilikena audits and additional cost related to FMO audit. Management fees a positive variance of $79k due to sale of KPT. An unfavorable variance of $(31) in other administrative expenses due to timing.

Asset Management Fees:

Asset management fees budgeted monthly will be calculated in the month of June 2012 when the profitability of each project is known since only projects with net income can pay to the Central Office Cost Center an asset management fee.

Tenant Services:

Include an accrual of administrative fees of $(303)k to be paid to Bremerton which offset the revenues reflected in HUD Operating Subsidies in the revenue variance above. In prior year the accrual for August and September was not done.

Maintenance:

There were similar decreases in Salaries and Wages plus Benefits for Maintenance Staff of $403k due to vacant positions that were budgeted to be filled in the month, $584k for the year to date and a $(6)k increase over prior year due hiring. Also showing reduction in expense was Contract costs of $220k for the month, $610k for year to date and $218k from prior year due to annualizing of expenses. For the month there were increases of $(29)k net for Material and Supplies, and a decrease year to date of $29k; Variance with prior year was a decrease of $537k for material and supplies year to date due primarily to the KPT sale.

Protective Services:

Annualizing of the Protective Service Contract costs vs actual billing resulted in lower cost in the month vs budget and a significant reduction year to date. Also the prior year reduction was affected by the KPT sale.

Insurance:

The decrease from budget for the month was due to the absence of an accrual for Workers Compensation insurance which impacted also the year to date variance. The prior year variance also showed a positive reduction. There will be a catch up accrual in October for the missing September accrual which should bring the variance in line with budget.

General Expenses:

The prior year increase relate to additional depreciation from construction in progress being capitalized and depreciated.

OVERVIEW:

Year to date revenues exceed budget by 2% and total expenses are 10% favorable resulting in a net income on a cash basis of $2,1million. In the calendar year 2012 increases in Utilities and medical insurance will take effect which should not adversely affect net income. In January also the new Subsidy allocation will be released by HUD and it is anticipated that there will not be a significant reduction to HPHA since there no excess reserves as calculated by HUD. On the other hand Capital Funds have shown decreases in past years and may continue to trend down by $1millon to $2 million per year.

Overall there is enough cash in reserve available to cover expenses as projected.

II. BALANCE SHEET

ASSETS:
CASH:

Payments of Construction invoices, Risk Management Insurance payments net of HAP payment received, cash from Front Line Expenses billed to the Projects and increase In tenant receipts resulted in a $(371)k reduction in cash.

ACCOUNT RECEIVABLE:

Reduction due to Front Line Expense payment from the projects $(384)k and a accrued receivable from HUD $207k.

INTERPROGRAM DUE FROM:
Allocation of expenses paid to the various projects.

PROPERTY, PLANT & EQUIPMENT, NET:
The $(1,067)k represents depreciation expense for the month of September.

LIABILITIES AND EQUITY:

ACCOUNTS PAYABLE:
Pay down of payables

ACCRUED SALARIES AND WAGES:
Short month in September vs August resulting in lower accrual.

OTHER LIABILITIES & DEFERRED INCOME:
Reversal of prior months accrual of expenses and deferred revenues.

HAWAII PUBLIC HOUSING AUTHORITY
HOUSING CHOICE VOUCHER PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2011
(Amounts in Full Dollars)

MONTH OF SEPTEMBER, 2011					YEAR TO DATE ENDING SEPTEMBER 30, 2011						
Actual	Budget	Variance Amount	%		Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
				REVENUES							
$ -	$ -	$ -	0%	Dwelling Rental Income	$ -	$ -	$ -	0%	$ -	$ -	0%
131,889	166,618	(34,729)	-21%	HUD Operating Subsidies	433,469	499,854	(66,385)	-13%	375,914	57,555	15%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
-	-	-	0%	General Fund	-	-	-	0%	-	-	0%
-	-	-	0%	Grant Income	-	-	-	0%	-	-	0%
1,855,874	1,685,916	169,958	10%	Other Income	5,417,828	5,057,748	360,080	7%	4,974,199	443,630	9%
1,987,763	**1,852,534**	**135,229**	**7%**	**Total Revenues**	**5,851,297**	**5,557,602**	**293,695**	**5%**	**5,350,113**	**501,185**	**9%**
				EXPENSES							
70,675	119,780	49,105	41%	Administrative	261,491	359,340	97,849	27%	160,402	(101,088)	-63%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
20,700	19,668	(1,032)	-5%	Management Fees	62,172	59,004	(3,168)	-5%	39,768	(22,404)	-56%
12,938	12,292	(646)	-5%	Bookkeeping Fees	38,858	36,876	(1,982)	-5%	24,855	(14,003)	-56%
1,563,198	1,564,486	1,288	0%	Housing Assistance Payments	4,685,897	4,693,458	7,561	0%	4,710,671	24,774	1%
-	1,386	1,386	100%	Tenant Services	-	4,158	4,158	100%	-	-	0%
5,636	4,345	(1,291)	-30%	Utilities	8,340	13,035	4,695	36%	1,934	(6,407)	-331%
23,752	24,260	508	2%	Maintenance	45,173	72,780	27,607	38%	19,073	(26,101)	-137%
679	35	(644)	-1840%	Protective Services	5,524	105	(5,419)	-5161%	125	(5,399)	-4309%
328	969	641	66%	Insurance	984	2,907	1,923	66%	984	(1)	0%
(1,546)	5,303	6,849	129%	General Expenses	(5,718)	15,909	21,627	136%	43,628.47	49,346	113%
1,696,360	**1,752,524**	**56,164**	**3%**	**Total Expenses**	**5,102,721**	**5,257,572**	**154,851**	**3%**	**5,001,440**	**(101,281)**	**-2%**
$ 291,403	**$ 100,010**	**$ 191,393**	**191%**	**Net Income(Loss)**	**$ 748,577**	**$ 300,030**	**$ 448,547**	**150%**	**$ 348,673**	**$ 399,904**	**115%**
				CASH BASIS:							
$ 291,403	**$ 100,010**	**$ 191,393**	**191%**	Net Income(loss) per Above	**$ 748,577**	**$ 300,030**	**$ 448,547**	**150%**	**$ 348,673**	**$ 399,904**	**115%**
				Add back non cash items:							
-		-	0%	Depreciation Expense	-	-	-	0%	-	-	0%
-	-	-	0%	Bad Debt Expense	-	-	-	0%	-	-	0%
291,403	**$ 100,010**	**$ 191,393**	**191%**	**TOTAL CASH BASIS**	**$ 748,577**	**$ 300,030**	**$ 448,547**	**150%**	**$ 348,673**	**$ 399,904**	**115%**

STATE RENT SUPPLEMENT PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2011
(Amounts in Full Dollars)

MONTH OF SEPTEMBER, 2011					YEAR TO DATE ENDING SEPTEMBER 30, 2011						
Actual	Budget	Variance Amount	%		Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
				REVENUES							
$ -	$ -	$ -	0%	Dwelling Rental Income	$ -	$ -	$ -	0%	$ -	$ -	0%
78,641	104,426	(25,785)	-25%	HUD Operating Subsidies	235,923	313,278	(77,355)	-25%	248,341	(12,418)	-5%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
4,463	8,021	(3,558)	-44%	General Fund	14,890	24,063	(9,173)	-38%	14,037	853	6%
-	-	-	0%	Grant Income	-	-	-	0%	-	-	0%
-	-	-	0%	Other Income	-	-	-	0%	-	-	0
83,104	**112,447**	**(29,343)**	**-26%**	**Total Revenues**	**250,813**	**337,341**	**(86,528)**	**-26%**	**262,378**	**(11,565)**	**-4%**
				EXPENSES							
7,318	7,543	225	3%	Administrative	20,629	22,627	1,998	9%	23,158	2,529	11%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
816	961	145	15%	Management Fees	2,463	2,883	420	15%	1,905	(558)	-29%
511	602	91	15%	Bookkeeping Fees	1,543	1,806	263	15%	1,194	(350)	-29%
-	-	-	0%	Housing Assistance Payments	-	-	-	0%	-	-	0%
-	-	-	0%	Tenant Services	-	-	-	0%	-	-	0%
1,461	418	(1,043)	-249%	Utilities	2,221	1,254	(967)	-77%	531	(1,691)	-319%
-	262	262	100%	Maintenance	-	786	786	100%	1,781	1,781	100%
-	-	-	0%	Protective Services	-	-	-	0%	-	-	0%
23	24	1	5%	Insurance	68	72	4	5%	68	(0)	0%
54,496	62,115	7,619	12%	General Expenses	166,991	186,345	19,354	10%	186,986	19,995	11%
64,625	**71,925**	**7,300**	**10%**	**Total Expenses**	**193,916**	**215,773**	**21,857**	**10%**	**215,623**	**21,707**	**10%**
18,479	**$ 40,522**	**$ (22,043)**	**-54%**	**Net Income(Loss)**	**$ 56,897**	**$ 121,568**	**$ (64,671)**	**-53%**	**$ 46,755**	**$ 10,142**	**22**
				CASH BASIS:							
18,479	$ 40,522	$ (22,043)	-54%	Net Income(loss) per Above	$ 56,897	$ 121,568	$ (64,671)	-53%	$ 46,755	$ 10,142	22%
				Add back non cash items:							
-	-	-	0%	Depreciation Expense	-	-	-	0%	-	-	0%
-	-	-	0%	Bad Debt Expense	-	-	-	0%	-	-	0%
18,479	**$ 40,522**	**$ (22,043)**	**-54%**	**TOTAL CASH BASIS**	**$ 56,897**	**$ 121,568**	**$ (64,671)**	**-53%**	**$ 46,755**	**$ 10,142**	**22%**

ate Rent Operating Subsidies is funded on a Quarterly Basis.

PROJECT BASED CONTRACT ADMINISTRATION
ACTUAL VS BUDGET COMPARISON
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2011
(Amounts in Full Dollars)

MONTH OF SEPTEMBER, 2011					YEAR TO DATE ENDING SEPTEMBER 30, 2011						
Actual	Budget	Variance Amount	%		Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
				REVENUES							
$ -	$ -	$ -	0%	Dwelling Rental Income	$ -	$ -	$ -	0%	$ -	$ -	0%
2,107,883	2,100,383	7,500	0%	HUD Operating Subsidies	6,290,491	6,301,149	(10,658)	0%	6,249,599	40,892	1%
-	-	-	0%	Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Bookeeping Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Capital Fund Admin Fee	-	-	-	0%	-	-	0%
-	-	-	0%	CMSS Front Line Service Fee	-	-	-	0%	-	-	0%
-	-	-	0%	ARRA Funds Admin Fee	-	-	-	0%	-	-	0%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
-	-	-	0%	General Fund	-	-	-	0%	-	-	0%
-	-	-	0%	Grant Income	-	-	-	0%	-	-	0%
432,589	12	432,577	3604810%	Other Income	432,611	36	432,575	1201596%	207,341	225,269	109%
2,540,472	**2,100,395**	**440,077**	**21%**	**Total Revenues**	**6,723,102**	**6,301,185**	**421,917**	**7%**	**6,456,940**	**266,161**	**4%**
				EXPENSES							
24,711	-	(24,711)	0%	Administrative	25,092	-	(25,092)	0%	-	(25,092)	0%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Bookkeeping Fees	-	-	-	0%	-	-	0%
2,107,883	2,121,000	13,117	1%	Housing Assistance Payments	6,290,491	6,363,000	72,509	1%	6,249,599	(40,892)	-1%
302,804	-	(302,804)	0%	Tenant Services	302,804	-	(302,804)	0%	87,631	(215,173)	-246%
-	-	-	0%	Utilities	-	-	-	0%	-	-	0%
-	-	-	0%	Maintenance	-	-	-	0%	-	-	0%
-	-	-	0%	Protective Services	-	-	-	0%	-	-	0%
-	-	-	0%	Insurance	-	-	-	0%	-	-	0%
553	553	0	0%	General Expenses	1,659	1,659	0	0%	2,064	405	20%
2,435,950	**2,121,553**	**(314,397)**	**-15%**	**Total Expenses**	**6,620,046**	**6,364,659**	**(255,387)**	**-4%**	**6,339,294**	**(280,752)**	**-4%**
104,522	**$ (21,158)**	**$ 125,680**	**594%**	**Net Income(Loss)**	**$ 103,056**	**$ (63,474)**	**$ 166,530**	**262%**	**$ 117,647**	**$ (14,591)**	**-12%**
				CASH BASIS:							
104,522	**$ (21,158)**	**$ 125,680**	**594%**	Net Income(loss) per Above	**$ 103,056**	**$ (63,474)**	**$ 166,530**	**262%**	**$ 117,647**	**$ (14,591)**	**-12%**
				Add back non cash items:							
-	-	-	0%	Depreciation Expense	-	-	-	0%	-	-	0%
-	-	-	0%	Bad Debt Expense	-	-	-	0%	-	-	0%
104,522	**$ (21,158)**	**$ 125,680**	**594%**	**TOTAL CASH BASIS**	**$ 103,056**	**$ (63,474)**	**$ 166,530**	**262%**	**$ 117,647**	**$ (14,591)**	**-12%**

CENTRAL OFFICE COST CENTER
ACTUAL VS BUDGET COMPARISON
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2011
(Amounts in Full Dollars)

MONTH OF SEPTEMBER, 2011					YEAR TO DATE ENDING SEPTEMBER 30, 2011						
Actual	Budget	Variance Amount	%		Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
				REVENUES							
-	56,161	$ (56,161)	-100%	Dwelling Rental Income	-	168,483	$ (168,483)	-100%	-	$ -	0%
-	-	-	0%	HUD Operating Subsidies	-	-	-	0%	-	-	0%
276,580	343,092	(66,512)	-19%	Management Fees	872,957	1,029,276	(156,319)	-15%	694,519	178,438	26%
51,766	-	51,766	0%	Bookkeeping Fees	161,196	-	161,196	0%	119,368	41,828	35%
-	61,426	(61,426)	-100%	Asset Management Fees	-	184,278	(184,278)	-100%	-	-	0%
-	-	-	0%	Capital Fund Admin Fee	-	-	-	0%	-	-	0%
-	50,000	(50,000)	-100%	CMSS Front Line Service Fee	-	150,000	(150,000)	-100%	-	-	0%
-	-	-	0%	ARRA Funds Admin Fee	-	-	-	0%	-	-	0%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
-	-	-	0%	General Fund	-	-	-	0%	-	-	0%
-	-	-	0%	Grant Income	-	-	-	0%	-	-	0%
233	20,833	(20,600)	-99%	Other Income	10,674	62,499	(51,825)	-83%	1,359	9,315	686%
328,579	**531,512**	**(202,933)**	**-38%**	**Total Revenues**	**1,044,827**	**1,594,536**	**(549,709)**	**-34%**	**815,246**	**229,581**	**28%**
				EXPENSES							
218,017	533,555	315,538	59%	Administrative	1,016,718	1,613,530	596,812	37%	939,456	(77,262)	-8%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Bookkeeping Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Housing Assistance Payments	-	-	-	0%	-	-	0%
-	52	52	100%	Tenant Services	-	156	156	100%	-	-	0%
11,736	8,281	(3,455)	-42%	Utilities	23,318	24,843	1,525	6%	16,185	(7,132)	-44%
25,166	65,045	39,879	61%	Maintenance	150,804	192,171	41,367	22%	154,276	3,473	2%
10,844	22,219	11,375	51%	Protective Services	55,446	66,657	11,211	17%	52,378	(3,068)	-6%
2,743	7,074	4,331	61%	Insurance	6,118	21,222	15,104	71%	28,941	22,823	79%
(10,688)	110,581	121,269	110%	General Expenses	77,096	331,727	254,631	77%	55,593	(21,503)	-39%
257,817	**746,807**	**488,990**	**65%**	**Total Expenses**	**1,329,501**	**2,250,306**	**920,805**	**41%**	**1,246,830**	**(82,671)**	**-7%**
$ 70,762	**$ (215,295)**	**$ 286,057**	**133%**	**Net Income(Loss)**	**$ (284,674)**	**$ (655,770)**	**$ 371,096**	**57%**	**$ (431,584)**	**$ 146,910**	**34%**
				CASH BASIS:							
$ 70,762	**$ (215,295)**	**$ 286,057**	**133%**	Net Income(loss) per Above	**$ (284,674)**	**$ (655,770)**	**$ 371,096**	**57%**	**$ (431,584)**	**$ 146,910**	**34%**
				Add back non cash items:							
669	101,364	(100,695)	-99%	Depreciation Expense	2,008	304,076	(302,068)	-99%	411	1,597	389%
-	-	-	0%	Bad Debt Expense	-	-	-	0%	-	-	0%
$ 71,431	**$ (113,931)**	**$ 185,362**	**163%**	**TOTAL CASH BASIS**	**$ (282,666)**	**$ (351,694)**	**$ 69,028**	**20%**	**$ (431,174)**	**$ 148,507**	**34%**

STATE ELDERLY PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2011
(Amounts in Full Dollars)

MONTH OF SEPTEMBER, 2011					YEAR TO DATE ENDING SEPTEMBER 30, 2011						
Actual	Budget	Variance Amount	%		Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
				REVENUES							
$ 164,404	$ 165,195	$ (791)	0%	Dwelling Rental Income	$ 494,027	$ 495,585	$ (1,558)	0%	$ 493,381	$ 646	0%
-	-	-	0%	HUD Operating Subsidies	-	-	-	0%	-	-	0%
-	-	-	0%	Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Bookeeping Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Capital Fund Admin Fee	-	-	-	0%	-	-	0%
-	-	-	0%	CMSS Front Line Service Fee	-	-	-	0%	-	-	0%
-	-	-	0%	ARRA Funds Admin Fee	-	-	-	0%	-	-	0%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
-	-	-	0%	General Fund	-	-	-	0%	-	-	0%
-	-	-	0%	Grant Income	-	-	-	0%	-	-	0%
7,414	8,518	(1,105)	-13%	Other Income	14,920	25,554	(10,634)	-42%	18,287	(3,367)	-18%
171,818	**173,713**	**(1,896)**	**-1%**	**Total Revenues**	**508,947**	**521,139**	**(12,192)**	**-2%**	**511,668**	**(2,721)**	**-1%**
				EXPENSES							
5,010	42,663	37,653	88%	Administrative	39,685	126,559	86,874	69%	16,113	(23,572)	-146%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
32,950	33,008	58	0%	Management Fees	99,139	99,024	(115)	0%	98,849	(290)	0%
4,260	4,267	7	0%	Bookkeeping Fees	12,818	12,801	(17)	0%	12,780	(38)	0%
-	-	-	0%	Housing Assistance Payments	-	-	-	0%	-	-	0%
-	-	-	0%	Tenant Services	-	-	-	0%	-	-	0%
44,596	138,745	94,149	68%	Utilities	237,972	416,235	178,263	43%	240,272	2,299	1%
(2,080)	208,499	210,579	101%	Maintenance	129,254	621,859	492,605	79%	210,016	80,762	38%
-	16,128	16,128	100%	Protective Services	-	46,855	46,855	100%	7,068	7,068	100%
7,097	14,784	7,687	52%	Insurance	21,292	44,352	23,060	52%	21,292	(0)	0%
115,157	101,740	(13,417)	-13%	General Expenses	351,771	305,070	(46,701)	-15%	242,443	(109,328)	-45%
206,990	**559,834**	**352,844**	**63%**	**Total Expenses**	**891,931**	**1,672,755**	**780,824**	**47%**	**848,832**	**(43,099)**	**-5%**
$ (35,173)	**$ (386,121)**	**$ 350,948**	**91%**	**Net Income(Loss)**	**$ (382,984)**	**$ (1,151,616)**	**$ 768,632**	**67%**	**$ (337,164)**	**$ (45,820)**	**-14%**
				CASH BASIS:							
$ (35,173)	**$ (386,121)**	**$ 350,948**	**91%**	Net Income(loss) per Above	**$ (382,984)**	**$ (1,151,616)**	**$ 768,632**	**67%**	**$ (337,164)**	**$ (45,820)**	**-14%**
				Add back non cash items:							
115,157	-	115,157	0%	Depreciation Expense	345,501	-	345,501	0%	230,800	114,701	50%
-	-	-	0%	Bad Debt Expense	-	-	-	0%	35	(35)	-100%
$ 79,985	**$ (386,121)**	**$ 466,106**	**121%**	**TOTAL CASH BASIS**	**$ (37,484)**	**$ (1,151,616)**	**$ 1,114,132**	**97%**	**$ (106,330)**	**$ 68,846**	**65%**

STATE LOW RENT
ACTUAL VS BUDGET COMPARISON
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2011
(Amounts in Full Dollars)

MONTH OF SEPTEMBER, 2011					YEAR TO DATE ENDING SEPTEMBER 30, 2011						
Actual	Budget	Variance Amount	%		Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
				REVENUES							
$ 87,398	$ 93,310	$ (5,912)	-6%	Dwelling Rental Income	$ 261,583	$ 277,986	$ (16,403)	-6%	$ 241,557	$ 20,026	8%
-	-	-	0%	HUD Operating Subsidies	-	-	-	0%	-	-	0%
-	-	-	0%	Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Bookkeeping Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Capital Fund Admin Fee	-	-	-	0%	-	-	0%
-	-	-	0%	CMSS Front Line Service Fee	-	-	-	0%	-	-	0%
-	-	-	0%	ARRA Funds Admin Fee	-	-	-	0%	-	-	0%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
-	-	-	0%	General Fund	-	-	-	0%	-	-	0%
-	-	-	0%	Grant Income	-	-	-	0%	-	-	0%
2,977	2,701	276	10%	Other Income	8,310	8,103	207	3%	12,014	(3,704)	-31%
90,375	**96,011**	**(5,636)**	**-6%**	**Total Revenues**	**269,893**	**286,089**	**(16,196)**	**-6%**	**253,571**	**16,322**	**6%**
				EXPENSES							
10,458	26,872	16,414	61%	Administrative	54,514	80,614	26,101	32%	55,039	526	1%
-	1,930	1,930	100%	Asset Management Fees	-	5,790	5,790	100%	-	-	0%
14,967	13,168	(1,799)	-14%	Management Fees	44,900	39,504	(5,396)	-14%	40,027	(4,873)	-12%
1,935	1,703	(232)	-14%	Bookkeeping Fees	5,805	5,109	(696)	-14%	5,175	(630)	-12%
-	-	-	0%	Housing Assistance Payments	-	-	-	0%	-	-	0%
-	5	5	100%	Tenant Services	-	15	15	100%	-	-	0%
62,447	69,399	6,952	10%	Utilities	155,765	208,197	52,432	25%	169,891	14,126	8%
14,303	62,182	47,879	77%	Maintenance	94,001	185,746	91,745	49%	156,121	62,120	40%
-	-	-	0%	Protective Services	-	-	-	0%	-	-	0%
2,373	3,029	656	22%	Insurance	7,422	9,087	1,665	18%	7,574	152	2%
41,289	276	(41,013)	-14860%	General Expenses	124,371	828	(123,543)	-14921%	68,074	(56,297)	-83%
147,772	**178,564**	**30,792**	**17%**	**Total Expenses**	**486,778**	**534,890**	**48,112**	**9%**	**501,902**	**15,124**	**3%**
$ (57,398)	**$ (82,553)**	**$ 25,155**	**30%**	**Net Income(Loss)**	**$ (216,885)**	**$ (248,801)**	**$ 31,916**	**13%**	**$ (248,331)**	**$ 31,446**	**13%**
				CASH BASIS:							
$ (57,398)	**$ (82,553)**	**$ 25,155**	**30%**	Net Income(loss) per Above	**$ (216,885)**	**$ (248,801)**	**$ 31,916**	**13%**	**$ (248,331)**	**$ 31,446**	**13%**
				Add back non cash items:							
39,556	276	39,280	14232%	Depreciation Expense	118,740	828	117,912	14241%	64,179	54,561	85%
1,733	-	1,733	0%	Bad Debt Expense	2,282	-	2,282	0%	(347)	2,629	758%
$ (16,109)	**$ (82,277)**	**$ 66,168**	**80%**	**TOTAL CASH BASIS**	**$ (95,862)**	**$ (247,973)**	**$ 152,111**	**61%**	**$ (184,498)**	**$ 88,636**	**48%**

FEDERAL LOW RENT PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2011
(Amounts in Full Dollars)

MONTH OF SEPTEMBER, 2011					YEAR TO DATE ENDING SEPTEMBER 30, 2011						
Actual	Budget	Variance Amount	%		Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
				REVENUES							
$ 1,103,771	$ 1,172,257	$ (68,486)	-6%	Dwelling Rental Income	$ 3,331,653	3,514,579	$ (182,926)	-5%	$ 3,912,516	$ (580,864)	-15%
1,713,329	1,418,672	294,657	21%	HUD Operating Subsidies	4,830,954	4,256,375	574,579	13%	5,326,250	(495,296)	-9%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
-	-	-	0%	General Fund	-	-	-	0%	-	-	0%
-	-	-	0%	Grant Income	-	-	-	0%	-	-	0%
35,199	47,736	(12,537)	-26%	Other Income	112,195	143,168	(30,973)	-22%	178,252	(66,058)	-37%
2,852,299	2,638,665	213,634	8%	**Total Revenues**	8,274,801	7,914,122	360,679	5%	9,417,018	(1,142,217)	-12%
				EXPENSES							
199,938	322,680	122,742	38%	Administrative	749,322	966,334	217,012	22%	845,900	96,577	11%
-	59,169	59,169	100%	Asset Management Fees	-	177,507	177,507	100%	-	-	0%
207,147	236,647	29,500	12%	Management Fees	664,283	709,941	45,658	6%	771,740	107,457	14%
32,123	33,400	1,278	4%	Bookkeeping Fees	102,173	100,200	(1,973)	-2%	111,876	9,704	9%
-	-	-	0%	Housing Assistance Payments	-	-	-	0%	-	-	0%
-	11,203	11,203	100%	Tenant Services	2,550	33,858	31,308	92%	3,043	493	16%
801,620	786,373	(15,247)	-2%	Utilities	2,560,266	2,359,117	(201,149)	-9%	2,901,982	341,716	12%
609,696	878,783	269,087	31%	Maintenance	2,120,594	2,641,433	520,839	20%	2,755,573	634,979	23%
41,162	100,416	59,254	59%	Protective Services	120,556	301,248	180,692	60%	226,921	106,365	47%
46,340	56,085	9,745	17%	Insurance	165,838	168,253	2,415	1%	240,658	74,820	31%
835,256	839,076	3,820	0%	General Expenses	2,660,138	2,517,228	(142,910)	-6%	1,796,190	(863,948)	-48%
2,773,282	3,323,832	550,550	17%	**Total Expenses**	9,145,720	9,975,119	829,399	8%	9,653,883	508,163	5%
$ 79,017	$ (685,167)	$ 764,184	112%	**Net Income(Loss)**	$ (870,919)	$ (2,060,997)	$ 1,190,078	58%	$ (236,864)	$ (634,054)	-268%
				CASH BASIS:							
$ 79,017	$ (685,167)	$ 764,184	112%	Net Income(loss) per Above	$ (870,919)	$ (2,060,997)	$ 1,190,078	58%	$ (236,864)	$ (634,054)	-268%
				Add back non cash items:							
911,326	807,981	103,345	13%	Depreciation Expense	2,485,080	2,423,943	61,137	3%	1,643,985	841,094	51%
3,781	13,669	(9,888)	-72%	Bad Debt Expense	10,814	41,007	(30,193)	-74%	3,178	7,636	240%
$ 994,124	$ 136,483	$ 857,641	628%	**TOTAL CASH BASIS**	$ 1,624,975	$ 403,953	$ 1,221,022	302%	$ 1,410,299	$ 214,676	15%

HAWAII PUBLIC HOUSING AUTHORITY
FEDERAL LOW RENT PROGRAM BY AMPS
ACTUAL VS BUDGET COMPARISON
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2011
(Amounts in Full Dollars)

MONTH OF SEPTEMBER, 2011					YEAR TO DATE ENDING SEPTEMBER 30, 2011						
		Variance		ACCRUAL BASIS			Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
$ 239,956	$ 237,474	$ 2,482	1%	Asset Management Project - 30	$ 712,407	$ 712,781	$ (374)	0%	$ 881,671	$ (169,264)	-19%
206,846	211,261	(4,415)	-2%	Asset Management Project - 31	627,895	633,783	(5,888)	-1%	593,972	33,923	6%
256,580	253,586	2,994	1%	Asset Management Project - 32	768,791	760,758	8,033	1%	733,853	34,938	5%
194,072	196,858	(2,786)	-1%	Asset Management Project - 33	579,394	590,574	(11,180)	-2%	498,066	81,328	16%
302,527	299,154	3,373	1%	Asset Management Project - 34	908,428	897,462	10,966	1%	917,550	(9,122)	-1%
328,621	309,183	19,438	6%	Asset Management Project - 35	989,141	927,549	61,592	7%	1,028,880	(39,738)	-4%
151,708	150,273	1,435	1%	Asset Management Project - 37	447,825	450,783	(2,958)	-1%	522,526	(74,702)	-14%
187,731	167,407	20,324	12%	Asset Management Project - 38	573,825	502,221	71,604	14%	556,285	17,540	3%
103,382	100,415	2,967	3%	Asset Management Project - 39	307,376	301,245	6,131	2%	345,405	(38,028)	-11%
171,138	114,987	56,151	49%	Asset Management Project - 40	515,489	344,961	170,528	49%	1,676,500	(1,161,010)	-69%
95,616	117,085	(21,469)	-18%	Asset Management Project - 43	313,602	351,255	(37,653)	-11%	300,062	13,540	5%
145,969	164,925	(18,956)	-11%	Asset Management Project - 44	441,449	494,775	(53,326)	-11%	386,162	55,287	14%
127,448	104,467	22,981	22%	Asset Management Project - 45	354,735	313,397	41,338	13%	386,926	(32,191)	-8%
53,975	52,598	1,377	3%	Asset Management Project - 46	150,822	155,602	(4,780)	-3%	136,515	14,307	10%
213,316	81,485	131,831	162%	Asset Management Project - 49	367,051	244,455	122,596	50%	245,726	121,325	49%
73,415	77,507	(4,092)	-5%	Asset Management Project - 50	216,570	232,521	(15,951)	-7%	206,920	9,650	5%
$ 2,852,299	**$ 2,638,665**	**$ 213,634**	**8%**	**Total Revenues**	**$ 8,274,801**	**$ 7,914,122**	**$ 360,679**	**5%**	**$ 9,417,018**	**$ (1,142,217)**	**-12%**
				NET INCOME(LOSS)							
$ (144,962)	$ (132,804)	$ (12,158)	-9%	Asset Management Project - 30	(399,368)	(398,131)	$ (1,237)	0%	$ (6,610)	$ (392,758)	-5942%
(38,587)	(173,910)	135,323	78%	Asset Management Project - 31	(225,082)	(521,730)	296,648	57%	(165,806)	(59,276)	-36%
37,902	15,698	22,204	141%	Asset Management Project - 32	125,970	49,494	76,476	155%	157,819	(31,849)	-20%
(8,007)	(41,740)	33,733	81%	Asset Management Project - 33	(63,167)	(124,820)	61,653	49%	(68,061)	4,894	7%
180,680	(37,513)	218,193	582%	Asset Management Project - 34	211,789	(119,095)	330,884	278%	122,224	89,565	73%
27,678	(48,174)	75,852	157%	Asset Management Project - 35	41,359	(144,522)	185,881	129%	211,662	(170,303)	-80%
(43,949)	(127,664)	83,715	66%	Asset Management Project - 37	(273,211)	(383,022)	109,811	29%	(117,256)	(155,955)	-133%
30,733	23,539	7,194	31%	Asset Management Project - 38	43,635	70,622	(26,987)	-38%	139,332	(95,696)	-69%
47,964	(10,812)	58,776	544%	Asset Management Project - 39	(15,299)	(32,436)	17,137	53%	(15,484)	185	1%
(46,708)	3,050	(49,758)	-1631%	Asset Management Project - 40	(69,224)	8,650	(77,874)	-900%	(220,324)	151,100	69%
(19,508)	(48,399)	28,891	60%	Asset Management Project - 43	(154,652)	(145,197)	(9,455)	-7%	(89,433)	(65,219)	-73%
(46,399)	(45,869)	(530)	-1%	Asset Management Project - 44	(129,315)	(137,607)	8,292	6%	(96,030)	(33,285)	-35%
(57,200)	(58,312)	1,112	2%	Asset Management Project - 45	(135,241)	(174,940)	39,699	23%	(38,724)	(96,517)	-249%
(519)	(9,212)	8,693	94%	Asset Management Project - 46	(3,453)	(29,128)	25,675	88%	(61,448)	57,995	94%
130,738	1,644	129,094	7852%	Asset Management Project - 49	105,190	4,932	100,258	2033%	(42,304)	147,494	349%
29,161	5,311	23,850	449%	Asset Management Project - 50	69,150	15,933	53,217	334%	53,578	15,572	29%
$ 79,017	**$ (685,167)**	**$ 764,184**	**112%**	**Total Net Income(Loss)**	**$ (870,919)**	**$ (2,060,997)**	**$ 1,190,078**	**58%**	**$ (236,864)**	**$ (634,054)**	**-268%**

HAWAII PUBLIC HOUSING AUTHORITY
FEDERAL LOW RENT PROGRAM BY AMPS
ACTUAL VS BUDGET COMPARISON
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2011
(Amounts in Full Dollars)
CASH BASIS

MONTH OF SEPTEMBER, 2011		Variance			YEAR TO DATE ENDING SEPTEMBER 30, 2011		Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
$ 239,956	$ 237,474	$ 2,482	1%	Asset Management Project - 30	$ 712,407	$ 712,781	$ (374)	0%	$ 881,671	$ (169,264)	-19%
206,846	211,261	(4,415)	-2%	Asset Management Project - 31	627,895	633,783	(5,888)	-1%	593,972	33,923	6%
256,580	253,586	2,994	1%	Asset Management Project - 32	768,791	760,758	8,033	1%	733,853	34,938	5%
194,072	196,858	(2,786)	-1%	Asset Management Project - 33	579,394	590,574	(11,180)	-2%	498,066	81,328	16%
302,527	299,154	3,373	1%	Asset Management Project - 34	908,428	897,462	10,966	1%	917,550	(9,122)	-1%
328,621	309,183	19,438	6%	Asset Management Project - 35	989,141	927,549	61,592	7%	1,028,880	(39,738)	-4%
151,708	150,273	1,435	1%	Asset Management Project - 37	447,825	450,783	(2,958)	-1%	522,526	(74,702)	-14%
187,731	167,407	20,324	12%	Asset Management Project - 38	573,825	502,221	71,604	14%	556,285	17,540	3%
103,382	100,415	2,967	3%	Asset Management Project - 39	307,376	301,245	6,131	2%	345,405	(38,028)	-11%
171,138	114,987	56,151	49%	Asset Management Project - 40	515,489	344,961	170,528	49%	1,676,500	(1,161,010)	-69%
95,616	117,085	(21,469)	-18%	Asset Management Project - 43	313,602	351,255	(37,653)	-11%	300,062	13,540	5%
145,969	164,925	(18,956)	-11%	Asset Management Project - 44	441,449	494,775	(53,326)	-11%	386,162	55,287	14%
127,448	104,467	22,981	22%	Asset Management Project - 45	354,735	313,397	41,338	13%	386,926	(32,191)	-8%
53,975	52,598	1,377	3%	Asset Management Project - 46	150,822	155,602	(4,780)	-3%	136,515	14,307	10%
213,316	81,485	131,831	162%	Asset Management Project - 49	367,051	244,455	122,596	50%	245,726	121,325	49%
73,415	77,507	(4,092)	-5%	Asset Management Project - 50	216,570	232,521	(15,951)	-7%	206,920	9,650	5%
$ 2,852,299	**$ 2,638,665**	**$ 213,634**	**8%**	**Total Revenues**	**$ 8,274,801**	**$ 7,914,122**	**$ 360,679**	**5%**	**$ 9,417,018**	**$ (1,142,217)**	**-12%**
				NET INCOME(LOSS)							
(43,776)	(30,166)	$ (13,610)	-45%	Asset Management Project - 30	(95,840)	(90,217)	$ (5,623)	-6%	198,964	$ (294,804)	-148%
194,671	4,828	189,843	3932%	Asset Management Project - 31	228,499	14,484	214,015	1478%	91,261	137,239	150%
52,162	46,970	5,192	11%	Asset Management Project - 32	168,583	$143,310	25,273	18%	213,875	(45,292)	-21%
44,506	10,534	33,972	322%	Asset Management Project - 33	94,498	32,002	62,496	195%	36,716	57,781	157%
215,077	(3,231)	218,308	6757%	Asset Management Project - 34	314,810	(16,249)	331,059	2037%	198,393	116,417	59%
72,253	17,083	55,170	323%	Asset Management Project - 35	175,024	51,249	123,775	242%	311,801	(136,777)	-44%
82,817	1,370	81,447	5945%	Asset Management Project - 37	106,900	4,080	102,820	2520%	129,905	(23,004)	-18%
54,968	47,967	7,001	15%	Asset Management Project - 38	117,619	143,906	(26,287)	-18%	190,773	(73,155)	-38%
62,434	3,704	58,730	1586%	Asset Management Project - 39	28,140	11,112	17,028	153%	16,463	11,676	71%
(42,499)	4,981	(47,480)	-953%	Asset Management Project - 40	(60,873)	14,443	(75,316)	-521%	(219,116)	158,243	72%
24,007	4,124	19,883	482%	Asset Management Project - 43	(23,893)	12,372	(36,265)	-293%	(24,490)	596	2%
40,866	22,620	18,246	81%	Asset Management Project - 44	132,555	67,860	64,695	95%	82,833	49,722	60%
7,213	6,810	403	6%	Asset Management Project - 45	58,142	20,426	37,716	185%	97,322	(39,180)	-40%
27,653	(8,566)	36,219	423%	Asset Management Project - 46	81,048	(27,190)	108,238	398%	(13,511)	94,560	700%
171,373	1,644	169,729	10324%	Asset Management Project - 49	227,170	4,932	222,238	4506%	43,114	184,055	427%
30,399	5,811	24,588	423%	Asset Management Project - 50	72,593	17,433	55,160	316%	55,995	16,598	30%
$ 994,124	**$ 136,483**	**$ 857,641**	**628%**	**Total Net Income(Loss)**	**$ 1,624,975**	**$ 403,953**	**$ 1,221,022**	**302%**	**$ 1,410,299**	**$ 214,676**	**15%**

Hawaii Public Housing Authority
Summary of Capital Repair/Renovation Projects
Report As Of 11/8/11

American Recovery and Reinvestment Act funds identified as "CFP ARRA"

FEDERAL: Capital Fund Program (CFP) (Operations, Admin, Mgt Improv)

	Total CFP Appropriation	Budget Construction Activities (BLI 1411-1501)	Budget Operations (BLI 1406)	Budget Management Improvements (BLI 1408)	Budget Administration (BLI 1410)	Budget Contingency (BLI 1502)	CFP Obligated	% Obligated	Balance	Obligation Deadline	Notes
CFP 717	$12,892,393	$8,760,978	$2,578,479	$263,697	$1,289,239	$0	$12,892,393	100.00%	$0	9/1/09	Closed 9-12-11
CFP 718	$12,613,733	$8,393,749	$2,522,746	$435,865	$1,261,373	$0	$12,613,733	100.00%	$0	6/12/10	All Contracts Awarded
CFP ARRA	$16,245,443	$15,643,755	$0	$0	$601,688	$0	$16,245,443	100.00%	$0	3/17/10	All Contracts Awarded
CFP 719	$12,526,177	$8,602,364	$2,416,486	$54,497	$1,252,617	$200,213	$12,271,467	97.97%	$254,710	4/14/12	All Contracts Awarded Except Management Improvements. LOCCS created 09-12-09
CFP 720	$12,389,235	$8,508,688	$2,477,847	$246,838	$1,038,924	$116,939	$4,634,789	37.41%	$7,754,446	7/14/12	These funds are avaliable to PHA's. LOCCS created 06-23-10
CFP 721	$10,301,898	$7,211,328	$2,060,380	$0	$1,030,190	$0	$0	0.00%	$10,301,898	7/13/13	These funds are avaliable to PHA's. LOCCS created 07-13-11
Totals	**$76,968,879**	**$57,120,862**	**$12,055,937**	**$1,000,897**	**$6,474,031**	**$317,152**	**$58,657,825**	**76%**	**$18,311,054**		

FEDERAL: Capital Fund Program (CFP)

	Total CFP Appropriation	Expended Construction Activities (BLI 1411-1501)	Expended Operations (BLI 1406)	Expended Management Improvements (BLI 1408)	Expended Administration (BLI 1410)	Contingency (BLI 1502)	Expended to Date Total Funds	% Expended	Balance	Expenditure Deadline	Notes
CFP 717	$12,892,393	$8,760,978	$2,578,479	$263,697	$1,289,239	$0	$12,892,393	100.00%	$0	9/12/11	Closed 9-12-11
CFP 718	$12,613,733	$5,273,359	$2,522,747	$296,593	$1,261,373	$0	$9,354,072	74.16%	$3,259,661	6/12/12	All Contracts Awarded
CFP ARRA	$16,245,443	$15,008,374	$0	$0	$601,688	$0	$15,610,062	96.09%	$635,381	3/17/12	All Contracts Awarded
CFP 719	$12,526,177	$172,297	$2,416,486	$0	$1,249,723	$0	$3,838,506	30.64%	$8,687,671	4/14/14	All Contracts Awarded. LOCCS created 09-12-09
CFP 720	$12,389,235	$0	$0	$0	$0	$0	$0	0.00%	$12,389,235	7/14/14	These funds are avaliable to PHA's. LOCCS created 06-23-10
CFP 721	$10,301,898	$0	$0	$0	$0	$0	$0	0.00%	$10,301,898	7/13/15	These funds are avaliable to PHA's. LOCCS created 07-13-11
Totals	**$76,968,879**	**$29,215,008**	**$7,517,711**	**$560,290**	**$4,402,023**	**$0**	**$41,695,033**	**54.17%**	**$24,971,948**		

STATE: Capital Improvement Program (CIP)

	State GO Bond Appropriation	Budget Design Allot as of 8/6/11	Budget Construction Allot as of 8/6/11	Approved Design Allot as of 8/6/11	Approved Const Allot as of 8/6/11	Total Budget Allot as of 8/6/11	Expended	% Expended	Balance	Encumbrance Deadline Date	
07-'08 Lump Sum CIP	$19,910,000	$3,150,361	$12,443,621			$15,593,983	$11,201,270	71.83%	$4,392,713	6/30/10	Allotment Granted - Blanket Encumbrance (1) & (2)
08-'09 Lump Sum CIP	$10,000,000	$3,357,523	$420,169			$3,777,693	$1,563,072	41.38%	$2,214,621	6/30/10	Allotment Granted - Blanket Encumbrance (1) & (2)
07-'08 Elevator	$4,939,503	$673,632	$3,917,316			$4,590,948	$3,592,144	78.24%	$998,804	6/30/10	Allotment Granted - Blanket Encumbrance (1) & (2)
08-'09 Elevator	$6,410,000	$7,975	$3,475,202			$3,483,177	$671,831	19.29%	$2,811,346	6/30/10	Allotment Granted - Blanket Encumbrance (1) & (2)
09-'10 Lump Sum CIP	$7,913,000	$1,898,276	$6,014,724			$7,913,000	$2,943,404	37.20%	$4,969,596	6/30/12	Allotment Granted
10-'11 Lump Sum CIP	$4,500,000	$1,139,416	$2,726,162			$3,865,578	$0	0.00%	$3,865,578	6/30/12	Allotment Granted
STATE CIP TOTALS	**$53,672,503**						**19,971,721**	**37.21%**	**$19,252,658**		

KEY
- 1411 - Audit Costs
- 1430 - Fees & Costs
- 1450 - Site Improvement
- 1460 - Dwelling Structures
- 1465 - Dwelling Equipment
- 1470 - Non-Dwelling Structures
- 1499 - Development Activities
- 1501 - Collateralization or Debt Service Paid by PHA
- 1502 - Budget Contingency

VI. FOR DISCUSSION/INFORMATION

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

FOR INFORMATION

SUBJECT: Ameresco Presentation on Results of the Energy Audit and the Energy Services Agreement

I. FACTS

A. On November 21, 2008, following an authorized solicitation and procurement, the Hawaii Public Housing Authority (HPHA) executed Contract, No. CMS 08-38, ("Contract") for approximately $151,000 with Ameresco/Pacific Energy JV ("Ameresco") to conduct an Energy Audit of all federally funded housing projects, which included recommendations for energy conservation measures.

B. On October 19, 2009, the HPHA Board accepted the Energy Audit Report and the recommended energy conservation measures in the Report and authorized then executive director, Chad Taniguchi, to initiate negotiations with Ameresco regarding the scope for a possible Energy Services Agreement ("ESA") to implement the recommended energy conservation measures.

C. Under the terms of the Contract, the $151,000 audit cost could either be: 1) folded into the cost of any ESA executed between HPHA and Ameresco; or 2) paid by HPHA if no ESA was finalized with Ameresco.

D. Between October 19, 2009 and December 31, 2009, although discussions were held between the executive director, Department of Budget and Finance staff ("B&F"), Ameresco representatives, and the Department of the Attorney General, regarding an ESA arrangement and its financing, no ESA agreement or its financing was reached with Ameresco before the executive director's term of office expired on December 31, 2009.

E. On February 18, 2010, the HPHA Board authorized the "Executive Director to proceed with the proposed energy conservation measures and to undertake all steps necessary to execute an energy services agreement with Ameresco."

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II. DISCUSSION

A. Any ESA and its financing is required to be approved by the Department of Budget and Finance and the Department of the Attorney General under chapter 37D. Hawaii Revised Statutes. The HPHA does not have unilateral authority to execute a final ESA.

B. The HPHA is currently in the process of retaining a consultant to assist it in implementing any conservation measures, reviewing proposals for any ESA, or draft the specifications for any ESA.

C. Since most of the Board members were appointed after the selection of Ameresco, staff requested that Ameresco make a presentation to the Board on the energy audit and the energy services agreement prior to the selection of an energy consultant. A copy of the Executive Summary for the energy audit is attached.

D. Staff from Ameresco will attend the HPHA Board meeting to make a presentation.

Attachment: Executive Summary, Energy Audit

Prepared by: Barbara E. Arashiro, Acting Executive Director

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Review of Energy Performance Contract Project

HPHA Board Meeting
November 17, 2011

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Project Timeline to Date

Date	Action
February 22, 2008	Energy Performance Contract RFP Solicitation
September 12, 2008	Ameresco selected to provide Energy Performance Contract (EPC)
November 21, 2008	Audit agreement executed
December 3, 2008	**Audit commenced**
April 14-15, 2009	Interim audit meeting held with HPHA staff to review preliminary list of potential energy conservation measures (ECMs); $114 million in potential projects identified.
May 9, 2009	Ameresco provides first of two board workshops on EPC project
August 12, 2009	HPHA agrees to final scope of ECMs to develop into final report
September 28, 2009	Energy Audit Report delivered to HPHA; $44.1 million project proposed. Project financing projected to leverage the Build America Bond Program to receive 35% reduction in interest expense.

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Project Timeline to Date (Continued)

Date	Action
October 14, 2009	Second board workshop held
October 15, 2009	**Board resolution passed, accepting audit report and authorizing Executive Director to negotiate the scope of work and terms of an Energy Services Agreement (ESA) contract with Ameresco and execute lender and Standard & Poor's engagement letters.**
October 15, 2009	Executive Director executes lender and S&P engagement letters
February 18, 2010	Board approves action to authorize the Executive Director to accept the final scope of work, which would exclude Kuhio Park Terrace (KPT) and Mayor Wright from the EPC project, and undertake all action necessary to execute an Energy Services Agreement with Ameresco. The final project scope was reduced to $27.1 million.
March 31, 2010	Ameresco submits first draft of ESA contract to HPHA

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Project Timeline to Date (Continued)

Date	Action
June 15, 2010	HPHA retains consultant to review and negotiate terms of ESA
June 16, 2010	Executive Director advises Ameresco that HPHA prefers to execute new engagement letters for lender and S&P, and submit ESA to State Attorney General's office for review.
June 30, 2010	HPHA issues RFP for legal review services for KPT redevelopment and EPC
July 28, 2010	**HPHA formally accepts final draft of ESA**
July 28, 2010	Executive Director advises Ameresco that HPHA will seek comment on the engagement letters from State Budget and Finance Dept. prior to executing.
July 28, 2010	Ameresco submits final ESA documents
September 1, 2010	HPHA selects firm for legal review services in connection with KPT redevelopment and EPC
August 18, 2011	**HPHA Issues RFP to Furnish Professional Energy Performance Contracting Consultant Services**

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HPHA Goals

- Reduce and Control Utility Expenditures
- Fund Project Entirely from Savings
- Focus on Renewable Energy, Especially Solar HW
- Fund Maintenance from Savings
- Contribute to HI Clean Energy Initiative

Overview of HUD EPC Program

- Provides Conservation "Incentives" for PHA to Reduce Utility Expenses
- Third Party Financing Required to Pay for Energy Conservation Improvements
- HUD Utility Operating Subsidy Used to Pay Debt Service
- Repayment Term up to 20 Years Allowed
- At Least 75% of Savings Must be Used to Pay EPC Costs
- HUD Approves Incentives
- ESCO Guarantees Savings

Proposed EPC Project Highlights (Based on 2010 Approved Scope)

- Project Encompasses 4,200 units in 64 Developments
  - Kuhio Properties & Mayor Wright Excluded
- $27.1M Invested without Capital Funding
- First Year Savings of $2.67M
- 20-Year Savings of $69.8M
- 20-Year Maintenance Reserve of $10.7M - Held by HPHA
- 20-Year Excess Cash Flow of $5.8M
- 100% of Debt and Maintenance Reserve Paid from Savings
- Savings are Measured & Guaranteed by Ameresco

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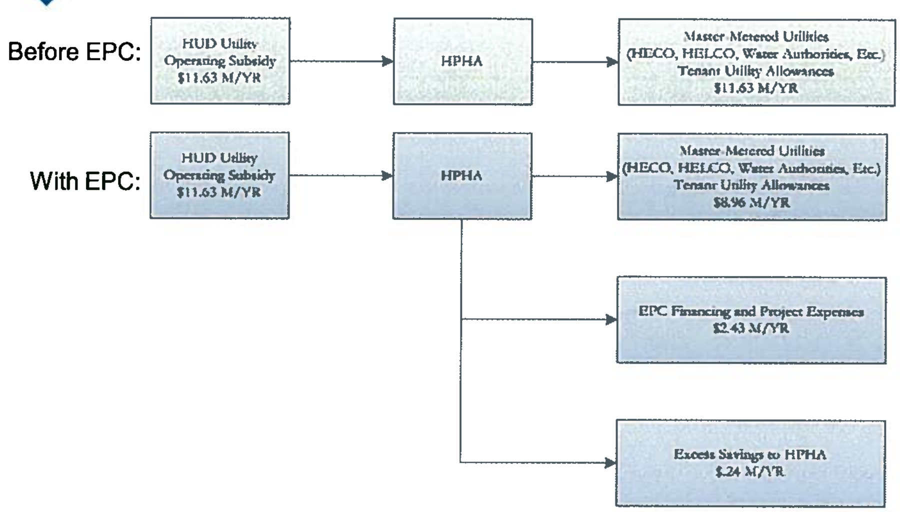
EPC Flow of Funds



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Energy Conservation Measures Proposed

- Install HET Toilets
- Install Low-Flow Showerheads & Faucet Aerators
- Install Front-Loading Washers
- Install Efficient Building Water Pressure Controls
- Upgrade Common Area Lighting
- Upgrade Apartment Lighting
- Install High-Efficiency Air Conditioning
- Install Energy Star Refrigerators
- Install Vending Machine Controls
- Install New Transformers
- Install Solar Photovoltaic Arrays
- Install High-Efficiency Central Domestic Water Heaters
- Install New Solar Domestic Water Heaters

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Cash Flow Summary (Based on 2010 Approved Scope)

Financing Assumptions

Project Cost	$ 27,129,895
Utility Rebates	$ (351,420)
Customer Cost Contribution	$ -
Net Project Cost	$ 26,778,476
Construction Loan Interest	$ 2,909,413
Minimum Lease Proceeds	$ 29,687,889
Construction Term (months)	24
Finance Term (yrs)	20
Estimated Finance Rate	4.90%

Cash Flow Over 20 Years

Total Savings Projected	$ 69,819,510
Total Debt Payment	$ 48,594,492
HPHA Maintenance Reserve	$ 10,665,870
Performance Period Services	$ 4,763,659
Total EPC Related Costs	$ 64,024,021
Total EPC Related Costs as % of Savings	92%
Excess Savings to HPHA	$ 5,795,490

20-Year Cash Flow

Year	Utility Costs Before Improvements	Utility Costs After Improvements	Total Savings	EPC Costs (Debt, Services, Maint.)	Excess Savings to HPHA
2012	$11,627,734	$8,957,689	$2,670,044	$2,432,576	$237,468
2013	$11,976,566	$9,226,420	$2,750,146	$2,505,553	$244,592
2014	$12,335,863	$9,503,213	$2,832,650	$2,580,720	$251,930
2015	$12,705,938	$9,788,309	$2,917,630	$2,658,141	$259,488
2016	$13,087,117	$10,081,958	$3,005,158	$2,737,886	$267,273
2017	$13,479,730	$10,384,417	$3,095,313	$2,820,022	$275,291
2018	$13,884,122	$10,695,949	$3,188,173	$2,904,623	$283,550
2019	$14,300,646	$11,016,828	$3,283,818	$2,991,762	$292,056
2020	$14,729,665	$11,347,333	$3,382,332	$3,081,514	$300,818
2021	$15,171,555	$11,687,753	$3,483,802	$3,173,960	$309,842
2022	$15,626,702	$12,150,391	$3,476,311	$3,191,223	$285,088
2023	$16,095,503	$12,527,054	$3,568,448	$3,278,502	$289,947
2024	$16,578,368	$12,915,383	$3,662,985	$3,368,145	$294,840
2025	$17,075,719	$13,315,736	$3,759,983	$3,460,217	$299,766
2026	$17,587,990	$13,728,487	$3,859,503	$3,554,781	$304,722
2027	$18,115,630	$14,154,019	$3,961,611	$3,651,905	$309,706
2028	$18,659,099	$14,592,727	$4,066,372	$3,751,657	$314,715
2029	$19,218,872	$15,045,019	$4,173,853	$3,854,108	$319,745
2030	$19,795,438	$15,511,315	$4,284,124	$3,959,329	$324,794
2031	$20,389,301	$15,992,048	$4,397,253	$4,067,395	$329,858
Total	$312,441,556	$242,622,046	$69,819,510	$64,024,021	$5,795,490

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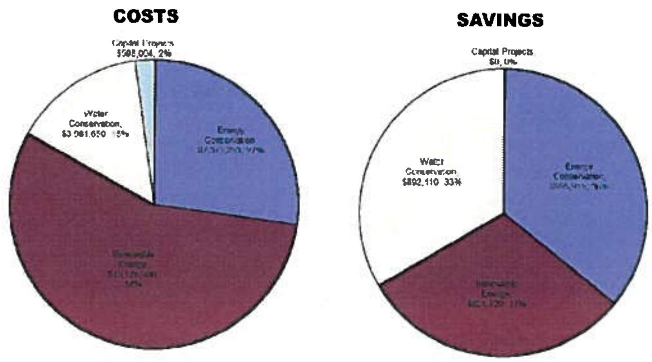
Costs and Savings by Measure Category



	Cost	Savings	Payback (Yrs)
Energy Conservation	$7,373,253	$955,915	7.7
Renewable Energy	$15,176,988	$821,720	18.5
Water Conservation	$3,981,650	$892,410	4.5
Capital Projects	$598,004	-	-
Total	$27,129,895	$2,670,044	10.2

Long-Term Services

- Annual Performance Period Services (by Ameresco)
  - Equipment/System Inspections
  - Measurement & Verification of Savings
  - Guarantee Reconciliation of Savings
  - HUD Reporting Support
- Maintenance Services (by Ameresco or Others)
  - Preventative
  - Equipment Repair/Replacement
- All Long-Term Services Paid from Savings

Typical Finance Structure: Capital Lease

- Structured Similar to a Tax Exempt Municipal Lease
- Terms of Financing
  - Sized to Pay for the Project Costs
    - Construction, Capitalized Interest, Cost of Issuance
  - S&P Credit Ratings Used for Lowest Cost of Capital
  - Certificates of Participation Allow for a Larger Group of Investors
  - Subject to HPHA Board Approval
- Small Pool of Qualified Lenders, Especially for 20-Year Term Projects

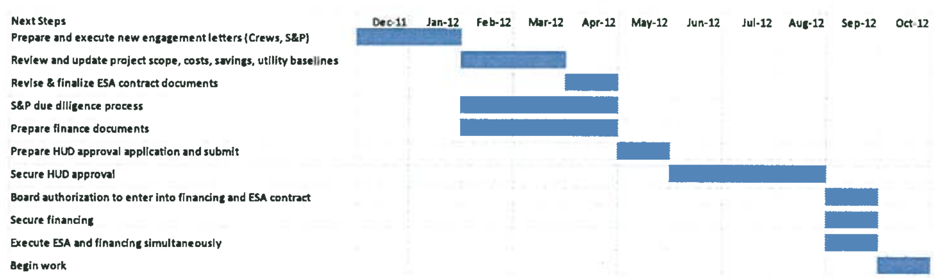
Capital Lease Obligation and Approvals

- Debt Obligation Payable from HPHA's Legally Available Funds, Including the HUD Incentives
- HPHA's Debt Obligation - Not a General or Moral Obligation of the State
- HPHA's Board Authorizes Executive Director to Execute Financing and ESA
- HPHA's Financing Subject to Approval of Governor and State Director of Finance
- HUD Section 30 Approval Now Required to Place Lien on PHA Property (i.e. the Installed Improvements)

Closing: EPC Benefits to HPHA and State

- $27.1M Facility Modernization Project
- $69.8M in Energy and Water Savings
- $10.7M Maintenance Reserve
- $5.8M Excess Cash Flow to HPHA
- Project Addresses Deferred Maintenance
- Over 500 Jobs Created or Maintained in Construction, Manufacturing, Transportation, and Local Businesses
- Contributes to Hawaii's Clean Energy Initiative
- All Project Costs Paid from Savings
- Including Mayor Wright Would Expand Project to $29.5M

Steps: Timeline



Thank You

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Section 1: Executive Summary

Project Overview

Ameresco, Inc. is pleased to provide this Energy Audit Report to the Hawaii Public Housing Authority (HPHA), pursuant to the Energy Audit Agreement. This report is the culmination of a comprehensive utility study of 67 conventional federal public housing sites involving 5,269 dwelling units and associated facilities. The study included extensive site examination,[1] analysis of historical utility billing data for all utility services, building energy modeling, development engineering, and an investment grade financial assessment.

To the greatest extent feasible, we have attempted to respond in the energy conservation measures (ECMs) presented in this report to HPHA's desire to reduce energy and water costs while also addressing vital, utility-related capital needs. In each case, we compared measure payback against life cycle, but also considered other tangible benefits not directly related to savings in making our recommendations.

The current recommended package of improvements, totaling approximately $44.1M, encompasses the best economic payback approach while addressing various capital-intensive upgrades. Savings under an Energy Services Agreement will cover the entire project capital cost via a guaranteed-savings, 20-year term financing, which is described in more detail later in this section.

1 Our findings are based on the results of a complete survey of the common areas and mechanical rooms and in-apartment visits representing approximately a 10% sample of the portfolio.

Implementation of this project is expected to produce nearly $4.3M in annual utility cost savings during the first year of project repayment,[2] representing a reduction of nearly 30% in utility expenditures. In addition, nearly half the total project investment is dedicated to renewable energy, including solar hot water heating systems at 14 developments and a solar photovoltaic power generating system. Combined, these renewable energy measures will generate about 25% of the overall project savings or about $1M in the first year.

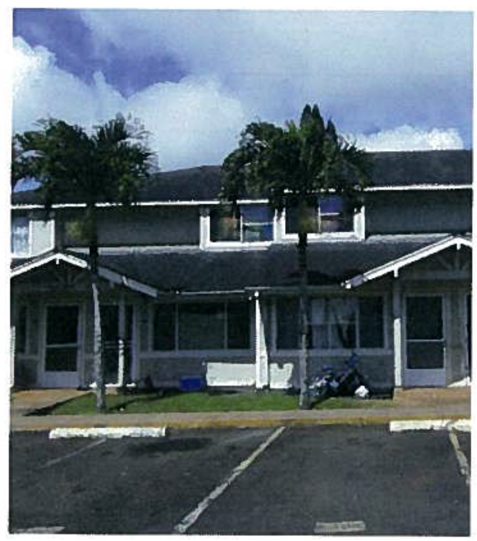
This Energy Audit Report is broken out into six main sections:

- Section 1 is this Executive Summary, which reviews the overall project financing and measure selection, costs and savings;

- Section 2 describes the utility baseline developed for this project, including any adjustments made, as well as the current tenant utility allowances and the utility rates applied to the savings;

- Section 3 presents a detailed description of the recommended ECMs, a summary of measures considered but not recommended, and general information detailing how Ameresco proposes to design, implement, and commission the ECMs and provide concurrent training and resident education;

- Section 4 describes the long term services proposed during the repayment term of the Energy Services Agreement (ESA), including annual equipment and systems inspections and measurement and verification of the savings; as well as the opportunity for resident education, and long-term maintenance services. Section 4 also presents the HUD conservation incentives proposed.



- Section 5 presents the existing site conditions reports; and

- Section 6 contains the attachments to this report which include the utility baselines, recommended product cut sheets, lighting audits, a summary of measure costs and savings by site, and a 20-year life cycle cost analysis.

[2] Project repayment is anticipated to begin in 2012, after a two-year construction cycle.

While we recognize that the final package of measures may be adjusted, it is our recommendation that the package we have developed, with input from HPHA staff and finance committee board members, is the most economically beneficial and comprehensive from a property upgrade and deferred maintenance perspective. We look forward to working with HPHA to finalize the package of measures and services in order to execute the Energy Services Agreement (ESA) by February 2010.

To that end, we propose the following next steps:

- HPHA Board of Directors approves the proposed scope of work and financing engagement letter at the October 15 board meeting;
- Ameresco develops the ESA and associated appendices; Ameresco and HPHA also determine the scope of long-term services (e.g. maintenance) (November);
- Submit the ESA to HUD for approval (November);
- Secure financing (January 2010);
- Secure HUD approval of the ESA (February 2010)
- Execute financing and ESA (February 2010)

Ameresco would like to acknowledge and give special thanks to Mr. Chad Taniguchi, Ms. Barbara Arashiro, Mr. Richard Speer, Mr. Glenn Sunakoda, and Mr. Marcel Audant, as well as the many other management and facilities staff whose input and support during the audit was invaluable. Ameresco would also like to thank the finance committee of the HPHA Board of Directors, including Mr. Travis Thompson, Ms. Linda Smith, and Mr. Eric Beaver for their input and guidance.

Environmental Benefit

Based on the energy savings projected for this project, the following reductions in greenhouse gas emissions are expected:

Greenhouse Gas	Emissions Reduction
CO_2	8,500 Tons
SO_x	36,800 Lbs
NO_x	30,700 Lbs

The efficiency improvements and renewable energy component proposed in this project will provide a significant and sustainable step towards meeting Hawaii's Clean Energy Initiative goals by 2030.

A. Project Funding

1. Capital Lease

All funding for the project will be secured from guaranteed savings using a capital municipal lease. This is a financing obligation under which HPHA owns the installed equipment upon acceptance, and the lender, acting as lessor under the capital lease, retains a security interest (lien) on the equipment until the capital lease is paid in full at the end of the lease term. The capital lease is the most common financing structure provided to HUD as part of the project approval process and the structure most often applied to performance contracts.

Current interest rates on these projects are ranging between 5-6.5%, depending on the tax-exempt or taxable (leveraging the federal government's offer of such tax credits or rebates as Build America Bonds) status, market stability, the finance term (including the construction period), HPHA's financial stability, PHAS report scores, bank-qualified or non bank-qualified status (bank-qualified indicates that the PHA will not issue more than $30 million in tax-exempt financing in a given calendar year). The actual interest rate typically will float until actual closing of the project financing occurs, subsequent to HUD approval.

Ameresco has already completed a competitive process for seeking investor or bank participation in this project, nationwide and locally. As a result, Ameresco has identified an investment bank with the willingness, capability, and experience with similar projects to secure competitively-priced financing for this project. Recently, Ameresco has been quoted an all-inclusive finance rate for this project at approximately 4.78%. This all-in rate is based on the expectation that HPHA would be successful in obtaining an "A-" rating from Standard and Poor's and use of the federal government stimulus program involving Build America Bonds.

To close the project financing, HPHA will need to provide its three most recent years of financial statements to Ameresco, as well three years of its PHAS reports and other similar management information. A rating on the credit and project may be required during this process. During the document preparation process, HPHA will need to provide a Board Resolution, an Opinion of Counsel (affirming the lease is a legal, valid and binding agreement for HPHA), and an insurance certificate indicating coverage. Often, legal property descriptions (obtained from deeds or other documents acceptable to the investor), are also needed before project closing. Once credit review is obtained, the lender will proceed to close the project financing, subject to execution of the Energy Services Agreement with Ameresco, and to HUD approval.

Throughout the 20-year repayment term of the project, Ameresco will work with HPHA to secure the necessary HUD conservation incentives required for the repayment of the lease.

2. Utility Rebates

Ameresco has estimated that approximately $362,842 in electric rebates are available from the Hawaii Energy Efficiency Program, as presented in Table 1.A.[3] At this time, neither the gas company nor any of the respective water providers are known to offer any rebates which would be available to the housing authority for this project. Ameresco will continue to work in collaboration with HPHA to secure additional conservation incentives.

Table 1.A Projected Utility Incentives By Measure

Energy Conservation Measure	Big Island	Neighbor Islands	Oahu High-Rises	Oahu Low-Rises	Measure Total
ECM 5: Install Efficient Building Water Pressure Controls	-	-	$ 4,800	-	$ 4,800
ECM 6: Upgrade Common Area Lighting	$ 3,714	$ 2,144	$ 25,742	$ 6,500	$ 38,101
ECM 7: Upgrade Apartment Lighting	-	$ 23,651	-	-	$ 23,651
ECM 8: Install High-Efficiency Air Conditioning	$ 179	-	-	$ 362	$ 540
ECM 9: Install Energy Star Refrigerators	$ 1,350	$ 8,200	$ 2,250	$ 17,450	$ 29,250
ECM 10: Install Vending Machine Controls	-	-	$ 300	-	$ 300
ECM 17: Install New Solar Domestic Water Heaters	$ 43,000	$ 18,000	-	$ 210,000	$271,000
Totals	$ 48,243	$ 51,995	$ 28,292	$ 234,312	$ 362,842

All rebates would flow directly to HPHA and can be used to fund additional improvements or to reduce or pre-pay the debt on the project. In the cash flow presented in this section, Ameresco has assumed that any incentives will be used to reduce the amount financed.

[3] Rebate amounts are subject to change, based on measure qualification and funding availability at the time of application.

3. Authority Cost Contribution

The project financing as currently presented in this report is entirely self-funding and does not require a capital cost contribution by HPHA.

B. Measure Selection

The measure matrices presented in Tables 1.B.1-4 present the recommended Energy Conservation Measures (ECMs) included in the Energy Audit Report. This package of measures represents the most beneficial mix of measures that will achieve both utility cost savings and needed capital upgrades, without sacrificing resident comfort or adversely impacting operations and maintenance costs.

In selecting measures for inclusion in this project, we first determined the measure simple payback (which equals the measure cost divided by the initial year savings) and compared that to the anticipated life cycle of the proposed equipment. Where measure paybacks were long or non-existent (i.e. little or no measurable savings), we also considered other factors or benefits, such as replacing aging roofs where new solar equipment was recommended. Listed here are the life cycle assumptions used in our analysis:

Measure Type	Useful Life
Water Fixtures	25 years
Lighting Fixtures	20 years
Solar Photovoltaic Systems	30 years
Solar Hot Water Systems	30 years
Building Water Pressure Controls	25 years
Window Air Conditioners	10 years
Refrigerators	10 years
Vending Machine Controls	20 years
Electric Meters	20 years
High Efficiency Packaged Water Heaters	20 years
Roofing Systems	25 years
Gas-fired Instantaneous Water Heaters	20 years
Electric Transformers	30 years

The above useful life estimates are based on properly maintained and serviced equipment.[4]

While other combinations of measures are possible given HPHA's needs, we feel that the enclosed package represents the best combination of measures. Please refer to Section 3 of the audit report for a detailed description of the proposed measures. Section 3 also includes a summary of other

[4]The recent HUD notice, PIH-2009-16 (HA), *Guidance on Energy Performance Contracts, including those with terms up to 20 years,* provides accepted useful life estimates for a number of systems.

measures considered during the audit but not recommended at this time. Listed below is a brief summary of the proposed measures.

ECM 1: Install HET Toilets

Ameresco proposes to replace existing apartment and common area toilets at most HPHA sites with new, high efficiency (HET) toilets that use 1.28 gallons of water per flush. The proposed toilet products use between 20% and 60% less water than the current stock of toilets in place and are certified by the EPA for both performance and efficiency. This measure will not only provide significant water savings, but will also fully modernize and standardize the stock of toilets throughout the majority of HPHA developments. The sites excluded from this measure were those found to have existing toilets with efficient or measured low flush rates or the cost of water was low.

ECM 2: Install Low-Flow Showerheads & Faucet Aerators

At locations where new toilets are proposed, Ameresco also proposes to furnish and install 1.75 gallons-per-minute (GPM) fixed-mount and 1.5 GPM handheld showerheads to replace existing standard flow models. Additionally, Ameresco proposes to replace all kitchen and bathroom aerators at affected sites with new aerators rated at 1.5 and 1.0 GPM, respectively.

ECM 3: Install Front-Loading Washers

Ameresco proposes to replace leased and select HPHA-owned top-loading washing machines in community laundry rooms at sites also receiving new apartment-based water conserving fixtures with more efficient front-loading washing machines. Compared to the existing top-loading washers, the new washers will use significantly less water and energy and require less detergent per load.

ECM 4: Install New Sink Faucets

Ameresco proposes to replace all aging kitchen faucets at Kuhio Park Terrace high rise buildings A and B with new hardware including low-flow aerators. The proposed measure will save water, while also providing residents with better functioning hardware.

ECM 5: Install Efficient Building Water Pressure Controls

Ameresco proposes to replace the current building water pressure booster pumps at Kalakaua Homes, Paoakalani, and Kalanihuia with new, high-efficiency packaged booster pump systems. The new booster pumps will be equipped with variable frequency drive (VFD) controls, resulting in more effective and efficient building water pressure delivery.

ECM 6: Upgrade Common Area Lighting

Ameresco proposes to install energy efficient lighting systems in the common areas that will reduce existing energy and maintenance costs. The upgrade will feature new, premium efficiency linear fluorescent T8 lamps operating on electronic ballasts, as well as high-quality compact fluorescent lamps or fixtures. In addition, selected areas, such as offices, restrooms, and community rooms, having intermittent occupancy, will receive occupant-sensing lighting controls.

ECM 7: Upgrade Apartment Lighting

Ameresco proposes to install energy efficient lighting systems throughout most apartments. The primary lighting retrofit in the apartments will consist of new compact fluorescent lamps or fixtures in various configurations. In addition, new, premium efficiency linear fluorescent T8 lamps and electronic ballasts will be retrofit into existing fixtures.

ECM 8: Install High Efficiency Air Conditioning

Ameresco proposes to replace old and inefficient window-type air conditioning units with more efficient, Energy Star rated units.

ECM 9: Install Energy Star Refrigerators

Ameresco proposes to replace select old and inefficient refrigerators throughout the HPHA portfolio with Energy Star rated models.

ECM 10: Install Vending Machine Controls

Ameresco proposes to install occupancy sensing, plug load controllers to reduce the unnecessary operation of vending machines during periods of low use.

ECM 11: Consolidate Electric Meters

Ameresco proposes to consolidate the individual apartment electric meters at Waipahu II and Wahiawa Terrace into one electric meter and HECO account per building. In addition, new check meters will be installed in the existing common area and apartment utility meter sockets to allow for check metering if HPHA desires. This ECM will have the effect of greatly reducing the number of monthly meter charges while also reducing the electric rate paid by HPHA by switching from residential-based to less costly commercial-based tariffs.

ECM 12: Install New Transformers

Ameresco proposes to replace the existing outdoor building transformer at Paoakalani and the 40 year old transformer and high voltage switchgear at Makua Alii with new, energy-efficient equipment of the same configuration. The proposed installations will improve the electrical service reliability at the two developments.

ECM 13: Install Solar Photovoltaic Arrays

Ameresco proposes to install a 107.36 kWdc (89.1 kW) solar photovoltaic (PV) system on the rooftop of Makamae that will generate nearly 50% of the buildings current energy use. As part of this installation, HPHA will also be able to take advantage of HECO's net energy metering rule. Net energy metering will allow HPHA to export surplus electricity into the grid when the power generated by the PV system exceeds the requirement of the building, thereby obtaining the full savings benefit of the proposed PV system.

ECM 14: Install Electric Check Meters

At Kuhio Park Terrace, Waipahu II, and Wahiawa Terrace, Ameresco proposes to implement a check-metering system featuring Automated Meter Reading (AMR). The new AMR system will provide a seamless means for HPHA to monitor apartment electric consumption and bill residents for any usage above a set threshold level. The housing authority will have the ability to access and download consumption data and overage usage by apartment via a web-based host service for its billing purposes. Check metering has the advantage over converting to tenant-paid utilities because the electric use continues to be master-metered and the utility billing remains on a lower cost, commercial rate.

ECM 15: Install High Efficiency Central Domestic Water Heaters

Ameresco proposes to replace the domestic water heating systems at Ka Hale Kahaluu, Makua Alii, Punchbowl Homes, Kalanihuia, Makamae, Pumehana, and Spencer House with new, energy-efficient, condensing-type water heaters. These water heaters operate at efficiencies in excess of 90% under most operating conditions, and will significantly reduce energy use and greenhouse gas emissions related to domestic hot water production at the affected sites.

ECM 16: Install New Solar Domestic Water Heaters

Ameresco proposes to install new or refurbish existing solar domestic hot water heating systems at a total of 14 developments. The new solar water heating equipment will provide HPHA with clean, renewable, free hot water that will displace at least 90% of the existing electric or gas water heating energy in most cases, while greatly reducing the carbon footprint of HPHA facilities and helping the State of Hawaii meet its goal of 40% renewable energy by 2030.

ECM 17: Replace Roofs

In anticipation of the proposed solar hot water installations included under ECM-16, Ameresco proposes to replace the existing roofs on the two Kuhio Park Terrace (KPT) towers and the 21 buildings of Kuhio Homes. In addition, Ameresco will also install new perimeter fencing on both KPT towers, and re-roof the KPT community building.

ECM 18: Install Gas Fired Instantaneous Water Heaters

Ameresco proposes to correct existing hot water service deficiency problems while also reducing utility costs at Mayor Wright Homes by replacing the existing electric and gas back-up hot water heating equipment with new, gas-fired, instantaneous hot water heating units. Given the uncertain long term disposition of this property, this measure provides a lower cost, yet effective alternative to installing new solar hot water heaters.

Table 1.B.1 Measure Matrix - Big Island

ECM #	Description	Lanakila Homes I	Lanakila Homes II	Lanakila Homes IV	Hale Aloha O Puna	Hale Olaloa	Kauhale O'Hanakahi	Pahala	Pomaikai Homes	Punahele Homes	Ka Hale Kahaluu	Hale Hookipa	Kaimalino	Kealakehe	Nani Olu	Noelani II	Hale Hauoli	Ke Kumu 'Ekolu	Noelani I
		1004	1013	1104	1051	1052	1097	1045	1029	1028	1061	1053	1032	1070	1063	1078	1031	1097	1071
1	Install HET Toilets	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Install Low-Flow Showerheads & Faucet Aerators	✓	✓	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Install Front-Loading Washers							✓			✓	✓		✓		✓	✓		✓
4	Install New Sink Faucets																		
5	Install Efficient Building Water Pressure Controls																		
6	Upgrade Common Area Lighting	✓			✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Upgrade Apartment Lighting	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Install High-Efficiency Air Conditioning	✓																	
9	Install Energy Star Refrigerators						✓	✓				✓				✓			✓
10	Install Vending Machine Controls																		
11	Consolidate Electric Meters																		
12	Install New Transformers																		
13	Install Solar Photovoltaic Arrays																		
14	Install Electric Check-Meters																		
15	Install High-Efficiency Central Domestic Water Heaters										✓								
16	Install New Solar Domestic Water Heaters													✓		✓		✓	✓
17	Replace Roofs																		
18	Install Gas-Fired Instantaneous Water Heaters																		

Table 1.B.2 Measure Matrix - Neighbor Islands

ECM #	Description	Kapaa	Hale Hoolulu	Hale Nana Kai O Kea	Hui O Hanamaulu	Kalaheo	Kekaha Ha'aheo	Eleele Homes	Hale Hoonanea (Port Allen)	Home Nani	Kawailehua Federal	Kahekili Terrace [a & b]	David Malo Circle	Makani Kai Hale I	Piilani Homes	Makani Kai Hale II	Kahale Mua - Federal
		1018	1019	1054	1021	1022	1064	1020	1055	1023	1086	1017	1016	1092	1044	1097	1088
1	Install HET Toilets	✓		✓	✓	✓	✓	✓	✓	✓	✓						✓
2	Install Low-Flow Showerheads & Faucet Aerators	✓		✓	✓	✓	✓	✓	✓	✓	✓						✓
3	Install Front-Loading Washers																✓
4	Install New Sink Faucets																
5	Install Efficient Building Water Pressure Controls																
6	Upgrade Common Area Lighting	✓	✓	✓	✓		✓		✓	✓		✓		✓	✓		✓
7	Upgrade Apartment Lighting	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Install High-Efficiency Air Conditioning	✓															
9	Install Energy Star Refrigerators	✓		✓	✓	✓			✓			✓	✓	✓	✓		
10	Install Vending Machine Controls																
11	Consolidate Electric Meters																
12	Install New Transformers																
13	Install Solar Photovoltaic Arrays																
14	Install Electric Check-Meters																
15	Install High-Efficiency Central Domestic Water Heaters																
16	Install New Solar Domestic Water Heaters																
17	Replace Roofs										✓		✓				
18	Install Gas-Fired Instantaneous Water Heaters																

Table 1.B.3 Measure Matrix - Oahu Low Rise Sites, Kuhio Homes, and Central Office

ECM #	Description	Kalakaua Homes 1062	Makua Alii 1012	Paoakalani 1036	Punchbowl Homes 1011	Kalanihuia 1024	Makamae 1046	Pumehana 1047	Kuhio Park Terrace 1010	Kuhio Homes 1007	HPHA Central Office N/A
1	Install HET Toilets	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Install Low-Flow Showerheads & Faucet Aerators	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Install Front-Loading Washers	✓	✓	✓	✓	✓	✓	✓	✓		
4	Install New Sink Faucets								✓		
5	Install Efficient Building Water Pressure Controls	✓		✓		✓					
6	Upgrade Common Area Lighting	✓	✓	✓	✓	✓	✓	✓	✓		
7	Upgrade Apartment Lighting	✓	✓	✓	✓	✓	✓	✓	✓	✓	
8	Install High-Efficiency Air Conditioning										
9	Install Energy Star Refrigerators						✓				
10	Install Vending Machine Controls					✓			✓		✓
11	Consolidate Electric Meters										
12	Install New Transformers		✓	✓							
13	Install Solar Photovoltaic Arrays						✓				
14	Install Electric Check-Meters								✓		
15	Install High-Efficiency Central Domestic Water Heaters		✓		✓	✓	✓	✓			
16	Install New Solar Domestic Water Heaters								✓	✓	
17	Replace Roofs								✓	✓	
18	Install Gas-Fired Instantaneous Water Heaters										

Table 1.B.4 Measure Matrix - Oahu Low Rise Sites

ECM #	Description	Puuwai Momi	Hale Laulima	Salt Lake	Waipahu I	Waipahu II	Kalihi Valley Homes	Mayor Wright Homes	Kaahumanu Homes	Kamehameha Homes	Spencer House	Waimaha-Sunflower	Kau'iokalani	Maili I	Maili II	Nanakuli Homes	Koolau Village	Hookipa Kahaluu	Kaneohe Apartments	Kauhale O'hana	Waimanalo Homes	Waimanalo Homes II	Kauhale Nani	Wahiawa Terrace	Kupuna Home O'Waialua	Palolo Valley Homes
		1026	1027	1066	1038	1039	1005	1003	1009	1099	1073	1057	1091	1033	1108	1035	1030	1072	1069	1090	1025	1107	1056	1015	1050	1008
1	Install HET Toilets	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
2	Install Low-Flow Showerheads & Faucet Aerators	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
3	Install Front-Loading Washers			✓		✓					✓	✓	✓					✓							✓	
4	Install New Sink Faucets																									
5	Install Efficient Building Water Pressure Controls																									
6	Upgrade Common Area Lighting	✓	✓		✓	✓	✓	✓		✓	✓	✓	✓			✓	✓	✓	✓	✓			✓	✓	✓	✓
7	Upgrade Apartment Lighting	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Install High-Efficiency Air Conditioning	✓						✓																		
9	Install Energy Star Refrigerators							✓		✓	✓										✓					
10	Install Vending Machine Controls																									
11	Consolidate Electric Meters					✓																		✓		
12	Install New Transformers																									
13	Install Solar Photovoltaic Arrays																									
14	Install Electric Check-Meters					✓																		✓		
15	Install High-Efficiency Central Domestic Water Heaters										✓															
16	Install New Solar Domestic Water Heaters	✓	✓						✓								✓	✓								✓
17	Replace Roofs																									
18	Install Gas-Fired Instantaneous Water Heaters							✓																		

C. Measure Savings and Costs Summary

Appearing in Table 1.C is a compilation of the savings, costs, and simple paybacks for all of the recommended measures at all facilities. For a similar breakdown by individual site, please refer to Attachment G of this report.

The project costs presented in Table 1.C are inclusive of the following:

- Equipment and materials
- State of Hawaii general excise tax
- City permits
- Installation labor
- Subcontractor performance and payment bonding
- Ameresco performance and payment bonding
- Engineering services and quality control
- Project management
- On-site construction supervision
- Audit fee
- Financing services
- Subcontract administration, including handling of payment requisitions, monitoring for compliance with Davis-Bacon wage requirements, and handling of all federally mandated wage earnings reports
- Commissioning
- Staff training
- Resident education during construction
- Tenant coordinators (a total of 6 tenant coordinators over a 22-month period has been included)
- Overhead and profit

The costs associated with equipment and materials, taxes, installation labor, any outsourced engineering or other professional services, and bonding comprise the project "direct costs." The remainder of the cost components are collectively termed the project "indirect costs," which are estimated on a project basis and then prorated over the measure direct costs to form the total project cost for each measure.

Table 1.C ECM Summary
All Developments

#	Description	Master Paid Electric Savings {kWh}	Resident Paid Electric Savings {kWh}	Master Paid Natural Gas Savings {therms}	Resident Paid Natural Gas Savings {therms}	Master Paid Water Savings {kgal}	Total Project Costs	Dollar Savings	Total Payback
	Totals	6,802,173	2,347,179	130,129	29,403	176,667	$ 44,149,930	$ 4,265,658	10.4
1	Install HET Toilets	0	0	0	0	96,460	$ 3,834,844	$ 525,565	7.3
2	Install Low-Flow Showerheads & Faucet Aerators	418,245	423,727	77,793	15,843	70,184	$ 978,678	$ 954,141	1.0
3	Install Front-Loading Washers	7,950	0	2,486	0	4,188	$ 91,092	$ 33,570	2.7
4	Install New Sink Faucets	0	0	5,117	0	5,835	$ 181,596	$ 51,140	3.6
5	Install Efficient Building Water Pressure Controls	64,038	0	0	0	0	$ 271,373	$ 16,642	16.3
6	Upgrade Common Area Lighting	567,343	0	0	0	0	$ 689,898	$ 164,861	4.2
7	Upgrade Apartment Lighting	1,514,307	1,088,871	0	0	0	$ 5,635,924	$ 823,516	6.8
8	Install High-Efficiency Air Conditioning	5,234	0	0	0	0	$ 13,042	$ 1,847	7.1
9	Install Energy Star Refrigerators	93,903	204,419	0	0	0	$ 794,270	$ 97,890	8.1
10	Install Vending Machine Controls	4,368	0	0	0	0	$ 3,909	$ 1,134	3.4
11	Consolidate Electric Meters	0	0	0	0	0	$ 192,002	$ 15,093	12.7
12	Install New Transformers	0	0	0	0	0	$ 569,891	$ -	-
13	Install Solar Photovoltaic Arrays	163,917	0	0	0	0	$ 996,241	$ 41,304	24.1
14	Install Electric Check-Meters	1,147,602	0	0	0	0	$ 914,213	$ 307,888	3.0
15	Install High-Efficiency Central Domestic Water Heaters	0	0	24,772	0	0	$ 1,020,720	$ 77,074	13.2
16	Install New Solar Domestic Water Heaters	1,445,203	630,162	86,761	13,561	0	$ 18,748,245	$ 972,277	19.3
17	Replace Roofs	0	0	0	0	0	$ 7,104,195	$ -	-
18	Install Gas-Fired Instantaneous Water Heaters	1,370,065	0	-66,800	0	0	$ 2,109,799	$ 181,714	11.6

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D. Cash Flow Projection

Please refer to Table 1.D for the cash flow generated for this project. For purposes of this report, we have assumed a 4.78% finance rate in the project cash flow, with construction starting in February 2010 and lasting 24 months, and an escalating lease payment (as savings escalate over the term of the contract). In addition, we have assumed that interest during construction will be capitalized, and the financed amount is net of any utility rebates available.

The savings used in the cash flow are based on the predicted consumption savings, valued at the average cost per unit of energy or water utilizing projected 2012 utility rates, the base rates, which are then escalated annually by 3%. During the repayment term, the savings rates will be valued at the greater of the then-current retail utility rates or the escalated base rates. For more information on determination of the projected utility rates, please refer to Section 2.C. For more information on the HUD funding methods proposed for this project, please refer to Section 4.A of this report.

In accordance with HUD Notice PIH 2006-06, *Guidance on Energy Performance Contracts with Terms up to 20 Years*, further adjustments to the utility costs savings should be considered to account for the degradation or discounting of savings over the debt repayment period associated with an extended finance term. Any savings adjustment factors are included in the life-cycle cost analysis presented in Attachment I of this report, with the adjusted savings applied to the cash flow.

For this project, we have assumed the following savings degradation factors in the cash flow:

- Refrigerators and window air conditioners: Life cycle of this equipment is typically around 10 years; therefore, after Year-10 of the project repayment period, savings associated with these measures cease.

- Apartment plumbing fixtures: one percent annual savings degradation per year, compounding after Year-10 of the project repayment period, is applied to account for normal equipment wear and tear.

- For all remaining measures, no savings degradation factors were applied since with the proper maintenance and repair these measures should last up to or beyond the 20-year project term.

The life cycle cost analysis also factors in any added (incremental) maintenance costs associated with each measure. For this project, we have budgeted for a preventative maintenance and repair reserve fund for the following measures:

- Solar Photovoltaic System

- Solar Domestic Hot Water Systems
- Central Domestic Hot Water Systems
- Building Water Pressure Booster Pumps
- Electric Check-Meters
- Instantaneous Hot Water Heaters

Collectively, the Year-1 maintenance reserve fund amount is projected at $570,043, escalated at 3% annually thereafter. Please refer to the individual ECM maintenance service descriptions in Section 3.B as well as the general discussion in Section 4.D for more information regarding the maintenance services and costs.

The remaining measures are not anticipated to add to but may even reduce existing maintenance costs. However, HUD rules pertaining to energy performance contracts do not allow accounting for deferred maintenance costs in the project cash flow.

The cash flow also includes Ameresco's long-term services fee associated with monitoring and verification of the project savings, annual measure inspections, and providing support to the housing authority in securing the HUD incentives, as described in Section 4 of this report. The associated fee for the first year of repayment is $182,752, and will escalate annually at a rate of 3% over the contract term. Resident education during the repayment term has not been included as part of our long-term services, but could be added for an additional fee. However, resident education during the project construction phase is included as part of our construction services.

As we prepare the Energy Services Agreement, the project cash flow may be adjusted to reflect revised scope or finance rate, for example. The final cash flow projection is contained as an attachment to the Energy Services Agreement.

Table 1.D Cash Flow Projection

All Sites - 20-Year Comprehensive ECM Package

Base Use and Rates

	Electric (kWh)	Gas (therms)	Water (kgal)	Tenant Allowances
Base Use	17,405,593	634,967	699,888	$4,732,736
2012 Rates	$0.2960	$3.0763	$5.2900	-
Escalation	3.00%	3.00%	3.00%	3.00%

Master Metered Savings Projection

	Electric (kWh)	Gas (therms)	Water (kgal)
Consumption	6,802,173	130,129	176,667
2012 Rates	$0.2907	$3.1308	$5.5101
Escalation	3.00%	3.00%	3.00%
Savings-1st Year	$1,977,211	$407,413	$973,447
Adjustment [1]	$15,093		
Net Savings	$1,992,304	$407,413	$973,447

[1] Rate tariff savings associated with meter consolidation measure

Cash Flow Data

Project Funding	
Project Cost	$ 44,149,930
Utility Rebates	$ (367,642)
Customer Cost Contribution	$ -
Net Project Cost	$ 43,782,288
Construction Loan Interest	$ 4,628,026
Minimum Lease Proceeds	$ 48,410,314
Construction Term (months)	24
Finance Term (yrs)	20
Estimated Finance Rate	4.78%

Resident Paid Savings Projection

	Electric (kWh)	Gas (therms)	Water (kgal)
Consumption	2,347,179	29,403	-
2012 Rates	$0.3256	$4.3609	-
Escalation	3.00% All Tenant Paid Rates		
Savings-1st Year	$764,268	$128,226	-

Year	Base Electric Bill	Base Gas Bill	Base Water Bill	Tenant Allowances	Total Utilities & Allowances
2012	$ 5,151,604	$ 1,953,334	$ 3,702,415	$ 4,732,736	$ 15,540,089
2013	$ 5,306,152	$ 2,011,934	$ 3,813,488	$ 4,874,718	$ 16,006,292
2014	$ 5,465,336	$ 2,072,292	$ 3,927,892	$ 5,020,960	$ 16,486,480
2015	$ 5,629,297	$ 2,134,460	$ 4,045,729	$ 5,171,589	$ 16,981,075
2016	$ 5,798,175	$ 2,198,494	$ 4,167,101	$ 5,326,736	$ 17,490,507
2017	$ 5,972,121	$ 2,264,449	$ 4,292,114	$ 5,486,538	$ 18,015,222
2018	$ 6,151,284	$ 2,332,382	$ 4,420,878	$ 5,651,135	$ 18,555,679
2019	$ 6,335,823	$ 2,402,354	$ 4,553,504	$ 5,820,669	$ 19,112,349
2020	$ 6,525,898	$ 2,474,424	$ 4,690,109	$ 5,995,289	$ 19,685,720
2021	$ 6,721,674	$ 2,548,657	$ 4,830,812	$ 6,175,147	$ 20,276,291
2022	$ 6,923,325	$ 2,625,117	$ 4,975,737	$ 6,360,402	$ 20,884,580
2023	$ 7,131,024	$ 2,703,870	$ 5,125,009	$ 6,551,214	$ 21,511,117
2024	$ 7,344,955	$ 2,784,987	$ 5,278,759	$ 6,747,750	$ 22,156,451
2025	$ 7,565,304	$ 2,868,536	$ 5,437,122	$ 6,950,183	$ 22,821,144
2026	$ 7,792,263	$ 2,954,592	$ 5,600,235	$ 7,158,688	$ 23,505,779
2027	$ 8,026,031	$ 3,043,230	$ 5,768,243	$ 7,373,449	$ 24,210,952
2028	$ 8,266,812	$ 3,134,527	$ 5,941,290	$ 7,594,652	$ 24,937,281
2029	$ 8,514,816	$ 3,228,563	$ 6,119,528	$ 7,822,492	$ 25,685,399
2030	$ 8,770,261	$ 3,325,420	$ 6,303,114	$ 8,057,167	$ 26,455,961
2031	$ 9,033,368	$ 3,425,182	$ 6,492,208	$ 8,298,882	$ 27,249,640
Total	$ 138,425,523	$ 52,486,803	$ 99,485,288	$ 127,170,395	$ 417,568,009

Year	Electric Savings	Gas Savings	Water Savings	Resident Paid Savings	Total Savings
2012	$ 1,992,304	$ 407,413	$ 973,447	$ 892,494	$ 4,265,658
2013	$ 2,052,073	$ 419,636	$ 1,002,651	$ 919,269	$ 4,393,628
2014	$ 2,113,635	$ 432,225	$ 1,032,730	$ 946,847	$ 4,525,437
2015	$ 2,177,044	$ 445,191	$ 1,063,712	$ 975,252	$ 4,661,200
2016	$ 2,242,355	$ 458,547	$ 1,095,623	$ 1,004,510	$ 4,801,036
2017	$ 2,309,626	$ 472,304	$ 1,128,492	$ 1,034,645	$ 4,945,067
2018	$ 2,378,915	$ 486,473	$ 1,162,347	$ 1,065,685	$ 5,093,419
2019	$ 2,450,282	$ 501,067	$ 1,197,217	$ 1,097,655	$ 5,246,221
2020	$ 2,523,791	$ 516,099	$ 1,233,134	$ 1,130,585	$ 5,403,608
2021	$ 2,599,504	$ 531,582	$ 1,270,128	$ 1,164,502	$ 5,565,716
2022	$ 2,626,708	$ 544,031	$ 1,295,457	$ 1,111,879	$ 5,578,075
2023	$ 2,703,852	$ 556,748	$ 1,321,163	$ 1,142,463	$ 5,724,227
2024	$ 2,783,262	$ 569,739	$ 1,347,246	$ 1,173,881	$ 5,874,128
2025	$ 2,865,002	$ 583,008	$ 1,373,705	$ 1,206,156	$ 6,027,871
2026	$ 2,949,141	$ 596,561	$ 1,400,538	$ 1,239,311	$ 6,185,551
2027	$ 3,035,751	$ 610,402	$ 1,427,745	$ 1,273,370	$ 6,347,268
2028	$ 3,124,903	$ 624,536	$ 1,455,325	$ 1,308,357	$ 6,513,120
2029	$ 3,216,671	$ 638,970	$ 1,483,273	$ 1,344,297	$ 6,683,211
2030	$ 3,311,134	$ 653,707	$ 1,511,590	$ 1,381,216	$ 6,857,646
2031	$ 3,408,369	$ 668,753	$ 1,540,270	$ 1,419,140	$ 7,036,532
Total	$ 52,864,322	$ 10,716,991	$ 25,315,792	$ 22,831,514	$ 111,728,619

Year	Debt Payment	Ameresco Annual Fees	Incremental Maintenance Costs	Savings Minus Debt, Fees, Maint.	Debt, Fees, Plus Maint. As % of Savings
2012	$ 2,992,779	$ 182,752	$ 570,043	$ 520,084	88%
2013	$ 3,082,563	$ 188,235	$ 587,144	$ 535,686	88%
2014	$ 3,175,040	$ 193,882	$ 604,759	$ 551,757	88%
2015	$ 3,270,291	$ 199,698	$ 622,901	$ 568,309	88%
2016	$ 3,368,400	$ 205,689	$ 641,589	$ 585,359	88%
2017	$ 3,469,452	$ 211,860	$ 660,836	$ 602,919	88%
2018	$ 3,573,535	$ 218,215	$ 680,661	$ 621,007	88%
2019	$ 3,680,741	$ 224,762	$ 701,081	$ 639,637	88%
2020	$ 3,791,163	$ 231,505	$ 722,114	$ 658,826	88%
2021	$ 3,904,898	$ 238,450	$ 743,777	$ 678,591	88%
2022	$ 3,913,569	$ 245,603	$ 766,090	$ 652,812	88%
2023	$ 4,016,109	$ 252,972	$ 789,073	$ 666,073	88%
2024	$ 4,121,279	$ 260,561	$ 812,745	$ 679,543	88%
2025	$ 4,229,145	$ 268,378	$ 837,128	$ 693,220	88%
2026	$ 4,339,774	$ 276,429	$ 862,241	$ 707,108	89%
2027	$ 4,453,234	$ 284,722	$ 888,109	$ 721,204	89%
2028	$ 4,569,596	$ 293,263	$ 914,752	$ 735,510	89%
2029	$ 4,688,931	$ 302,061	$ 942,194	$ 750,025	89%
2030	$ 4,811,314	$ 311,123	$ 970,460	$ 764,748	89%
2031	$ 4,936,820	$ 320,457	$ 999,574	$ 779,681	89%
Total	$ 78,388,634	$ 4,910,616	$ 15,317,272	$ 13,112,098	88%

Approved by the Acting Executive Director

FOR DISCUSSION

SUBECT: Report on HUD's Quality Assurance Review of the American Recovery and Reinvestment Act (ARRA) Capital Fund program Grant and the Section 8 Housing Choice Voucher Program

I. FACTS

1. On September 28, 2011, the U.S. Department of Housing and Urban Development's (HUD) Public and Indian Housing Honolulu Field Office notified the Hawaii Public Housing Authority that it would be the subject of a quality assurance review.

2. HUD's Office of Field Operations contracted with Deloitte and Touche LLP to conduct quality assurance reviews of selected Public Housing Agencies (PHAs) to assist HUD in meeting its oversight responsibilities for the Capital Fund Program under the American Reinvestment and Recovery Act (ARRA) and to assist the HUD field offices in improving the consistency, accuracy, and effectiveness of the financial and program information submitted by the PHA's under their Housing Choice Voucher Program (HCVP).

   Deloitte and Touche LLP subcontracted with the Reznick Group to conduct the on-site review of PHA's.

3. The Hawaii Public Housing Authority (HPHA) was selected for a review of the ARRA Capital Fund Program and Housing Choice Voucher Program. The review occurred during the week of October 24, 2011.

   <u>ARRA Capital Fund Program</u>. The Reznik Group was tasked with examining records for compliance with laws and regulations for Capital Fund formula grant formula activities funded by ARRA. This review included verifying the accuracy and completeness of the HPHA's Annual Statements and Action Plans and whether the funds were used for eligible activities and expended in accordance with ARRA, HUD, and Federal policies, guidelines and procedures.

   <u>Housing Choice Voucher Program</u>. The Reznik Group was tasked with examining the accuracy and completeness of the financial records and supporting documentation underlying the HCVP data submitted by the HPHA's under the PASS-PH system.

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II. DISCUSSION

1. On October 27, 2011, the Reznik Group completed its quality assurance review and held an exit conference with the HPHA staff on its observations under the ARRA Capital Fund Program and the HCV Program.

2. Attached is a copy of the observations provided to the HPHA during the exit interview. The Reznick Group reported the following:

   a. No observations or referred deficiencies for the Section 8 Housing Choice Voucher Program; and
   b. Two (2) observation for the ARRA Capital Grant program.

3. It is anticipated that HUD will provide a formal report to HPHA on the quality assurance monitoring visit.

Attachment HUD ARRA Quality Assurance Monitoring Preliminary Observations

Prepared by: Barbara E. Arashiro, Acting Executive Director

Review Information
Public Housing Agency (PHA): Hawai'i Public Housing Authority (HPHA or PHA)
PHA Code: HI 001
Review Type: ARRA and HCV Program Reviews
Field Work Start Date: October 24, 2011
Exit Conference Date: October 27, 2011
Review Lead: Beth Rocks and Angela Zatlin
Preparer: Reznick Group, P.C.

HCV Program Review – No observations

Observation Detail Item #1: eLOCCS Budget Line Items
Condition
During the review, the Team noticed the 50075.1 budget line items (BLIs) and the eLOCCS BLIs for the ARRA Formula Grant for Hawaii Public Housing Authority do not reconcile. The BLIs listed on eLOCCS do not match the 50075.1. eLOCCS has not been updated with the appropriate BLIs. The BLIs listed in the eLOCCS are the following: 1410 - $601,688 1430 - $293,661 1450 - $3,008,082 1460 - $12,191,418 1465 - 35,084.00 1502 - Contingency - $115,510 The BLIs as listed in the most recent 50075.1 dated 10/5/2011 are as follows: 1410- $601,688 1430 - $409,171 1450 - $3,903,885 1460 - $11,294,146 1465 - $36,553
Cause

eLOCCS BLIs have not been updated with the most recent Form 50075.1 budgets.
Effect
The eLOCCS system does not reflect the most current BLIs.
Corrective Action
PHA management and Field Office representative should approve and determine the status of the BLIs by account and any changes should be reflected in eLOCCS.
Observation **Item #2: Section 3 Summary Report**
Condition
For each public housing grant that involves development, operating, or modernization assistance, the prime recipient shall submit annually Form HUD 60002 Section 3 Summary Report, Economic Opportunities for Low and Very Low-Income Persons (24CFR sections 135.3(a) and 135.90). The PHA submitted a Section 3 Summary Report for the ARRA grant year, however, the PHA did not report the total contracts awarded for the ARRA grant on the 2010 Section 3 Summary Report. The PHA should have reported the total cumulative amount awarded of the ARRA grant award, because the grant was awarded and obligated in 2009 and 2010. In Part II. Contracts Awarded - Sections 1- Construction Contracts and Section 2 – Non-Construction Contracts, the PHA did not report the cumulative break out of the total construction and non-construction portions of the grant on the 2010 Section 3 Summary Report.
Cause The Section 3 Summary Report submitted for the 2010 calendar year did not include portions of total contracts awarded for the ARRA grant.
Effect
The PHA did not include the total ARRA grant as awarded and obligated for the reporting period on the Section 3 Summary report submitted for the 2010 calendar year.
Corrective Action
Going forward, the PHA should report the total ARRA award amount for the entire grant, and break out the construction and non-construction award amounts based on the total award amount.

The PHA should wait for official HUD guidance regarding the 2010 Section 3 Summary Report.

PHA Representative Must Note one of the following:

_____ Agree with Observations (Name):______________________________

_____ Agree with Observations, with Conditions (Title):______________________________

_____ Disagree with Observations (provide documentation) (Signed):______________________________

(Date):_______/_________/_________

By signing, PHA Representative acknowledges receipt of a copy of this form and that the observations were discussed.

Approved by the Acting Executive Director ____
November 17, 2011

FOR INFORMATION

SUBJECT: Report on the Hawaii Public Housing Authority's Physical Assessment Sub-System Scores based on inspections conducted by the Real Estate Assessment Center

I. FACTS

A. The Real Estate Assessment Center's (REAC) started its annual inspection of the Hawaii Public Housing Authority's (HPHA) federal low income public housing properties in July 2011.

B. The REAC inspection team is normally a contractor hired by HUD to conduct on-site inspections at housing authorities throughout the nation. Units are selected on a random basis by the REAC inspector at each Asset Management Project (AMP).

C. The REAC inspection focuses on 5 major areas:

1. Common Areas;
2. Units;
3. Sites;
4. Building Exterior; and
5. Building Systems

D. During an inspection, HPHA staff accompany the REAC inspector so that exigent health and safety (EH&S) deficiencies that are identified are immediately reported to the staff. The AMP has 24 hours to address or remediate an EH&S deficiency.

E. The HPHA is required to report the completion of any work order generated by the REAC inspection to the U. S. Department of Housing and Urban Development (HUD) via the REAC website. During the FY 2011 inspections, the REAC inspection team found both tenant caused deficiencies and normal wear and tear deficiencies that management is responsible to repair.

F. The AMP scores in the following table have been issued to the HPHA. The minimum passing score is 60.

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Inspection Date	Unit Count	Property (Development)	Overall Score		
			2009	2010	2011
8/16/11	360	AMP 30 Puuwai Momi	68c	62c	64b
7/25/11	373	AMP 31 Kalihi Valley Homes	61c	64b	73b
7/26/11	363	AMP 32 Mayor Wright Homes	67c*	52c	**66b**
7/29/11	371	AMP 33 Kamehameha Homes	82c	57c	74b
8/3/11	580	AMP 34 Kalakaua Homes	78c	69c	**76b**
8/1/11	583	AMP 35 Punchbowl Homes	86c*	43c*	80b
8/9/11	302	AMP 37 Lanakila Homes	92c	77b	84b
8/22/11	321	AMP 38 Kekaha Ha'aheo	81c	53c*	**61c**
TBD*	196	AMP 39 Kahekili Terrace (Maui and Molokai)	74b	66c*	
7/27/11	744	AMP 40 Kuhio Park Terrace	72b*	40c	58c
8/8/11	200	AMP 43 Ka Hale Kahaluu	76c*	61c	75b
8/29/11	258	AMP 44 Waimaha/Sunflower	73c*	39c*	56b
8/31/11	226	AMP 45 Koolau Village	85b	45c*	58b
8/25/11	101	AMP 46 County of Hawaii	87b	68c	**86b**
8/15/11	150	AMP 49 Wahiawa Terrace	92b*	49c*	65c
8/2/11	114	AMP 50 Palolo Valley Homes	64c	40c	66c

*TBD- to be determined. HUD has not scheduled the inspection date.

The letter "a" is given if no health and safety (H&S) deficiencies were observed other than for smoke detectors. The letter "b" is given if one or more non-life threatening H&S deficiencies, but no life threatening H&S deficiencies were observed other than for smoke detectors. The letter "c" is given if there were one or more life threatening H&S deficiencies observed.

G. AMPs with a score that is in bold reflect a database adjustment to the original score. HUD allows for PHAs to request a database adjustment to its REAC scores. A database adjustment examines the results of a physical inspection that are out of the ordinary or incorrect due to circumstances affecting the inspected property, which are not reflected or inappropriately reflected in the physical condition score. Circumstances that may be addressed by a database adjustment are:
- Local conditions and code exceptions;
- Ownership issues for a deficiency;
- Adverse conditions beyond the control of the owner; and
- Extensive modernization work in progress.

HUD requires that requests for database adjustments must be material, objectively verifiable, include supporting documentation, and made in writing and must be received by the local HUD field office within 45 days following PIH-REAC's issuance of the electronic inspection summary report to the HPHA.

II. DISCUSSION

A. The REAC findings for the 3 failing AMPs are listed below. A thorough inspection of the 3 failing AMPs will be conducted by HPHA staff and a corrective action plan with a timeline will be required by each AMP.

<u>AMP 40 Kuhio Park Terrace</u>:

	Possible Points	Area Points	H & S Deduction	
Site	18.6	1.3	0.0	
Bldg Ext	17.9	13.0	0.0	
Bldg Sys	17.6	17.6	0.0	
Common Area	0.3	0.3	0.0	
Units	45.7	36.1	10.4	
Overall	100.0	68.3	10.4	
Final Score = Area Points – H & S Deduction				**58 c**

<u>AMP 44 – Waimaha/Sunflower</u>:

	Possible Points	Area Points	H & S Deduction
Site	21.8	4.5	0.0
Bldg Ext	18.4	13.0	0.0
Bldg Sys	18.0	18.0	0.0

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Common Area	0.6	0.6	0.0	
Units	41.2	34.0	13.6	
Overall	100.0	70.1	13.6	
Final Score = Area Points – H & S Deduction				**56 b**

AMP 45 – Koolau Village:

	Possible Points	Area Points	H & S Deduction	
Site	21.4	5.3	0.0	
Bldg Ext	18.0	10.5	0.0	
Bldg Sys	17.7	17.6	0.0	
Common Area	1.2	1.2	0.0	
Units	41.7	33.1	10.0	
Overall	100.0	67.7	10.0	
Final Score = Area Points – H & S Deduction				**58 b**

B. Review of the scores for the 3 AMPs indicate the following:

1. All 3 AMPs could have passed if they had addressed site conditions within their control. The majority of the points deducted from all 3 failing AMPs under site conditions are listed below.
   - Fencing and Gates – falling, leaning, damaged
   - Grounds – erosion, overgrown vegetation, graffiti, litter
   - Parking Lots/Driveways/Roads – potholes, loose materials

2. While all 3 AMPs failed, they were able to improve their scores from previous years.

3. All 3 AMPs were penalized for H&S deductions on the unit inspections. This includes deficiencies such as:

   Air Quality – Mold and Mildew
   Infestation – Insects
   Flammable Materials – Improperly Stored Weed Eater in Bedroom

C. In order to continue to improve REAC inspection scores, the PMMSB staff will be retrained to address these items when found during their monthly monitoring. PMMSB will continue to work on establishing a more robust system of monitoring and follow-up for the public housing program.

D. A preventive maintenance plan will be created by each AMP manager to address how often the items in the plan are checked and repaired. PMMSB will procure training to address best maintenance practices.

E. The Property Management and Maintenance Services Branch (PMMSB) will update the current Maintenance Manual. In the Manual, guidelines for mandatory pre-REAC inspections will be established. The guidelines for Annual Unit Inspections will be updated along with inspection instructions and follow up procedures for Exigent Health & Safety (EH&S) deficiencies.

F. The site managers have been advised to serve violations where the point deductions were due to the actions of a resident. Management will follow up on all violations and conduct on going inspections until the situation is remedied.

G. Items found during the inspection that are beyond the skill or expertise of site staff will be forwarded to the Construction Management Branch (CMB) for review on a timely basis.

Prepared by: Stephanie Fo, PMMSB Chief SF

Approved by the Acting Executive Director
November 17, 2011

FOR DISCUSSION

SUBJECT: Board Discussion on Issues Regarding Communication Between Management and Staff, Length of Residency in Public Housing, and Problems with Public Housing Visitors/Guest, Security, Illegal Parking and Drinking in Common Areas

I. DISCUSSION

Request from Director George Yokoyama, the Hawaii Public Housing Authority's (HPHA) Board member, to Director David Gierlach, Chairperson, HPHA Board member regarding taking action on issues regarding communication between management and staff, residency in public housing and problems at the housing projects.

Attachment: Memorandum

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Memorandum

Date: October 27, 2011

To: David Gierlach
Board Chair, Hawaii Public Housing Authority Board

Fr: George Yokoyama GY
Director, Hawaii Public Housing Authority Board

RE: RECOMMENDATION FOR ACTION

I respectfully recommend a careful review of surfacing problems brought to the fore to determine the root causes of the problems delineated below and to initiate steps for corrective action with the aim of raising the efficiency and accountability of HPHA to a new high level.

I strongly believe the following factors contribute reasonably to the support of this recommendation:

1. A cursory glance at the Attorney General's report implies that communication link is seemingly severed between upper and lower management levels of the Authority, that is, each level not knowing what the other level is doing, or vice versa.

2. At the September 2011 Board meeting, a Weed and Seed Program representative remarked that some tenants occupy housing units for 40 years, notwithstanding the fact that there are 9,000 applicants on the waiting list for housing units.

3. At the October 2011 Board meeting, public testimony by a tenant group representative of Mayor Wright Housing (MWH) testified to the problems at MWH such as visitors entering the housing complex without a pass, illegal parking, drinking, and the laxity of the on duty security officer to enforce conformity with rules.

In conclusion, I look forward to participate in the discussion to reach consensus among the board members in support of solutions to the problems.

Approved by the Acting Executive Director

FOR INFORMATION

SUBJECT: Best Practices in Security Efforts

I. FACTS

A. In September 2011, the Hawaii Public Housing Authority's (HPHA) Board requested information on best practices in security efforts.

B. HPHA currently has contracted security guards at nine projects on Oahu: Mayor Wright Homes, Kamehameha Homes, Ka`ahumahu Homes, Puuwai Momi, Kalihi Valley Homes, Kalanihuia (elderly), Kalakaua (elderly), Punchbowl (elderly), and Makamae (elderly). The legislature funds the security services on a yearly basis. The last award was for $1,440,723.00.

C. The HPHA also supports voluntary tenant patrols at various housing projects throughout the State. HPHA staff work with HPD to train recognized tenant patrols in operational and safety procedures.

II. DISCUSSION

A. Security efforts can vary across a wide spectrum of activities broadly categorized as crime prevention, intervention, and law enforcement. At any housing project where security is proposed the HPHA should implement a well thought out security plan, which considers a housing community's readiness and level of risk behaviors.

B. In general, any security plan should include a combination or all of steps below:

1. Make a Commitment. Management must make a commitment both in resources and staffing to improve security efforts.
2. Partner with Law Enforcement. Most PHAs establish a special relationship with local law enforcement agencies to improve crime prevention and security efforts.
3. Security Management Training. Training for staff and tenants can greatly improve the success of any security activities.
4. Crime Risk Assessment. By completing a risk assessment, housing managers can develop a site specific plan.
5. Physical Security Solutions

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6. People Solutions. Property managers need to understand who and how can people contribute to the success of the security efforts.
7. Policy and Procedure. All security activities should be clearly defined for staff, tenants, and management.
8. Develop a Security Plan of Action
9. Community Involvement
10. Maintain the Standards

This plan is similar to the approach used by Weed and Seed and has been successful in the past. The HPHA recognizes that in order for a plan like this to succeed here all parties involved must be ready to commit. Residents, law enforcement, community partners and the HPHA must work together to better our situation. It is the HPHA's responsibility to evict residents that violate the lease agreement and trespass non-residents that are unlawfully on our property.

C. Listed below are security efforts used by public housing authorities, affordable housing developments, and market communities nationwide.

1. Crime Prevention Through Environmental Design (CPTED) is a tool developed largely by criminologist C. Ray Jeffery and commonly used by Public Housing Authorities nationwide. There are four design guidelines used in CPTED, they are:

CPTED Principle #1: Natural Surveillance
"See and be seen" is the overall goal when it comes to CPTED and natural surveillance. A person is less likely to commit a crime if they think someone will see them do it. Lighting and landscape play an important role in Crime Prevention Through Environmental Design.

CPTED Principle #2: Natural Access Control
Natural Access Control is more than a high block wall topped with barbed wire. CPTED utilizes the use of walkways, fences, lighting, signage and landscape to clearly guide people and vehicles to and from the proper entrances. The goal with this CPTED principle is not necessarily to keep intruders out, but to direct the flow of people while decreasing the opportunity for crime.

CPTED Principle #3: Territorial Reinforcement
Creating or extending a "sphere of influence" by utilizing physical designs such as pavement treatments, landscaping and signage that enable users of an area to develop a sense of proprietorship over it is the goal of this CPTED principle. Public areas are clearly distinguished from private ones. Potential trespassers perceive this control and are thereby discouraged.

CPTED Principle #4: Maintenance
CPTED and the "Broken Window Theory" suggests that one "broken window" or nuisance, if allowed to exist, will lead to others ultimately to the decline of an entire neighborhood. Neglected and poorly maintained properties are breeding grounds for criminal activity.

The HPHA has taken the CPTED principle's into consideration when renovating our current inventory.

2. HUD also supports defensible space plans, which is a more limited form of CPTED. Under this concept, when responsibility for shared common areas is unclear, no one ensures that these spaces are decent, safe, and reflective of both shared values and pride of place. Even more compelling is the idea that the building type and physical layout of living spaces appear to be key determinants of a *sense of ownership*, regardless of whether residents own or rent.

   Spaces in residential communities that are commonly shared to varying degrees include entrances to buildings, stairways, landings, hallways, elevators, front yards, sidewalks, surrounding grounds, parking lots, and streets. There is little doubt about who is responsible for and who controls the interior, the surrounding grounds, and the back yard of a single-family home. But the lines of responsibility and control are often less clear for families that live in walkup or garden apartments.

   Circulation areas inside a walkup that are shared - such as entryways, stairways, or land - are usually accessible to only a small number of neighbors who know and recognize one another, and might reach informal agreement about how to share their common area. However, walkups may be built at a density of 30–40 units per acre, and surrounding grounds are often adjacent to a public street and/or parking area and may be openly accessible to the public. Nonresidents have no interest in maintaining these common areas, nor are they aware of their contribution to the neighborhood's overall quality of life as they cut through the grounds, litter, fail to clean up after their pets, raise noise levels, and/or loiter.

3. There is a vast array of security "equipment" used by housing developments including: security cameras, key fobs, locked gates, identification cards, parking passes, tire strips, etc.

Each of the "equipment" choices requires the property owner to make a financial commitment to install the security feature, and decisions need to be made about how to best use and monitor the equipment.

4. Security personnel

Contracted guard services and law enforcement officers can also play an important role in improving security at housing projects. Best practices recommend that PHAs should establish a special relationship with law enforcement agencies. Many PHAs, including HPHA, provide office space or a housing unit for law enforcement officers in its housing developments.

Contracted security guard services can also provide additional security and serve as a "lower level" security presence on-site.

In communities, where housing residents are committed to working together and have an active, functioning resident association, the HPHA encourages and supports the establishment of tenant patrols. Tenant patrols are not intended to replace or act as law enforcement, but can help to spot potential problems (e.g., low lit areas, crime hot spots, unauthorized guests loitering in common areas).

D. The information provided in this For Information is not intended to be all inclusive of security efforts, but is meant to provide the Board with some brief information on security efforts being implemented at various housing authorities.

Attachment A: Case Studies Five Oaks Community; Newark Housing Authority

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

Attachment A

Case Study: Five Oaks Community, Dayton, Ohio

Facilitating a sense of "ownership" - or at least one of shared responsibility - among community residents through the medium of quality design can increase the probability that people will want and be able to protect their living space. The Five Oaks community in Dayton, Ohio is one case in where defensible space principles to were put to work. This 70-year-old neighborhood, located between downtown and the suburbs, consisted of about 2,000 households in one- and two-family homes and some small apartment buildings. By the early 1990s, this urban community was experiencing heavy through-traffic, rising crime, an influx of drug dealing and prostitution, conversions of single-family homes to multifamily use, an exodus of middle-class property owners replaced by low-income minority renters, and general disinvestment. Thirty-five percent of its traffic volume was cutting through the neighborhood en route to destinations elsewhere, making it unsuitable for safe, quiet residential use.

Architect Oscar Newman proposed the restructuring of streets to create mini-neighborhoods as a way of altering the look and function of the community, eliminating through-traffic, and changing the character of the unsafe streets to places where children could play and neighbors could interact. Five Oaks residents decided how to lay out the mini-neighborhoods, guided by the principles of defensible space. Thirty-five streets and 25 alleys were closed, and the existing residences were divided into 10 mini-neighborhoods. Two mini-neighborhoods housed the major schools and a hospital complex, while the remaining eight were primarily residential. Each mini-neighborhood contained between three and six streets with cul-de-sacs, and was defined by similarity in the size of the houses and lots, the materials used in construction, and whether they contained single- or multifamily buildings. Internal two-way arterial streets connected the mini-neighborhoods, but each had only one entrance marked by brick pillars bearing the Five Oaks logo, along with its own name.

This restructuring of the community visibly gave residents greater control and ownership of their environment. Their design approach was further reinforced by police actions to flush out the drug dealing and prostitution, stepped up property code enforcement, and encouragement of first-time homeownership. Within one year of the project's completion, cut-through traffic was reduced by 67 percent, overall traffic volume by 35 percent, and traffic accidents by 40 percent. The overall crime rate dropped by 26 percent and housing values rose by 15 percent. Owners were applying for and receiving city loans to pay for housing improvements. For the first time in many years, families with children were moving into the neighborhood, contributing to a 55-percent increase in housing sales. Today, the Five Oaks community continues to retain its hard won security improvements and continues to be featured on the HUD website.

Case Study: Newark Housing Authority

The Newark Housing Authority (NHA) implemented a program that has had great success. NHA secured building entrances and controlled how residents and their guests accessed the buildings. This was critical for improving safety. Newark uses electronic access control, intercoms, mechanical door locks and closed-circuit television monitored 24 hours a day to control who gets into buildings. NHA reported that since their system has been in place, criminal activity is virtually non-existent within their developments.

Earlier this summer, a security camera by a South Ward public housing development recorded a gunman as he shot and killed a resident from East Orange. The video was immediately turned over to the authorities, and the alleged gunman was arrested and charged with murder.

That home security camera is one of more than 800 watching the courtyards, entryways and elevators of public housing units across Newark. The city began installing the high-resolution cameras three years ago as part of a massive security initiative by the Newark Housing Authority — the largest public housing authority in New Jersey and the 11th largest in the nation.

The security project — aimed at reducing crime and improving the safety and comfort of residents — added new systems and renovated the public areas of 23 high-rise buildings that house senior and disabled residents. New cameras were installed at five low-rise housing developments for families.

Newark's new system, which keeps records of everyone coming in and out of the buildings and features magnetic entry door locks and visitor badges, is the latest in building security — and recently drew a delegation from the New York City Housing Authority, interested in learning about the project.

The Newark Housing Authority spent $5 million in federal funds on the project. They also hired a company to provide guards and install computers in high-rise buildings. At the authority's Broad Street headquarters, monitors display dozens of images of elevators, community rooms and lobby desks at its buildings around the city. Staff watch the cameras 24 hours a day.

Approved by the Acting Executive Director
November 17, 2011

FOR INFORMATION

SUBJECT: Update on Tenant Monitor Pilot Program

I. FACTS

A. In 2009, the Hawaii Public Housing Authority took over management of Palolo Homes when the private management contract ended. When the property became state managed, the community lost its on-site resident manager.

B. In response to the concerns of their community, the Palolo Homes Resident Association requested that the HPHA address their security concerns.

C. The concept of the HPHA's Tenant Monitor Pilot Program is based on similar programs that are being operated at other public housing authorities nationwide. Under the Tenant Monitor Program, the HPHA would use a public housing resident (tenant monitor) after its normal business hours to provide limited management, maintenance, and security services. In return for providing the extended services, the tenant monitor would receive a monthly stipend. The details of the proposed stipend structure are still being worked out.

D. The HPHA recognized that working with local law enforcement and public housing residents separately would not effectively combat problems within their communities; however, working in partnership with other organizations would more effectively address the issues at Palolo Homes.

E. Subsequently, the HPHA worked with the Department of Justice, Department of the Attorney General, The Mediation Center of the Pacific, the police departments of Honolulu, Kauai, Maui, Hawaii and public housing residents in an effort establish the pilot program. The Tenant Monitor Program is a good example of the residents working together with the public housing agency to control and prevent crimes in the community.

II. DISCUSSION

A. Staff is preparing for the tenant monitoring to start as a pilot project at Asset Management Property (AMP) 50: Palolo Valley. The tenant monitor is a "volunteer" pursuant to section 90-2(c), Hawaii Revised Statutes, and shall be subject to all requirements of Chapter 90 Hawaii Revised Statutes (State Policy Concerning the Utilization of Volunteer Services).

B. Some of the basic program guidelines are as follows:

1. A tenant monitor(s) will be selected through a screening process, which will include that the tenant must be in good standing, current in rent payments, and have not been issued violation notices within the last six months prior to recommendation.

2. Training in coordination with the prosecutor's office, Honolulu Police Department (HPD) community policing and the HPHA staff will begin in February 2012.

3. The tenant monitor will not be considered an employee under laws related to state or county employment, any collective bargaining agreement between the State, and any employees' association or union, laws relating to hours of work, rates of compensation, leaves and employee benefits and any other provision of Title 7 of the Hawaii Revised Statues related to Public Offices and Employees.

4. The tenant monitor will not be utilized to displace any paid HPHA employee from their position.

5. Tenant monitors will be provided a copy of the tenant monitor program guidelines, including roles and responsibilities, a position description, a policy, area monitoring report form, and an incident report form.

6. The tenant monitor will be responsible for the daily functions listed below when the management office officially closes at 4:30 p.m., until the time the management office reopens at 7:45 a.m., including all day Saturday, Sunday, and State holidays. Volunteer tenant monitor duties may include:

   a. Serve as a liaison between the police department and the HPHA.
   b. Disseminate information from the HPHA and police department to the residents.
   c. Assist resident security patrols in selection of area and time of patrol.

d. Rove the property for safety and security issues to be reported to management (building lights, trip hazards and over grown vegetation).
e. Call 911 as needed, remain on the scene and represent the HPHA for police contact.
f. Respond to disturbances on the property.
g. Write incident reports and turn into the manager/deputy manager for any incident/happening on the property during their shift (see Form in Section 4).
h. Give out parking citations and call tow truck companies for illegal cars as needed.
i. Record and report curfew violations. The manager/deputy manager will contact the head of household regarding the curfew violation.
j. Verify emergency work orders, report to maintenance if an immediate response is necessary.
k. Recommend problem individuals who do not live in public housing be trespassed.
l. Monitor possible illegal dumping at the property and get license plate number.
m. Deliver or post notices for management as requested.

C. HPHA will continue to work with the Honolulu Police Department, the residents, and AMP staff to implement a tenant monitor pilot program. Target date for implementation is January 2012.

D. Once the HPHA and the tenant monitor(s) have had the opportunity to implement the pilot program, evaluate its effectiveness, and make program improvement, the goal is to identify potential expansion sites.

Prepared by: Phyllis Ono, Property Management Specialist______

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

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Approved by the Acting Executive Director
November 17, 2011

FOR DISCUSSION

SUBJECT: Volunteers Instilling Pride (VIP) Program and Volunteer Protocol

I. FACTS

A. Several years ago the Hawaii Public Housing Authority (HPHA) was faced with a back log of vacant units in its public housing inventory. In response to the need to expedite the repair of vacant units, the HPHA first introduced the Volunteers Instilling Pride (VIP) program in collaboration with Senator Suzanne Chun Oakland in April 2008.

B. Former Executive Director Chad Taniguchi engaged in formal consultations with the United Public Workers union in order to use the VIP group at the HPHA's public housing sites. It was agreed that since the majority of volunteers were unskilled labor their projects would focus on custodial, painting, and clean-up efforts.

C. At the time, the UPW union generally agreed that HPHA could use the VIP group under the following circumstances:

1. VIPs workers cannot displace UPW workers;

2. The use of VIPs shall not replace the HPHA's obligation to make overtime or compensatory time opportunities available to UPW workers;

3. VIPs must be adequately supervised by an HPHA employee; and

4. Private managing agents are not governed by the HPHA's agreement with the UPW.

D. With the help of the volunteers, the HPHA was able reduce the number of vacant units considered Type "A" units. (Type A units generally require very little or no repair work, but need cleaning and repainting before a new family can occupy the unit.) Since 2009, the HPHA and/or the private managing agents have used the VIP group to assist, but not on a regular basis.

E. In late 2010, there was a renewed effort to actively use the VIP group at the public housing sites. Due to the change in leadership, the HPHA contacted the UPW union to determine whether there were new concerns or opposition to the use of volunteers to provide services that are historically provided by civil service employees.

II. DISCUSSION

A. According to the Fair Labor Standards Act, a volunteer is "an individual who performs hours of service for a public agency (or organization) for civic, charitable, or humanitarian reasons, without promise, expectation or receipt of compensation for services rendered."

B. Although volunteers provide services without compensation, as a state agency the HPHA is required to comply with various rules governing the use of volunteers. HRS Chapter 90 contains the "*State Policy Concerning the Utilization of Volunteer Services.*" Per HRS section 90-3(e), when using volunteer services, HPHA has the responsibility to:

(1) Use volunteers to extend services without displacing paid employees.
(2) Provide each volunteer with a designated supervisor.
(3) Provide staff orientation and training in the use and supervision of volunteers.
(4) Define volunteer jobs that are meaningful to the volunteer and commensurate with his abilities.
(5) Be alert to assignments for handicapped or disabled volunteers.
(6) Make it possible for a volunteer to serve on a trial or probationary basis for a specified period.
(7) Provide orientation and training to improve the volunteer's skills.
(8) Provide volunteers with clear instructions and an adequate work space.
(9) Accept the volunteer as part of the team, including him in training and staff meetings that pertain to his work.
(10) Establish and communicate clearly defined lines of supervision so that the volunteer knows to whom he is responsible.
(11) Provide appropriate recognition and appreciation to the volunteer.
(12) Provide written guidelines governing the recruitment, screening, utilization, and supervision of volunteers.
(13) Recognize an applicant's prior volunteer service in evaluating fulfillment of training and experience requirements for state employment pursuant to rules adopted by the department of human resources development, the judiciary, and the board of regents of the University of Hawaii.
(14) Provide funds for volunteer benefits as specified in section 90-4.

(15) Provide recognition of paid staff for support and supervision of volunteers.

C. On November 3, 2011, HPHA met with Mr. Kent Anderson, representative of the VIP effort, to discuss the possible use of VIPs at HPHA's public housing sites. Mr. Anderson was also provided contact information for the private managing agents and encouraged to work directly with their managers.

D. In an unrelated volunteer effort, Chair David Gierlach requested that HPHA allow First to Work community volunteers from St- Elizabeth's to provide volunteer services at Mayor Wright Homes on a weekly basis.

E. This item is included on the Board agenda so that the HPHA Board can discuss the VIP Program and volunteer protocols.

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

Approved by the Acting Executive Director
November 17, 2011

FOR DISCUSSION

SUBJECT: Location of HPHA Board Meetings and Possible Alternate Sites or Rotation at Public Housing Complexes

I. FACT

A. The HPHA Board Chair is requesting that the Board of Directors discuss the possibility of holding the monthly meetings at alternate sites or rotate the meetings at public housing complexes.

B. A copy of the HPHA's public housing inventory is attached.

II. DISCUSSION

A. To be discussed at the November 17, 2011 Board meeting.

Attachment

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Amp	Project Title	Contractor	D/C/B	S/F/O	Engineer	CMS #	Start	End	Status	Planning Budget	OTHER FUNDS		FEDERAL CFP FUNDS Expend Deadline 06-12-2012	Fully Obligated ARRA	FEDERAL CFP FUNDS Obligation Deadline 4-14-2012	FEDERAL CFP FUNDS Obligation Deadline 7-14-2012	FEDERAL CFP FUNDS Obligation Deadline 8-02-13	Economic Development Initiative	Economic Development Initiative	US EPA Grant	US EPA Grant	Economic Development Initiative	Economic Development Initiative	FEDERAL PLANNED CFP PROJECTS (Included in HPHA's Five Year Plan)					LS CIP Non-Routine R&M/Reno, S/W Des Encumber 06-30-2012	LS CIP Non-Routine R&M/Reno, S/W Con Encumber 06-30-2012	General Fund Operating HMS-220 Lapse 06-30-2010	LS CIP Non-Routine R&M/Reno, S/W (Design) Encumber 06-30-2012
										Planning Budget	Mis. Funds	Project Fund	718		719	720	721	I-09-SP-HI-025	09-SP-HI-025	09L0QU8	09L0QHS	-10-SP-HI-021	B-10-SP-HI-021	722	723	724	725	726	B-09-409-K	B-09-410-K	G-10-070-K	B-10-403-K
SLIPH	ADA Accessibility Compliance for 19 State Housing Projects (18 Oahu	Richard Matsunaga & Associates Archite	D	S	Rick Speer	CMS-02-14	6/18/2002		Open	395,805																						
31	ADA Accessibility Compliance for Hauiki Homes and Puahala Homes,	Kajioka Yamachi Architects, Inc.	D	S	Rick Speer	CMS-02-12	6/18/2002		Open	75,997																						
FLIPH	ADA Compliance for Koolua Village and Hale Hookipa Kahaluu (Desig	Architects Hawaii, Ltd.	D	S	Miles Okimura	CMS-10-05	2/16/2010	2/5/2012	Open																							
LIPH	ADA Compliance for Various Projects in Maui County and West Hawai	Pacific Architects Inc.	D	S	Rick Speer	CMS-02-11	7/1/2002	7/11/2003	Open	263,101																						
FLIPH	ADA Compliance for Various State and Federal Projects (Const)	For Planning Purposes Only	C	S					Open	9,500,000																						
FLIPH	ADA Compliance for Various State and Federal Projects (Design)	For Planning Purposes Only	D	S					Open	2,000,000																						
LIPH	ADA/Fair Housing Acccessability Study	National Center for Housing Management	D	F	K. Oishi				Open			14,657				448,061																
LIPH	ADA/UFAS Compliance for (5 projects) Puuwai Momi, Waimaha, Kaui	For Planning Purposes Only	C	S	Rick Speer				Open	1,000,000																						
LIPH	ADA/UFAS Compliance for (5 projects) Puuwai Momi, Waimaha, Kaui	Architects Hawaii, Ltd.	D		Rick Speer				Open																							
LIPH	ADA/UFAS Compliance for (9 projects) (Const)	For Planning Purposes Only	C		Rose Churma				Open																							
LIPH	ADA/UFAS Compliance for (9 projects) (Design)	Richard Matsunaga & Associates Archite	D	S	Rose Churma	CMS-10-03	5/12/2010	6/28/2012	Open																							
39	David Malo Circle, Exterior Improvements Paint, Roofing, Site Work (C	For Planning Purposes Only	C	S	Rick Speer		12/1/2009	3/31/2010	Open																							
39	David Malo Circle, Exterior Improvements Paint, Roofing, Site Work (D	Group 70	D	S	Rick Speer		7/13/2009	3/31/2010	Open																							
FLIPH	Elevator Maintenance Service for Various Federal-Funded Projects (C	Kone, Inc.	C	S	Miles Okimura	CMS-08-06	7/1/2006	6/30/2011	Open		166,218																					
FLIPH	Elevator Maintenance Service for Various Federal-Funded Projects (C	Kone, Inc.	C	S	Miles Okimura	CMS-08-06-SC01	7/1/2006	6/30/2011	Open																							
FLIPH	Elevator Maintenance Service for Various Federal-Funded Projects (C	Kone, Inc.	C	S	Miles Okimura	CMS-08-06-SC02	7/1/2006	6/30/2011	Open																						135,191	
FLIPH	Elevator Maintenance Service for Various Federal-Funded Projects (C	Kone, Inc.	C	S	Miles Okimura	CMS-08-06-SC03	7/1/2006	6/30/2011	Open			132,651																				
FLIPH	Elevator Maintenance Service for Various Federal-Funded Projects (C	Kone, Inc.	C	S	Miles Okimura	CMS-08-06-SC04	7/1/2006	6/30/2011	Open			15,396																				
FLIPH	Elevator Maintenance Service for Various Federal-Funded Projects (C	Kone, Inc.	C	S	Sahar Ibrahim	CMS-08-06-SC05	7/1/2006	6/30/2011	Open			9,482																				
SLIPH	Elevator Maintenance Service for Various State-Funded Projects (Con	Kone, Inc.	C	F	Miles Okimura	CMS-08-05	7/1/2006	6/30/2011	Open		12,540	24,265																				
SLIPH	Elevator Maintenance Service for Various State-Funded Projects (Con	Kone, Inc.	C	S	Miles Okimura	CMS-08-05-SC01	7/1/2006	6/30/2011	Open		6,534	25,287																				
SLIPH	Elevator Maintenance Service for Various State-Funded Projects (Con	Kone, Inc.	C	S	Miles Okimura	CMS-08-05-SC02	7/1/2006	6/30/2011	Open		6,795	26,298																			78,895	
SLIPH	Elevator Maintenance Service for Various State-Funded Projects (Con	Kone, Inc.	C	S	Miles Okimura	CMS-08-05-SC03	7/1/2006	6/30/2011	Open		7,067	27,350																				
SLIPH	Elevator Maintenance Service for Various State-Funded Projects (Con	Kone, Inc.	C	S	Miles Okimura	CMS-08-05-SC04	7/1/2006	6/30/2011	Open																							
LIPH	Elevator Modernization of 16 at Various Oahu Locations (Const)	Okada Trucking Co., Ltd.	C	S	Miles Okimura	CMS-10-13	7/26/2010	7/15/2012	Open			408,377																				
LIPH	Elevator Modernization of 16 at Various Oahu Locations (Design)	Elevator Consulting Services	D	S	Miles Okimura	CMS-08-20	6/2/2008	1/3/2015	Open			13,585																				
LIPH	Elevator Modernization Phase II: 11 at Various Sites (Const)	For Planning Purposes Only	C	S					Open																							
LIPH	Elevator Modernization Phase II: 11 at Various Sites (Design)	For Planning Purposes Only	D	S					Open	200,000																						
LIPH	Elevator Repair and Maintenance at Various Sites Phase III (Const)	For Planning Purposes Only	C		Miles Okimura				Open																							
LIPH	Elevator Security Improvements at Various Sites Statewide (Const)	For Planning Purposes Only	C		Miles Okimura				Open	1,000,000																						
FLIPH	Environmental, Historical, Flood Plain, Archeological, Cultural Review (	Helber Hastert & Fee Planners, Inc.	D	F	M. Kawamura	CMS-10-15	5/17/2010	11/12/2010	Open				159,131		82,159																	
LIPH	Generator Maintenance Services at Various Oahu Projects (Const)	Pacific Power Products	C	S/F	Sahar Ibrahim	CMS-09-10	8/10/2009	8/11/2012	Open		75,160																				42,948	
37	Hale Aloha O'Puna, ADA Units & Roof (Const)	For Planning Purposes Only	C	S/F					Open								1,000,000															
37	Hale Aloha O'Puna, ADA Units & Roof (Design)	Allana, Buick and Bers Inc.	D	S	M. Kawamura				Open																							
46	Hale Hauoli at Honokaa, Hawaii Painting, Re Roofing and Renovation	Isemoto Contracting Co. Ltd.	C	F	Sahar Ibrahim	CMS-10-07	10/4/2010	4/25/2011	Open					1,834,890																		
46	Hale Hauoli at Honokaa, Hawaii Painting, Re Roofing and Renovation	Koa Architects, LLC (KNG Architects)	D	S	Sahar Ibrahim	CMS-08-18	6/18/2008	8/12/2011	Open																							
30	Hale Laulima, Major Mod (Const)	For Planning Purposes Only	C	F					Open	4,500,000																1,262,823	2,737,177					
43	Hale Hookipa Physical Improvements to Exterior Repairs and Interior M	For Planning Purposes Only	C	F					Open																		3,000,000					
43	Hale Hookipa, Kaimalino, Nani Olu, Noelani, and Paoakalani Reroofing	Ushijima Architects, Inc.	D	F	Miles Okimura	CMS-06-14-SC02	7/17/2006	3/11/2011	Open						88,749																	
43	Hale Hookipa, Nani Olu, Reroofing (Const)	Stan's Contracting, Inc.	C	F	Miles Okimura	CMS-09-13	1/19/2010	1/31/2011	Open				19,355		98,179																	
38	Hale Hoolulu, Repaint, ReRoof, Emergency Call System Prepare Tank	For Planning Purposes Only	C	S					Open																							
38	Hale Hoolulu, Repaint, ReRoof, Emergency Call System Prepare Tank	Group 70	D	S	Rose Churma	CMS-10-22	8/3/2010	11/30/2012	Open																							
30	Hale Laulima, Major Mod (Design)	For Planning Purposes Only	D	F	Lisa Izumi				Open																	900,000						
31	Kalihi Valley Homes, Reconstruct Kalena Drive (Const)	For Planning Purposes Only	C	F	Lisa Izumi				Open																	1,000,000						
38	Hale Nana Kai O'Kea, Physical Improvement (Const)	For Planning Purposes Only	C	S					Open																							
38	Hale Nana Kai O'Kea, Physical Improvement (Design)	Group 70	D	S	Rose Churma	CMS-10-22	8/3/2010	11/30/2012	Open																							
42	Hale Po'ai, Building Improvements (Const)	Ralph S. Inoye, Co. Ltd.	C	S	Lisa Izumi	CMS-11-02	2/2/2011		Open																							
42	Hale Po'ai, Building Improvements (Design)	Architects Pacific, Inc.	D	S	Lisa Izumi	CMS-08-17	6/9/2008	7/24/2011	Open																							
42	Halia Hale, Reroof, Lights, Mechanical Repairs, R&M-elevator shaft, w	For Planning Purposes Only	C	S	M. Kawamura				Open																						65,000	
31	Hauiki Homes, Upgrade Electrical Distribution System (Design)	HECO	D	S	M. Kawamura	PO# 12K00366	9/8/2011		Open																				270,000			
31	Hauiki Homes, Upgrade Electrical Distribution System, Replace Four T	For Planning Purposes Only	C	S	M. Kawamura				Open																							
31	Hauiki Homes, Upgrade Electrical Distribution System, Replace Four T	Ronald N.S. Ho & Associates, Inc.	D	S	M. Kawamura	CMS-11-07	6/6/2011		Open																							
42	Hoolulu and Kamalu Emergency Call System Repair (Design)	Nakamura, Oyama and Associates	D	S	Miles Okimura	CMS-08-13	6/2/2008	3/29/2011	Open																							
38	Hui O Hanamaulu, Physical Improvements (Const)	For Planning Purposes Only	C	F	Rose Churma		12/1/2009	5/1/2010	Open															1,916,051								
38	Hui O Hanamaulu, Physical Improvements (Design)	Marc Ventura AIA LLC	D	S	Rick Speer	CMS-11-01	1/31/2011	7/17/2013	Open																							
43	Ka Hale Kahaluu, Sidewalk Repair Responding to County Violation (Co	For Planning Purposes Only	C	S	Miles Okimura				Open																					11,614		
33	Kaahumanu Homes, Reroofing (Const)	Arita-Poulson General Contracting, LLC	C	F	Rick Speer	CMS-10-19	8/9/2010	7/29/2011	Open				1,712,723		261,374																	
33	Kaahumanu Homes, Reroofing and Additional Work for Abatement (De	For Planning Purposes Only	D	S	Rick Speer				Open	120,000																						
33	Kaahumanu Homes, Spall Repair and Painting for 19 Buildings (Const)	For Planning Purposes Only	C	F	Rick Speer		12/8/2010	8/3/2011	Open	1,200,000																						
39	Kahale Mua, Federal, Site & Reroof (Const)	For Planning Purposes Only	C	S/F	Rick Speer		12/1/2009	5/31/2010	Open	2,000,000													389,600									
39	Kahale Mua, Federal, Site Improvements, Bldg Mod and Reroof (Desig	Riecke Sunnland Kona Architects, LTD	D	S	Rick Speer	CMS-11-04	7/15/2009	5/31/2010	Open																				263,734			
39	Kahale Mua, State Site & Bldg Mod (Const)	For Planning Purposes Only	C	S	Rick Speer		12/1/2009	5/31/2010	Open	2,000,000																						
39	Kahale Mua, State, Site Improvements, Bldg Mod and Reroof (Design)	Riecke Sunnland Kona Architects, LTD	D	S	Rick Speer	CMS-11-04	7/15/2009	5/31/2010	Open																				287,248			
39	Kahekili Terrace, David Malo Circle, Makaniki Hale and Pillani Homes	Artistic Builders Corporation	C	S	Rick Speer	CMS-09-09	6/29/2009		Open																						150,631	
39	Kahekili Terrace, Physical Improvements (Const)	F&H Construction	C	F	Rick Speer	CMS-10-11	6/28/2010	4/29/2011	Open					5,079,289																		
39	Kahekili Terrace, Physical Improvements (Design)	Allana, Buick and Bers Inc.	D	S	Rick Speer	CMS-08-28	6/25/2008	5/29/2011	Open																							
39	Kahekili Terrace, Roof & Solar Repairs, Ph 2 (Const)	For Planning Purposes Only	C	S					Open	3,000,000																						
39	Kahekili Terrace, Tent Fumigation and Soil Treatment (Const)	Sandwich Isle Pest Solutions	C	S	Rick Speer	CMS-09-12	7/30/2009		Open																						138,547	
38	Kalaheo Homes, Physical Improvements (Const)	For Planning Purposes Only	C	S	Rose Churma		12/1/2009	12/1/2010	Open																							
38	Kalaheo Homes, Physical Improvements (Design)	Group 70	D	S	Rose Churma	CMS-10-22	8/3/2010	11/30/2012	Open																							
34	Kalakaua Homes, ADA & 504 Interior & Exterior, Exterior Paint & Misc	For Planning Purposes Only	D	S	Sahar Ibrahim	CMS-11-10	6/23/2011		Open																					1,980,313		
34	Kalakaua Homes, Roof Improvements (Const)	Tory's Roofing	C	F	Sahar Ibrahim	CMS-10-10	6/1/2010	9/28/2010	Open					780,553																		
34	Kalakaua Homes, Roof Improvements, Paint and ADA (Design)	Architects Hawaii, Ltd.	D	S	Sahar Ibrahim	CMS-09-18	10/22/2009	10/25/2011	Open																						163,466	
35	Kalanihuia, Reroofing and Elevator Lobby Improvements (Const)	ABC Seating, Inc. dba ABC Design Cente	C	F	M. Kawamura	CMS-10-12	4/19/2010	10/18/2010	Open					196,865																		
35	Kalanihuia, Reroofing and Elevator Lobby Improvements (Design)	WTN Architecture	D	S	M. Kawamura	CMS-09-17	10/5/2009	7/1/2011	Open																							
31	Kalihi Valley Homes, Community Center (Const)	For Planning Purposes Only	C	S	Lisa Izumi				Open	130,000																						
31	Kalihi Valley Homes, Community Center (Design)	Clifford Projects Inc.	D	S	Lisa Izumi	PO# 10K01950, PO#	5/27/2010		Open																							
31	Kalihi Valley Homes, Emergency Construction for Collapsed Rock Wal	For Planning Purposes Only	C	S	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Emergency Construction, Removal and Repair Fa	For Planning Purposes Only	C	S	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Emergency Design for Collapsed Rock Wall (Des	GYA Architects, Inc.	D	S	Lisa Izumi	PO# 11K00304	7/23/2010		Open																							
31	Kalihi Valley Homes, Emergency Design, Removal and Repair Falling R	GYA Architects, Inc.	D	S	Lisa Izumi	CMS-11-08	6/8/2011		Open																				57,594			
31	Kalihi Valley Homes, Master Plan (Design)	Helber Hastert & Fee Planners, Inc.	D	S	Lisa Izumi	CMS-11-11	6/23/2011		Open																				202,394			
31	Kalihi Valley Homes, Office Roof, Office Asbestos Abatement (Const)	For Planning Purposes Only	C	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Office Roof, Office Asbestos Abatement (Design)	For Planning Purposes Only	D	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Phase II Site and Dwelling Improvements (Design	Pacific Architects Inc.	D	F	Wayne Nakamura	CMS-01-08	8/27/2001		Open	687,054			20,056																			
32	Mayor Wright Homes, Modernization - Ph 1 (Const)	For Planning Purposes Only	C						Open	6,000,000																404,478		1,144,000				
31	Kalihi Valley Homes, Reroof (11) Residential Buildings and Administrat	For Planning Purposes Only	C	S	Lisa Izumi				Open	1,000,000																						
31	Kalihi Valley Homes, Reroof (11) Residential Buildings and Administrat	GYA Architects, Inc.	D	S	Lisa Izumi	CMS-11-09	6/8/2011		Open	131,935																						
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase IVA (Cons	Rainforest G. Construction LLC	C	S	Lisa Izumi	CMS-09-15	10/26/2009	1/25/2011	Open					1,567,032																		
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase IVA (Desig	GYA Architects, Inc.	D	S	Lisa Izumi	CMS-08-37	10/20/2008	9/30/2011	Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase IVA (Desig	GYA Architects, Inc.	D	S	Lisa Izumi	CMS-08-37-SC01	10/20/2008	9/30/2011	Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase IX (Const)	For Planning Purposes Only	C	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase IX (Design	For Planning Purposes Only	D	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase IVB (Cons	For Planning Purposes Only	C	F	Lisa Izumi				Open									380,000														
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase IVB (Desi	For Planning Purposes Only	D	F	Lisa Izumi				Open	1,500,000							1,154,141															
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase V (Const)	For Planning Purposes Only	C	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase V (Design	For Planning Purposes Only	D	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase VI (Const	For Planning Purposes Only	C	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase VI (Desig	For Planning Purposes Only	D	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase VII (Const	For Planning Purposes Only	C	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase VII (Desig	For Planning Purposes Only	D	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase VIII (Cons	For Planning Purposes Only	C	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvement Phase VIII (Desi	For Planning Purposes Only	D	F	Lisa Izumi				Open																							
31	Kalihi Valley Homes, Site and Dwelling Improvements Phase III (Desig	GYA Architects, Inc.	D	F	Glenn Sunako	CMS-03-06	11/5/2003	8/31/2009	Open	766,544			6,667																			
33	Kamehameha Homes, Replace Railings and Ext. Closet Doors, Termit	For Planning Purposes Only	C		Lisa Izumi				Open	925,000																						
37	Kauhale O Hanakahi, Recoat Metal Roofs and Roof Vents at Kauhale	For Planning Purposes Only	C	S	M. Kawamura				Open																							
37	Kauhale O Hanakahi, Repainting of Five (5) Buildings & Community Ce	For Planning Purposes Only	C		M. Kawamura				Open	750,000																						
37	Kauhale O Hanakahi, Repainting of Five (5) Buildings & Community Ce	For Planning Purposes Only	D		M. Kawamura				Open	90,000																						
37	Kauhale O Hanakahi, Replace Septic Tank (Const)	For Planning Purposes Only	C	S	M. Kawamura				Open																							
44	Kauiokalani, Reroof, Paint, Interior Repairs Including Termites (Const)	For Planning Purposes Only	C	F	Miles Okimura				Open	3,500,000																						
38	Kawailehua, (Federal) Exterior Improvements (Const)	Artistic Builders Corporation	C	F	Rose Churma	CMS-11-16	12/1/2009	5/1/2010	Open						2,329,879																	
38	Kawailehua, (Federal) Exterior Improvements (Design)	Richard Matsunaga & Associates Archite	D	F	Rose Churma	CMS-10-06	3/29/2010	4/27/2013	Open																				303,998			
38	Kawailehua, (State) Improvements (Const)	Artistic Builders Corporation	C	S	Rose Churma	CMS-11-16	12/1/2009	5/1/2010	Open																					877,708		
38	Kawailehua, (State) Improvements (Design)	Richard Matsunaga & Associates Archite	D	S	Rose Churma	CMS-10-06	3/29/2010	4/27/2013	Open																							
46	Ke Kumu Ekolu, Painting of Vacant Units (Const)	For Planning Purposes Only	C	S	Sahar Ibrahim				Open	75,000																						
46	Ke Kumu Ekolu, Roofing & Interior Repairs (Const)	For Planning Purposes Only	C	S	Sahar Ibrahim				Open																							
46	Ke Kumu Ekolu, Roofing & Interior Repairs (Design)	Ushijima Architects, Inc.	D	S	Sahar Ibrahim	CMS-11-18	9/13/2011		Open																							368,047

										Planning Budget	OTHER FUNDS	FEDERAL CFP FUNDS Expend Deadline 06-12-2012	Fully Obligated	FEDERAL CFP FUNDS Obligation Deadline 4-14-2012	FEDERAL CFP FUNDS Obligation Deadline 7-14-2012	FEDERAL CFP FUNDS Obligation Deadline 8-02-13	Economic Development Initiative	Economic Development Initiative	US EPA Grant	US EPA Grant	Economic Development Initiative	Economic Development Initiative	FEDERAL PLANNED CFP PROJECTS (Included in HPHA's Five Year Plan)	LS CIP Non-Routine R&M/Reno, S/W Des Encumber 06-30-2012	LS CIP Non-Routine R&M/Reno, S/W Con Encumber 06-30-2012	General Fund Operating HMS-220 Lapse 06-30-2010	LS CIP Non-Routine R&M/Reno, S/W (Design) Encumber 06-30-2012
40	KPT, Bathrooms ADA Compliant (Const)	For Planning Purposes Only	C	F					Open	100,000																	
40	KPT, Bathrooms ADA Compliant (Design)	For Planning Purposes Only	D	F					Open	20,000																	
40	KPT, Boilers 3 years maintenance	Starr & Co.	C	S	Sahar Ibrahim	PO# 09K01867,	7/1/2009	6/30/2012	Open																		
40	KPT, Dry Standpipe Improvements (Const)	For Planning Purposes Only	C						Open	1,200,000																	
40	KPT, Dry Standpipe Improvements (Design)	For Planning Purposes Only	D	S					Open																		
40	KPT, Elevator, Phase I: Modernization of 6 elevators & Assessment at	Elevator Consulting Services	D	S	Miles Okimura	CMS-07-16-SC01	7/11/2007	1/10/2013	Open																		
40	KPT, Elevator, Phase I: Modernization of Six Elevators (Const)	Kone, Inc.	C	S	Sahar Ibrahim	CMS-09-02	3/19/2009	3/18/2011	Open																		
40	KPT, Elevator, Phase I: Modernization of Six Elevators (Const)	Kone, Inc.	C	S	Sahar Ibrahim	CMS-09-02-SC02	3/19/2009	3/18/2011	Open																		
40	KPT, Elevator, Phase I: Modernization of Six Elevators (Const)	Kone, Inc.	C	S	Sahar Ibrahim	PO# 11K00278	3/19/2009	3/18/2011	Open																		
40	KPT, Environmental Assessment of KPT Grounds for Chemical Agents	Enviroservices & Training Center, LLC	D	S	Lisa Izumi	PO# 11K00310,PO# 11K00308, 11K01410			Open															14,228			
40	KPT, Environmental Ecapsulation of Termite Treatment Contaminated	For Planning Purposes Only	C	S					Open	500,000																	
40	KPT, Field investigation assessing structural integrity of the incinerators	Sato & Associates, Inc.	D	S	Sahar Ibrahim	CMS-10-28, PO# 11	9/23/2010	12/23/2010	Open																		
40	KPT, Fire Alarm System Design (Both)	American Electric Co.	B	F	Miles Okimura	CMS-07-08	5/8/2007	4/15/2010	Open																		
40	KPT, Install New Telephone Cabinets and Conduits in Building "B" (Co	Bivens's Electric dba West Coast Constru	C	F	Marcel Audant	CMS-07-02	2/9/2007		Open					12,330													
40	KPT, Installation of New Security Camera System for Elevators (Const	Security System Hawaii, Inc.	C	S					Open																		
40	KPT, Provide emergency labor, materials and equipment necessary to	Nuprecon, LP	C	S	Sahar Ibrahim	PO# 11K01523 (canceled 5-10-11)			Open																		
40	KPT, Raised Sidewalks, Road Repairs, Sidewalk Repairs, Site Improv	For Planning Purposes Only	C	S					Open																		
40	KPT, Raised Sidewalks, Road Repairs, Sidewalk Repairs, Site Improv	For Planning Purposes Only	D	S					Open																		
40	KPT, Redevelopment of KPT and Kuhio Homes (Const)	Micheals Development Co.	C	F	Sahar Ibrahim				Open						2,000,000												
40	KPT, Remove and Replace Lobby Roof Towers A & B, Selective patc	For Planning Purposes Only	D	S					Open																		
40	KPT, Reroofing Tower A (Const)	For Planning Purposes Only	C	S					Open																		
40	KPT, Reroofing Tower B (Const)	Beachside Roofing, LLC	C	F	Rick Speer	CMS-10-18	8/9/2010	12/7/2010	Open			781,591															
40	KPT, Rezoning and Subdivision (Design)	For Planning Purposes Only	D						Open	200,000																	
40	KPT, Security Cameras (Elevator Cams) (Const)	For Planning Purposes Only	C	S					Open																		
40	KPT, Sewer Repair Phase II (Const)	For Planning Purposes Only	C	S/F					Open	8,000,000																	
40	KPT, Sewer Repair Phase III (Const)	For Planning Purposes Only	C						Open	8,000,000																	
40	KPT, Structural, Spall, and Trash Chute Repair and Maintenance (Con	For Planning Purposes Only	C	S					Open																		
40	KPT, UFAS/ADAAG Renovations to Parking Lot (Design)	For Planning Purposes Only	D						Open																		
40	KPT, Upgrade Trash Chutes (Const)	Ikaika Builders, Inc.	C	F	Sahar Ibrahim	CMS-09-05	5/5/2009		Open			1,260,573		54,347													
49	Kupuna Home O'Waialua, Sewage Operational and Preventive Mainte	O&M Enterprises	C	S	M. Kawamura	CMS-07-10	6/15/2010	7/15/2011	Open																		
49	Kupuna Home O'Waialua, Sewage Operational and Preventive Mainte	For Planning Purposes Only	C	F	M. Kawamura				Open																		
49	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (C	Perfecto Engineering & Construction Serv	C	S	M. Kawamura	CMS-10-23	11/10/2009	11/11/2012	Open	25,000																	
49	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (D	The Limtiaco Consulting Group	D	S	M. Kawamura	CMS-08-22	7/28/2008	4/1/2011	Open																		
49	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (D	The Limtiaco Consulting Group	D	S	M. Kawamura	CMS-08-22-SC01	7/28/2008	4/1/2011	Open																		
49	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (D	The Limtiaco Consulting Group	D	S	M. Kawamura	CMS-08-22-SC02	7/28/2008	4/1/2011	Open																		
49	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (D	The Limtiaco Consulting Group	D	S	M. Kawamura	CMS-08-22-SC03	7/28/2008	4/1/2011	Open																		
49	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (D	The Limtiaco Consulting Group	D	S	M. Kawamura	CMS-08-22-SC05	7/28/2008	4/1/2011	Open															14,080			
49	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (M	The Limtiaco Consulting Group	C	S	M. Kawamura	CMS-08-22-SC04	7/28/2008	4/1/2011	Open																		
49	Kupuna Home O'Waialua, Transformer Replacement and Maintenance	HECO	C	S	M. Kawamura				Open																	4,332	
42	La`iola, Install Fall Protection for Roof Access (Const)	For Planning Purposes Only	C	S	M. Kawamura				Open																25,000		
42	La`iola, Upgrade Fire Alarm System (Design)	Electech Hawaii, Inc.	D	S	M. Kawamura	CMS-08-02	1/28/2008	5/23/2010	Open																		
42	La`iola, Upgrade Fire Alarm System (Design)	Electech Hawaii, Inc.	D	S	M. Kawamura	CMS-08-02-SC01	1/28/2008	5/23/2010	Open																		
42	Lai`ola, Replace Malfunctioning Roof Ventilators		C	S	M. Kawamura				Open																		
FLIPH	Lai`ola, Tree Trimming Along California Avenue (Const)	For Planning Purposes Only	C	S	M. Kawamura				Open																		
37	Lanakila Homes, Abatement and Installation of Floor Tiles at Lanakila I	Central Construction, Inc.	C	S	M. Kawamura	PO# 11K01706	6/13/2011		Open																		
37	Lanakila Homes, Demo of 31 Buildings, Phase IIIB and IV (Const)	For Planning Purposes Only	C	S/F	M. Kawamura				Open									475,000									
37	Lanakila Homes, Fair Housing Renovations (Const)	Alan Shintani, Inc.	C	S	M. Kawamura	CMS-10-20	8/9/2010	8/8/2011	Open																		
37	Lanakila Homes, Fair Housing Renovations (Design)	INK ARCH, LLC	D	S	M. Kawamura	CMS-08-23	6/30/2008	1/26/2011	Open																		
37	Lanakila Homes, Fair Housing Renovations (Design)	INK ARCH, LLC	D	S	M. Kawamura				Open																		
37	Lanakila Homes, Install Gutters & Downpouts at Lanakila Admin Bldg.	Nakamoto Construction, Inc.	C	Z	M. Kawamura	PO# 11K01094			Open		6,455																
37	Lanakila Homes, Phase II, III & IV (Design)	INK Architects, Inc.	D	F	M. Kawamura	CMS-01-09	10/15/2001	12/30/2011	Open			354,999			191,149												
LIPH	Lanakila Homes, Phase II, III & IV (Design)	INK ARCH, LLC	D	F	M. Kawamura	CMS-01-09-SC01	7/17/2009		Open																		
37	Lanakila Homes, Physical Improvements Phase IIIA (Const)	Stan's Contracting, Inc.	C	S/F	M. Kawamura	CMS-08-25	6/22/2009	11/14/2010	Open																		
37	Lanakila Homes, Physical Improvements Phase IIIA (Energize Project)	HECO	C	S	M. Kawamura	PO# 09K00357			Open																		
37	Lanakila Homes, Replacement of Existing Buildings (Const)	For Planning Purposes Only	C		M. Kawamura				Open																		
37	Lanakila Homes, Replacement of Existing Buildings (Design)	For Planning Purposes Only	D	S	M. Kawamura				Open																		
37	Lanakila Homes, Site Clearing, Securing Existing Buildings and Fence	AMP/PMMSB	C	S	M. Kawamura				Open																		
37	Lanakila Homes, Site Clearing, Securing Existing Buildings and Fence	AMP/PMMSB/CMB	D	S	M. Kawamura				Open																		
37	LCCC for Evaluation of Existing Tanks, New Line Tie In, Kealakehe, Lc	Okahara & Associates	D	S	John Farmer	CMS-11-06			Open																		
38	LCCC for Federal and State Projects on the Islands of Kauai (Const)	Goodfellow Bros., Inc.	C	S	Rose Churma	CMS-10-25	9/1/2010	2/28/2011	Open																		
38	LCCC for Federal and State Projects on the Islands of Kauai (Const)	Koga Engineering & Construction	C	S/F	Rose Churma	CMS-10-26	9/1/2010	2/28/2011	Open										241,075	481,100							
LIPH	LCCC for Federal and State Projects on the Islands of Maui and Kauai	M&E Pacific Inc.	D	S	Rose Churma	CMS-08-14	6/2/2008	4/30/2012	Open																		
LIPH	LCCC for Federal and State Projects on the Islands of Maui and Kauai	AECOM Pacific, Inc.	D	S	Rose Churma	CMS-08-14-SC01	6/2/2008	4/30/2012	Open																		
LIPH	LCCC for Federal and State Projects on the Islands of Maui and Kauai	AECOM Pacific, Inc.	D	S	Rose Churma	CMS-08-14-SC02	6/2/2008	4/30/2012	Open																		
LIPH	LCCC for Federal and State Projects on the Islands of Maui and Kauai	AECOM Pacific, Inc.	D	S	Rose Churma	CMS-08-14-SC03	6/2/2008	4/30/2012	Open																		
LIPH	LCCC for Federal and State Projects on the Islands of Maui and Kauai	AECOM Pacific, Inc.	D	S	Rose Churma	CMS-08-14-SC04	6/2/2008	4/30/2012	Open																		
37	LCCC for Replacement of Existing Tanks, Sewer Line Tie In From Bui	For Planning Purposes Only	C	S	John Farmer				Open																		
37	Lokahi, Electrical Work, Poles, Transformers - HELCO/PO (Design)	HELCO	D	S	M. Kawamura	PO# 10K01399			Open																	65,218	
37	Lokahi, HazMat Abatement and Interior Renovation (Design)	CDS International	D	S	M. Kawamura	CMS-08-21	8/12/2008	2/26/2011	Open																		
37	Lokahi, HazMat Abatement and Interior Renovation, Electrical Work, P	CDS International	D	S	M. Kawamura	CMS-08-21-SC01	8/12/2008	2/26/2011	Open																		
37	Lokahi, HazMat Abatement and Interior Renovation, Electrical Work, P	CDS International	D	S	M. Kawamura	CMS-08-21-SC02	8/12/2008	2/26/2011	Open																		
37	Lokahi, Installation of Solar Hotwater Systems at Lokahi (Const)	For Planning Purposes Only	C		M. Kawamura				Open	200,000																	
37	Lokahi, Installation of Solar Hotwater Systems at Lokahi (Design)	For Planning Purposes Only	D		M. Kawamura				Open																		66,941
37	Lokahi, Removal of HPHA Utility Poles and Overhead Lines at Lokahi	For Planning Purposes Only	C	S	M. Kawamura				Open																30,000		
37	Lokahi, Repair ADA Unit 4-R (Const)	For Planning Purposes Only	C	S	M. Kawamura				Open																		
37	Lokahi, Replace Electric Poles and Transformers HELCO Will Assume	For Planning Purposes Only	C	S	M. Kawamura				Open																		
37	Lokahi, Termite Tenting, Warrenty, Relocation	For Planning Purposes Only	C	S	M. Kawamura				Open																		
44	Maili II, Type "C" Unit Repairs (Const)	For Planning Purposes Only	C	S					Open	11,000																	
35	Makamae, Investigation and Repairs (Design)	Wilson Okamoto Corp	D	F	Ed Morimoto	CMS-03-11	12/29/2003	3/13/2009	Open	466,914		34,395															
39	Makani Kai Hale, Certificate of Occupancy	County of Maui	D	F	Lisa Izumi	PO# 12K00294			Open		1,562			450													
39	Makani Kai Hale, Physical Improvements (Const)	Artistic Builders Corporation	C	F	Rick Speer	CMS-10-08	8/3/2010	4/1/2011	Open				1,651,765														
39	Makani Kai Hale, Physical Improvements (Design)	GYA Architects, Inc.	D	S	Rick Speer	CMS-08-27	6/25/2008	4/1/2012	Open																		
39	Makani Kai Hale, Physical Improvements (Design)	GYA Architects, Inc.	D	S	Rick Speer	CMS-08-27-SC01	6/25/2008	4/1/2012	Open																		
39	Makani Kai Hale, Physical Improvements (Design)	GYA Architects, Inc.	D	S	Rick Speer	CMS-08-27-SC02	6/25/2008	4/1/2012	Open																		
34	Makua Alii, Structural and Spall Repairs 1st Phase (Const)	Hi-Tec Roofing Services	C	F	Sahar Ibrahim	CMS-10-09	4/26/2010	9/18/2011	Open				2,208,441														
34	Makua Alii, Structural and Spall Repairs 2nd Phase (Const)	Color Dynamics Inc.	C	F	Sahar Ibrahim	CMS-11-14	9/9/2011		Open					2,520,996	2,239,130												
34	Makua Alii, Structural Investigation and Repairs (Design)	SSFM International, Inc.	D	F	Sahar Ibrahim	CMS-08-39	1/12/2008	11/22/2011	Open			30,522	409,171		115,510												
34	Makua Alii, Upgrade and Replace Existing Booster Pump System (Cor	Doonwood Engineering, Inc.	C	S	Sahar Ibrahim	CMS-09-06	8/18/2009	11/8/2010	Open																	20,838	
32	Mayor Wright Homes, Building 11, 20, 22, 23, 24 Structural Repairs (C	For Planning Purposes Only	C						Open	3,500,000																	
32	Mayor Wright Homes, Building 11, 20, 22, 23, 24 Structural Repairs (D	For Planning Purposes Only	D						Open	350,000																	
32	Mayor Wright Homes, Modernization - Ph 1 & 2 (Design)	For Planning Purposes Only	D	F					Open																		
35	Pumehana, Makamae & Punchbowl Homes Interior & Exterior Repairs	For Planning Purposes Only	C	S	Sahar Ibrahim				Open														300,000				
32	Mayor Wright Homes, Modernization - Ph 2 (Const)	For Planning Purposes Only	C						Open	6,000,000													4,693,177				
32	Mayor Wright Homes, Replacement of Solar Hot Water System Instan	JJS Construction Inc.	C	S	Rose Churma	CMS-11-05			Open	7,500,000															213,320		
32	Mayor Wright Homes, Replacement of Solar Hot Water System Instan	Gas Co.	C	S	Rose Churma	PO# 11K00726, 11K00756, 11K00972			Open																67,474		
32	Mayor Wright Homes, Replacement of Solar Hot Water System Instan	InSynergy Engineering, Inc.	D	S	Rose Churma	CMS-11-17	9/8/2011		Open																		378,426
32	Mayor Wright Homes, Reroofing (Const)	Hi-Tec Roofing Services	C	F	Rick Speer	CMS-10-16	8/9/2010	1/6/2011	Open			287,340		210,875													
32	Mayor Wright Homes, Wahiawa Terrace, Kuhio Park Terrace Towers /	Mitsunaga & Associates, Inc.	D	S	Rick Speer	CMS-09-01	2/9/2009	6/8/2010	Open																		
	Nakolea, (Homeless Shelter) Design-Build Renovation (Both)	CC Engineering and Construction Inc.	B	S	Homeless	CMS-07-12	6/21/2007	12/30/2007	Open																		
44	Nanakuli Homes, Drainage and Site Improvements (Const)	For Planning Purposes Only	C	S	M. Kawamura				Open																		
44	Nanakuli Homes, Drainage and Site Improvements (Design)	For Planning Purposes Only	D	S	M. Kawamura				Open																		
	Nani O`Puna & Hale O`Puna LCCC (Const)	Site Engineering, Inc.	C	S	M. Kawamura	CMS-08-03	6/9/2008	3/5/2009	Open																		
	Nani O`Puna & Hale O`Puna LCCC (Const)	Site Engineering, Inc.	C	S	M. Kawamura	CMS-08-03-SC01	5/20/2008	3/5/2009	Open																		
	Nani O`Puna & Hale O`Puna LCCC (Const)	Site Engineering, Inc.	C	S	M. Kawamura	CMS-08-03-SC02		6/3/2009	Open																		
	Nani O`Puna & Hale O`Puna LCCC (Const)	Site Engineering, Inc.	C	S	M. Kawamura	CMS-08-03-SC03		6/3/2009	Open																		
43	Nani Olu, Additional Parking (Const)	For Planning Purposes Only	C		Miles Okimura				Open	1,000,000																	
43	Nani Olu, Additional Parking (Design)	For Planning Purposes Only	D	F	Miles Okimura				Open														100,000				
46	Noelani I & II Waterline Repalacement and Repair (Const)	For Planning Purposes Only	C	S	Sahar Ibrahim				Open																		
46	Noelani I & II Waterline Repalacement and Repair (Design)	For Planning Purposes Only	D	S	Sahar Ibrahim				Open															150,000			
46	Noelani II, Fill Sink Hole (Const)	For Planning Purposes Only	D	F	Sahar Ibrahim				Open																		
46	Noelani II, Fill Sink Hole (Design)	Geolabs Inc.	D	S	Sahar Ibrahim				Open															35,000			
46	Noelani II, Fill Sink Hole, Preliminary Fill and Construction Work (Const	Solid Rock Contracting	C	S	Sahar Ibrahim	PO# 11K01564			Open																9,200		
46	Noelani II, Roof Cap and Gutter Work (Const)	Society Contracting, LLC	C	S	Sahar Ibrahim	PO# 12K00293			Open																77,118		
37	Pahala Homes, Rehabilitate 24 Units of Elderly Housing, ADA Units, M	For Planning Purposes Only	C	F	M. Kawamura				Open							1,000,000					389,000						
37	Pahala Homes, Rehabilitate 24 Units of Elderly Housing, ADA Units, M	Allana, Buick and Bers Inc.	D	S	M. Kawamura				Open																		
50	Palolo Valley Homes Physical Improvements (Design)	Clifford Projects Inc.	D	F	Lisa Izumi	CMS-10-17	6/28/2010	3/24/2013	Open			2,089,728		1,553													
50	Palolo Valley Homes Physical Improvements Ph1 (Const)	For Planning Purposes Only	C	F	Lisa Izumi				Open						1,813,257	1,778,313											
39	Piilani Homes, Physical Improvements (Const)	For Planning Purposes Only	C	F	Rick Speer				Open														1,400,000				

										Planning Budget	OTHER FUNDS		FEDERAL CFP FUNDS Expend Deadline 06-12-2012	Fully Obligated	FEDERAL CFP FUNDS Obligation Deadline 4-14-2012	FEDERAL CFP FUNDS Obligation Deadline 7-14-2012	FEDERAL CFP FUNDS Obligation Deadline 8-02-13	Economic Development Initiative	Economic Development Initiative	US EPA Grant	US EPA Grant	Economic Development Initiative	Economic Development Initiative	FEDERAL PLANNED CFP PROJECTS (Included in HPHA's Five Year Plan)					LS CIP Non-Routine R&M/Reno, S/W Des Encumber 06-30-2012	LS CIP Non-Routine R&M/Reno, S/W Con Encumber 06-30-2012	General Fund Operating HMS 220 Lapse 06-30-2010	LS CIP Non-Routine R&M/Reno, S/W (Design) Encumber 06-30-2012
50	Palolo Valley Homes Physical Improvements Ph2 (Const)	For Planning Purposes Only	C	F	Lisa Izumi				Open								2,228,874							1,021,126								
30	Salt Lake Apartment and Elevator Renovation (1) Plus Install (1) New E	For Planning Purposes Only	C	S	Miles Okimura				Open																2,500,000							
50	Palolo Valley Homes Security Screen Door Replacement (Const)	For Planning Purposes Only	C	S	Lisa Izumi				Open																							
34	Paoakalani (Const)	For Planning Purposes Only	C		Sahar Ibrahim				Open	800,000																						
34	Paoakalani (Design)	For Planning Purposes Only	D		Sahar Ibrahim				Open	100,000																						
43	Hale Hookipa Physical Improvements to Exterior Repairs and Interior M	For Planning Purposes Only	D	F					Open																							
PHA	PHA Wide State Relocation Expenses (Design)	For Planning Purposes Only	D	S					Open																	300,000						
PHA	PHA Wide Type C Units Group A (Design)	Mitsunaga & Associates, Inc.	D	S	Sahar Ibrahim	CMS-10-14	5/12/2010	9/3/2012	Open																							
LIPH	PHA Wide Type C Units Group A, Kauai (Const)	Puuwai Design & Construction, LLC	C	F	Sahar Ibrahim	CMS 11-19	10/5/2011		Open							89,900																
LIPH	PHA Wide Type C Units Group A, Oahu (Const)	KSC Construction	C	F	Sahar Ibrahim	CMS-11-13	9/9/2011		Open						796,858																	
PHA	PHA Wide Type C Units Group B (Design)	GYA Architects, Inc.	D	S	Lisa Izumi	CMS-10-27	11/1/2010	3/3/2013	Open																							
LIPH	PHA Wide Type C Units Group B, Hawaii (Const)	Central Construction, Inc.	C	F	Lisa Izumi				Open							400,000	50,000															
FLIPH	PHA Wide Type C Units Group B, Oahu (Const)	Society Contracting, LLC dba Society Pai	C	F	Lisa Izumi	CMS-11-15	9/12/2011		Open						1,850,971																	
PHA	PHA Wide Type C Units Group C (Design)	For Planning Purposes Only	D	S					Open																				300,000			
LIPH	PHA Wide Type C Units Group Inhouse, Maui (Const)	For Planning Purposes Only	C	S	Lisa Izumi				Open							952,263																
SLIPH	Physical Needs Assessment (PNA) of State Housing Projects (25 total	Architects Hawaii, Ltd.	D	S	Marcel Audant	CMS-06-11	6/28/2006		Open																							
50	Palolo Valley Homes Physical Improvements Ph3 (Const)	For Planning Purposes Only	C	F	Lisa Izumi				Open															1,500,000	1,757,053							
39	Piilani Homes, Physical Improvements (Design)	For Planning Purposes Only	D	S	Rick Speer				Open																							
37	Pomaikai, ADA Units and Modernization (Const)	For Planning Purposes Only	C	F	M. Kawamura				Open																							
37	Pomaikai, ADA Units and Modernization (Design)	Allana, Buick and Bers Inc.	D	S	M. Kawamura				Open																							
31	Puahala Homes, IB Abatement and Modernization Buildings 4,5,6 (Co	For Planning Purposes Only	C	S	Lisa Izumi				Open	1,900,000																						
31	Puahala Homes, IB Abatement and Modernization Buildings 4,5,6 (De	Paul Louie & Associates, Inc.	D	S	Lisa Izumi				Open	103,721																						296,002
31	Puahala Homes, II, III & IV Abatement and Modernization (Constructio	For Planning Purposes Only	C	F	Lisa Izumi				Open	6,000,000																						
31	Puahala Homes, II, III & IV Abatement and Modernization (Design)	For Planning Purposes Only	D	F	Lisa Izumi				Open																							
31	Puahala Homes, Site Improvements (Const)	Global Speciality Contractors, Inc.	C	S	Lisa Izumi	CMS-10-21, PO# 11	8/5/2010	8/5/2011	Open	400,000																				2,521,404		
31	Puahala Homes, Site Improvements (Design)	Kim & Shiroma Engineers	D	S	Lisa Izumi	CMS-08-11	4/23/2008	11/3/2011	Open																							
50	Palolo Valley Homes Physical Improvements Ph4 (Const)	For Planning Purposes Only	C	F	Lisa Izumi				Open																1,580,124	1,669,876						
35	Pumehana, Makamae & Punchbowl Homes Interior & Exterior Repairs	For Planning Purposes Only	D	S	Sahar Ibrahim				Open																							30,000
37	Punahele, Replace Water Lines and Installation of Backflow Preventor	For Planning Purposes Only	C		M. Kawamura				Open	200,000																						
37	Punahele, Replace Water Lines and Installation of Backflow Preventor	For Planning Purposes Only	D		M. Kawamura				Open	50,000																						
30	Puuwai Momi, Electrical System Repairs (Const)	HECO	C	F	Miles Okimura	PO# 09K01211			Open						182,714																	
30	Puuwai Momi, Electrical System Repairs (Const) I & II	Integrated Construction	C	F	Miles Okimura	CMS-09-14	12/21/2009	10/18/2010	Open				209,043		73,309																	
30	Puuwai Momi, Electrical System Repairs (Design)	Ronald N.S. Ho & Associates, Inc.	D	S	Miles Okimura	CMS-08-15	6/9/2008	10/19/2010	Open																							
30	Puuwai Momi, Electrical System Repairs (Design)	AECOM Technical Services, Inc.	D	S	Miles Okimura	CMS-11-12	6/27/2011		Open																							
30	Puuwai Momi, W. Heater & Roof Impr. (Const)	For Planning Purposes Only	C						Open	4,000,000																						
30	Puuwai Momi, W. Heater & Roof Impr. (Design)	For Planning Purposes Only	D						Open	400,000																						
PHA	**PHA Wide CMS Support Services Technical Salaries (Const)**	**HPHA**	**C**	**S/F**	**Various**				**Open**							259,418								300,000	300,000	300,000	300,000	300,000				
30	Salt Lake Apartment and Elevator Renovation (1) Plus Install (1) New E	Awa & Associates	D	S	Miles Okimura	CMS-11-03			Open																							
30	Salt Lake Apartments, Bldg Improvements (Const)	For Planning Purposes Only	C	F	Miles Okimura				Open																							
30	Salt Lake Apartments, Bldg Improvements (Design)	For Planning Purposes Only	D	S	Miles Okimura				Open																							
COCC	School St Bldg A, Hazmat Abatement, Structural Remediation/Repair,	For Planning Purposes Only	C	S	John Farmer				Open																							
COCC	School St Bldg A, Hazmat Abatement, Structural Remediation/Repair,	For Planning Purposes Only	D	S	John Farmer				Open																							
COCC	School Street Building E, Emergency Roof Leak Repair (Const)	LeakMaster	C	S	Rick Speer	PO# 11K00749	11/4/2010		Open																							
COCC	School Street Building M, Renovations(Both)	William Scotsman, Inc.	B	S	Miles Okimura	CMS-07-09	10/14/2008	4/13/2009	Open																							
49	Wahiawa Terrace, Electrical (Const)	For Planning Purposes Only	C	F	M. Kawamura				Open	100,000																						
49	Wahiawa Terrace, Re-roof (Const)	Hi-Tec Roofing Services	C	F	Rick Speer	CMS-10-16	8/9/2010	1/6/2011	Open				589,277																			
49	Wahiawa Terrace, Sewage Lift Station (Const)	O&M Enterprises	C	S	M. Kawamura	CMS-07-11	6/8/2007	6/14/2010	Open																							
49	Wahiawa Terrace, Sewage Lift Station Preventive Maintenance Contra	Doonwood Engineering, Inc.	D	S	M. Kawamura	CMS-10-29			Open																							
49	Wahiawa Terrace, Upgrade and Replace Heat Pumps and Gas Water	Doonwood Engineering, Inc.	C	S	M. Kawamura	CMS-09-08	9/22/2010	9/24/2010	Open																						76,105	
49	Wahiawa Terrace, Weatherproofing, Painting (Const)	For Planning Purposes Only	C	F	M. Kawamura				Open	650,000																						
49	Wahiawa Terrace, Weatherproofing, Painting (Design)	For Planning Purposes Only	D	F	M. Kawamura				Open	60,000																						
	BLI 1406 Operations (may not exceed 20% of Grant)												2,522,747		2,416,486	2,477,847	2,060,380							2,060,380	2,060,380	2,060,380	2,060,380	2,060,380				
	BLI 1408 Management Improvements												435,865		54,497	246,838								250,000	250,000	250,000	250,000	250,000				
	BLI 1410 Administration (may not exceed 10% of Grant)												1,261,373	601,688	1,252,617	1,036,924	1,030,190							1,030,190	1,030,190	1,030,190	1,030,190	1,030,190				
	BLI 1411 Audit																															
	BLI 1495.1 Relocation Costs												7,259																			
	BLI 1502 Contingency (may not exceed 8% of Grant)														200,335	116,939								824,152	824,152	824,152	824,152	824,152				
	STATE PUBLIC HOUSING SUBSIDY																															
	Transfer Funds from B-07-416-K to B-07-415-K Con to Des	For Planning Purposes Only	B	S																												
	Transfer Funds from B-07-414-K to B-07-413-K Con to Des	For Planning Purposes Only	B	S																												
	Transfer Funds from B-08-400-K to B-08-401-K Des to Con	For Planning Purposes Only	B	S																												
	Transfer Funds from B-08-403-K to B-08-402-K Con to Des	For Planning Purposes Only	B	S																												
-	Transfer Funds from B-09-409-K to B-09-410-K Des to Con	For Planning Purposes Only	B	S																										243,936	(243,936)		
	Transfer Funds from B-10-404-K to B-10-403-K Con to Des	For Planning Purposes Only	B	S																													639,416
	Transfer Funds from B-10-403-K to B-10-404-K Des to Con	For Planning Purposes Only	B	S																												
	Transfer Funds from B-11-406-K to B-11-405-K Con to Des	For Planning Purposes Only	B	S																												
	APPROPRIATION												12,613,733	16,245,443	12,526,177	12,389,235	10,301,898	380,000	475,000	241,075	481,100	389,000	389,600	10,301,898	10,301,898	10,301,898	10,301,898	10,301,898	1,654,340	6,258,660	4,414,556	500,000
	ALLOTMENT																												1,898,276	6,014,724	4,414,556	1,139,416
	EXPENDED/BUDGET									154,298,540	2,095,048	2,042,121	12,613,733	16,245,443	12,526,177	12,389,235	10,301,898	380,000	475,000	241,075	481,100	389,000	389,600	10,301,898	10,301,898	10,301,898	10,301,898	10,301,898	1,898,276	6,014,724	1,301,291	1,139,416
	BALANCES									(154,298,540)	(2,095,048)	(2,042,121)	(0)	0	(0)	(0)	0	0	0	0	0	0	0	0	(0)	(0)	(0)	(0)	(0)	0	3,113,265	0

PROJECT TITLE

LS CIP Non-Routine R&M/Reno, S/W (Const) Encumber 06-30-2012 B-10-404-K	General Fund Operating HMS-220 Lapse 06-30-2011 G-11-020-K	Kuhio Park Terrace Improvement s, Oahu Construction For Dry Standpipe, B-11-404-K	Mayor Wright Homes, Renovations and Improvement s, Oahu B-11-405-K	Mayor Wright Homes, Renovations and Improvement s, Oahu B-11-406-K	Palolo Valley Homes, Physical Improvement s Phase 2. Oahu Construction B-11-407-K	Lanakila Homes, Master Plan For Demolition Of Remaining B-11-408-K	Lanakila Homes, Renovation of Existing Buildings, Hawaii Design and B-11-409-K	ADA Compliance for Various State and Federal Projects, Statewide B-11-410-K	Puahala Homes, Phase 1B Abatement and Modernizatio n Buildings B-11-411-K	Kalihi Valley Homes, Site and Dwelling Improvement s Phase IV, Oahu Design and B-11-412-K	Hauiki Homes, Site Work and Roof Repairs, Oahu Design and B-11-413-K	Kaahumanu Homes, Spall Repair and Painting For 19 Buildings, Site Improvement B-11-414-K	Kaahumanu Homes, Spall Repair and Painting For 19 Buildings, Site Improvement B-11-415-K	Pomaikai, Major Renovations and Site Improvement s, Hawaii Construction B-11-416-K	David Malo Circle, Exterior Improvement s, and Site Work, Maui Design For B-11-417-K	General Fund Operating HMS-220 Lapse 06-30-2012 G-12-020-K	Kuhio Park Terrace Improveme nts, Oahu Constructio n For Dry Standpipe, B-12-xxx-K	Lanakila Homes, Renovation of Existing Buildings, Hawaii Design and B-12-xxx-K	Hale Laulima, Major Modernizati on, Roof Replaceme nt, Termite B-12-xxx-K	ADA Compliance for Various State and Federal Projects, Statewide B-12-xxx-K	Puahala Homes, Phase 1B Abatement and Modernizati on B-12-xxx-K	Kalihi Valley Homes, Site and Dwelling Improveme nts Phase B-12-xxx-K	Hauiki Homes, Site Work and Roof Repairs, Oahu Design and B-12-xxx-K	Kaahuman u Homes, Spall Repair and Painting For 19 Buildings, B-12-xxx-K	General Fund Operating HMS-220 Lapse 06-30-2013 G-13-020-K	Totals	Project Title
																										0	ADA Accessibility Compliance for 19 State Housing Projects (18 Oahu - 1
																										0	ADA Accessibility Compliance for Hauiki Homes and Puahala Homes, Oa
																										500,000	ADA Compliance for Koolua Village and Hale Hookipa Kahaluu (Design)
																										258,758	ADA Compliance for Various Projects in Maui County and West Hawaii ('
								6,325,839																		6,325,839	ADA Compliance for Various State and Federal Projects (Const)
																										0	ADA Compliance for Various State and Federal Projects (Design)
																72,782										535,500	ADA/Fair Housing Acccessability Study
																										0	ADA/UFAS Compliance (5 projects) Puuwai Momi, Waimaha, Kauiokalar
																										0	ADA/UFAS Compliance (5 projects) Puuwai Momi, Waimaha, Kauiokalar
																										0	ADA/UFAS Compliance (9 projects) (Const)
																										1,000,000	ADA/UFAS Compliance (9 projects) (Design)
															1,550,000											1,550,000	David Malo Circle Exterior Improvements Paint, Roofing, Site Work (Cons
															250,000											250,000	David Malo Circle Exterior Improvements Paint, Roofing, Site Work (Desi
																										166,218	Elevator Maintenance Service for Various Federal-Funded Projects (Cons
																										173,217	Elevator Maintenance Service for Various Federal-Funded Projects (Cons
																										135,191	Elevator Maintenance Service for Various Federal-Funded Projects (Cons
																										132,651	Elevator Maintenance Service for Various Federal-Funded Projects (Cons
																										15,396	Elevator Maintenance Service for Various Federal-Funded Projects (
																										9,482	Elevator Maintenance Service for Various Federal-Funded Projects (Cons
																										109,600	Elevator Maintenance Service for Various State-Funded Projects (Const)
																										107,681	Elevator Maintenance Service for Various State-Funded Projects (Const)
																										111,988	Elevator Maintenance Service for Various State-Funded Projects (Const)
	82,050																									116,467	Elevator Maintenance Service for Various State-Funded Projects (Const)
																113,640										113,640	Elevator Maintenance Service for Various State-Funded Projects (Co
																										3,883,579	Elevator Modernization of 16 at Various Oahu Locations (Const)
																										447,213	Elevator Modernization of 16 at Various Oahu Locations (Design)
326,563																										326,563	Elevator Modernization Phase II: 11 at Various Sites (Const)
																										0	Elevator Modernization Phase II: 11 at Various Sites (Design)
																										0	Elevator Repair and Maintenence at Various Sites Phase III (Const)
																										0	Elevator Security Improvements at Various Sites Statewide (Const)
																										241,290	Environmental, Historical, Flood Plain, Archeological, Cultural Review (All
																										118,108	Generator Maintenance Services at Various Oahu Projects (Const)
								1,400,000																		2,400,000	Hale Aloha O`Puna ADA Units & Roof (Const)
								223,061																		223,061	Hale Aloha O`Puna ADA Units & Roof (Design)
																										1,834,890	Hale Hauoli at Honokaa, Hawaii Painting, Re Roofing and Renovation (Co
																										266,932	Hale Hauoli at Honokaa, Hawaii Painting, Re Roofing and Renovation (De
																										4,000,000	Hale Laulima Major Mod (Const)
																										3,000,000	Hale Hookipa Physical Improvements to Exterior Repairs and Interior Moc
																										666,185	Hale Hookipa, Kaimalino, Nani Olu, Noelani, and Paoakalani Reroofing (C
																										2,350,683	Hale Hookipa, Nani Olu, Reroofing (Const)
		647,000																								647,000	Hale Hoolulu Repaint, ReRoof, Emergency Call System Prepare Tank Er
																										195,218	Hale Hoolulu Repaint, ReRoof, Emergency Call System Prepare Tank Er
																										900,000	Hale Laulima Major Mod (Design)
																										1,000,000	Kalihi Valley Homes Reconstruct Kalena Drive (Const)
		2,000,000																								2,000,000	Hale Nana Kai O`Kea Physical Improvement (Const)
																										195,218	Hale Nana Kai O`Kea Physical Improvement (Design)
																										2,100,000	Hale Po`ai Building Improvements (Const)
																										418,414	Hale Po`ai Building Improvements (Design)
																										65,000	Halia Hale Reroof, Lights, Mechanical Repairs, R&M-elevator shaft, wate
																										270,000	Hauiki Homes, Upgrade Electrical Distribution System (Design)
																										0	Hauiki Homes, Upgrade Electrical Distribution System, Replace Four Ten
																										118,926	Hauiki Homes, Upgrade Electrical Distribution System, Replace Four Ten
																										72,040	Hoolulu and Kamalu Emergency Call System Repair (Design)
								200,000																		2,116,051	Hui O Hanamaulu Physical Improvements (Const)
																										127,525	Hui O Hanamaulu Physical Improvements (Design)
8,594																4,792										25,000	Ka Hale Kahaluu, Sidewalk Repair Responding to County Violation (Cons
																										2,279,674	Kaahumanu Homes, Reroofing (Const)
																										0	Kaahumanu Homes, Reroofing and Additional Work for Abatement (Desi
																										0	Kaahumanu Homes, Spall Repair and Painting for 19 Buildings (Const)
																										389,600	Kahale Mua Federal Site & Reroof (Const)
																										263,734	Kahale Mua, Federal, Site Improvements, Bldg Mod and Reroof (Design)
																										0	Kahale Mua State Site & Bldg Mod (Const)
																										287,248	Kahale Mua, State, Site Improvements, Bldg Mod and Reroof (Design)
																										1,202,758	Kahekili Terrace, David Malo Circle, Makaniki Hale and Piilani Homes vac
																										5,079,289	Kahekili Terrace Physical Improvements (Const)
																										603,387	Kahekili Terrace Physical Improvements (Design)
																										0	Kahekili Terrace: Roof & Solar Repairs, Ph 2 (Const)
																										138,547	Kahekili Terrace Tent Fumigation and Soil Treatment (Const)
								1,360,000																		1,360,000	Kalaheo Homes Physical Improvements (Const)
																										195,218	Kalaheo Homes Physical Improvements (Design)
																										1,980,313	Kalakaua Homes ADA & 504 Interior & Exterior, Exterior Paint & Miscella
																										780,553	Kalakaua Homes Roof Improvements (Const)
	27,259																									556,562	Kalakaua Homes, Roof Improvements, Paint and ADA (Design)
																										196,865	Kalanihuia Reroofing and Elevator Lobby Improvements (Const)
																										53,187	Kalanihuia Reroofing and Elevator Lobby Improvements (Design)
																										0	Kalihi Valley Homes Community Center (Const)
																										28,000	Kalihi Valley Homes Community Center (Design)
544,680																										544,680	Kalihi Valley Homes Emergency Construction for Collapsed Rock Wall (C
																										0	Kalihi Valley Homes Emergency Construction, Removal and Repair Fallir
																										110,634	Kalihi Valley Homes Emergency Design for Collapsed Rock Wall (Design
																										57,594	Kalihi Valley Homes, Emergency Design, Removal and Repair Falling Bo
																										202,394	Kalihi Valley Homes Master Plan (Design)
																										0	Kalihi Valley Homes Office Roof, Office Asbestos Abatement (Const)
																										0	Kalihi Valley Homes Office Roof, Office Asbestos Abatement (Design)
																										59,016	Kalihi Valley Homes Phase II Site and Dwelling Improvements (Design)
				4,451,552																						6,000,030	Mayor Wright Homes, Modernization - Ph 1 (Const)
																										0	Kalihi Valley Homes Reroof (11) Residential Buildings and Administration
																										0	Kalihi Valley Homes Reroof (11) Residential Buildings and Administration
																										4,335,393	Kalihi Valley Homes Site and Dwelling Improvement Phase IVA (Const)
																										651,971	Kalihi Valley Homes Site and Dwelling Improvement Phase IVA (Design)
																										29,345	Kalihi Valley Homes Site and Dwelling Improvement Phase IVA (Design)
																										0	Kalihi Valley Homes Site and Dwelling Improvement Phase IX (Const)
																										0	Kalihi Valley Homes Site and Dwelling Improvement Phase IX (Design)
																						7,000,000				7,380,000	Kalihi Valley Homes Site and Dwelling Improvement Phase IVB (Const)
										700,000																1,854,141	Kalihi Valley Homes Site and Dwelling Improvement Phase IVB (Design)
																										0	Kalihi Valley Homes Site and Dwelling Improvement Phase V (Const)
																										0	Kalihi Valley Homes Site and Dwelling Improvement Phase V (Design)
																										0	Kalihi Valley Homes Site and Dwelling Improvement Phase VI (Const)
																										0	Kalihi Valley Homes Site and Dwelling Improvement Phase VI (Design)
																										0	Kalihi Valley Homes Site and Dwelling Improvement Phase VII (Const)
																										0	Kalihi Valley Homes Site and Dwelling Improvement Phase VII (Design)
																										0	Kalihi Valley Homes Site and Dwelling Improvement Phase VIII (Const)
																										0	Kalihi Valley Homes Site and Dwelling Improvement Phase VIII (Design)
																										883,201	Kalihi Valley Homes Site and Dwelling Improvements Phase III (Design)
																										0	Kamehameha Homes, Replace Railings and Ext. Closet Doors, Termite a
	37,000																									37,000	Kauhale O Hanakahi, Recoat Metal Roofs and Roof Vents at Kauhale O I
																										0	Kauhale O Hanakahi, Repainting of Five (5) Buildings & Community Cent
																										0	Kauhale O Hanakahi, Repainting of Five (5) Buildings & Community Cent
	20,408																									20,408	Kauhale O Hanakahi, Replace Septic Tank (Const)
																										0	Kauiokalani Reroof, Paint, Interior Repairs Including Termites (Const)
																										2,329,879	Kawailehua (Federal) Exterior Improvements (Const)
																										303,998	Kawailehua (Federal) Exterior Improvements (Design)
																										877,708	Kawailehua (State) Improvements (Const)
																										207,277	Kawailehua (State) Improvements (Design)
																										0	Ke Kumu Ekolu Painting of Vacant Units (Const)
1,200,000																										1,200,000	Ke Kumu Ekolu Roofing & Interior Repairs (Const)
																										368,047	Ke Kumu Ekolu Roofing & Interior Repairs (Design)

LS CIP Non-Routine R&M/Reno. S/W (Const) Encumber 06-30-2012	General Fund Operating HMS-220 Lapse 06-30-2011	Kuhio Park Terrace Improvements, Oahu Construction For Dry Standpipe,	Mayor Wright Homes, Renovations and Improvements, Oahu	Mayor Wright Homes, Renovations and Improvements, Oahu	Palolo Valley Homes, Physical Improvements Phase 2, Oahu Construction	Lanakila Homes, Master Plan For Demolition Of Remaining	Lanakila Homes, Renovation of Existing Buildings, Hawaii Design and	ADA Compliance for Various State and Federal Projects, Statewide	Puahala Homes, Phase 1B Abatement and Modernization Buildings	Kalihi Valley Homes, Site and Dwelling Improvements Phase IV, Oahu Design and	Hauiki Homes, Site Work and Roof Repairs, Oahu Design and	Kaahumanu Homes, Spall Repair and Painting For 19 Buildings, Site Improvement	Kaahumanu Homes, Spall Repair and Painting For 19 Buildings, Site Improvement	Pomaikai, Major Renovations and Site Improvements, Hawaii Construction	David Malo Circle, Exterior Improvements, and Site Work, Maui Design For	General Fund Operating HMS-220 Lapse 06-30-2012	Kuhio Park Terrace Improvements, Oahu Constructio n For Dry Standpipe,	Lanakila Homes, Renovation of Existing Buildings, Hawaii Design and	Hale Laulima, Major Modernization, Roof Replacement, Termite	ADA Compliance for Various State and Federal Projects, Statewide	Puahala Homes, Phase 1B Abatement and Modernization	Kalihi Valley Homes, Site and Dwelling Improvements Phase	Hauiki Homes, Site Work and Repairs, Oahu Design and	Kaahuman u Homes, Spall Repair and Painting For 19 Buildings,	General Fund Operating HMS-220 Lapse 06-30-2013		PROJECT TITLE
																										0	KPT, Bathrooms ADA Compliant (Const)
																										0	KPT, Bathrooms ADA Compliant (Design)
																										5,997	KPT, Boilers 3 years maintenance
																										0	KPT, Dry Standpipe Improvements (Const)
																										0	KPT, Dry Standpipe Improvements (Design)
																										964,221	KPT, Elevator, Phase I: Modernization of 6 elevators & Assessment at Va
																										3,970,469	KPT, Elevator, Phase I: Modernization of Six Elevators (Const)
																										25,043	KPT, Elevator, Phase I: Modernization of Six Elevators (Const)
																										0	KPT, Elevator, Phase I: Modernization of Six Elevators (Const)
																										14,228	KPT, Environmental Assessment of KPT Grounds for Chemical Agents (D
																										0	KPT, Environmental Ecapsulation of Termite Treatment Contaminated Gr
																										12,700	KPT, Structural Repairs at KPT (Design)
																										19,400	KPT, Fire Alarm System Design (Both)
																										207,227	KPT, Install New Telephone Cabinets and Conduits in Building "B" (Const
																										0	KPT, Installation of New Security Camera System for Elevators (Const)
																										0	KPT, Provide emergency labor, materials and equipmentnecessary to de
		3,605,660																								3,605,660	KPT, Rised Sidewalks, Road Repairs, Sidewalk Repairs, Site Improveme
		250,000																								250,000	KPT, Raised Sidewalks, Road Repairs, Sidewalk Repairs, Site Improvem
																										2,000,000	KPT, Redevelopment of KPT and Kuhio Homes (Const)
																										0	KPT, Remove and Replace Lobby Roof Towers A & B, Selective patchin
																										0	KPT, Reroofing Tower A (Const)
																										781,591	KPT, Reroofing Tower B (Const)
																										0	KPT, Rezoning and Subdivision (Design)
																										0	KPT, Security Cameras (Elevator Cams) (Const)
																										0	KPT, Sewer Repair Phase II (Const)
																										0	KPT, Sewer Repair Phase III (Const)
																										0	KPT, Structural, Spall, and Trash Chute Repair and Maintenance (Const)
																										0	KPT, UFAS/ADAAG Renovations to Parking Lot (Design)
																										1,352,364	KPT, Upgrade Trash Chutes (Const)
	36,204																									144,850	Kupuna Home O'Waialua, Sewage Operational and Preventive Maintena
																45,000										45,000	Kupuna Home O'Waialua, Sewage Operational and Preventive Maintena
																										942,081	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Cons
																										262,107	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Desi
																										66,521	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Desi
																										0	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Desi
																										14,080	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Desi
51,255																										51,255	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Desi
																14,211										14,211	Kupuna Home O'Waialua, Sewage Treatment Plant Improvements (Main
																										4,332	Kupuna Home O'Waialua, Transformer Replacement and Maintenance (
																										25,000	La`iola, Install Fall Protection for Roof Access (Const)
																										36,307	La`iola, Upgrade Fire Alarm System (Design)
																										0	La`iola Upgrade Fire Alarm System (Design)
																42,000										42,000	Lai`ola, Replace Malfunctioning Roof Ventilators
	30,000																									30,000	Laiola, Tree Trimming Along California Avenue (Const)
	45,570																									45,570	Lanakila Homes, Abatement and Installation of Floor Tiles at Lanakila Ho
																		700,000								1,975,960	Lanakila Homes, Demo of 31 Buildings Phase IIIB and IV (Const)
																										2,007,822	Lanakila Homes, Fair Housing Renovations (Const)
																										229,403	Lanakila Homes, Fair Housing Renovations (Design)
							50,000																			50,000	Lanakila Homes, Fair Housing Renovations (Design)
	545																									7,000	Lanakila Homes, Install Gutters & Downpouts at Lanakila Admin Bldg. & (
																										1,399,857	Lanakila Homes, Phase II, III & IV (Design)
																										0	Name change from INK Architects, Inc. to INK ARCH, LLC (Design)
																										5,946,831	Lanakila Homes, Physical Improvements Phase IIIA (Const)
																										92,331	Lanakila Homes, Physical Improvements Phase IIIA (Energize Project) (C
																		6,800,000								6,800,000	Lanakila Homes, Replacement of Existing Buildings (Const)
							700,000																			700,000	Lanakila Homes, Replacement of Existing Buildings (Design)
	78,510																									78,510	Lanakila Homes, Site Clearing, Securing Existing Buildings and Fence Ins
																										0	Lanakila Homes, Site Clearing, Securing Existing Buildings and Fence Ins
																										98,055	LCCC for Evaluation of Existing Tanks, New Line Tie In, Kealakehe, Loka
																										1,200,000	LCCC for Federal and State Projects on the Islands of Kauai (Const)
																										1,632,000	LCCC for Federal and State Projects on the Islands of Kauai (Const)
																										284,750	LCCC for Federal and State Projects on the Islands of Maui and Kauai (D
																										0	LCCC for Federal and State Projects on the Islands of Maui and Kauai (D
																										0	LCCC for Federal and State Projects on the Islands of Maui and Kauai (D
																										87,327	LCCC for Federal and State Projects on the Islands of Maui and Kauai (D
																										102,467	LCCC for Federal and State Projects on the Islands of Maui and Kauai (D
460,803		177,586																								638,389	LCCC for Replacement of Existing Tanks, Sewer Line Tie In From Buildin
																										65,218	Lokahi Electrical Work, Poles, Transformers - HELCO/PO (Design)
																										372,896	Lokahi HazMat Abatement and Interior Renovation (Design)
																										25,511	Lokahi HazMat Abatement and Interior Renovation, Electrical Work, Pole
																										17,329	Lokahi HazMat Abatement and Interior Renovation, Electrical Work, Pole
88,558																										88,558	Lokahi, Installation of Solar Hotwater Systems at Lokahi (Const)
																										66,941	Lokahi, Installation of Solar Hotwater Systems at Lokahi (Design)
																										30,000	Lokahi, Removal of HPHA Utility Poles and Overhead Lines at Lokahi (Co
								64,000																		64,000	Lokahi, Repair ADA Unit 4-R (Const)
																										0	Lokahi Replace Electric Poles and Transformers HELCO Will Assume Ov
																7,000										7,000	Lokahi, Termite Tenting, Warrenty, Relocation
																										0	Maili II Type "C" Unit Repairs (Const)
																										99,224	Makamae Investigation and Repairs (Design)
																										2,012	Makani Kai Hale Certificate of Occupancy (Design)
																										1,651,765	Makani Kai Hale Physical Improvements (Const)
																										159,037	Makani Kai Hale Physical Improvements (Design)
																										0	Makani Kai Hale Physical Improvements (Design)
																										2,243	Makani Kai Hale Physical Improvements (Design)
																										2,208,441	Makua Alii Structural and Spall Repairs 1st Phase (Const)
																										4,760,126	Makua Alii Structural and Spall Repairs 2nd Phase (Const)
																										948,016	Makua Alii Structural Investigation and Repairs (Design)
																										63,979	Makua Alii Upgrade and Replace Existing Booster Pump System (Const)
																										0	Mayor Wright Homes, Building 11, 20, 22, 23, 24 Structural Repairs (Con
																										0	Mayor Wright Homes, Building 11, 20, 22, 23, 24 Structural Repairs (Des
			1,148,448																							1,148,448	Mayor Wright Homes, Modernization - Ph 1 & 2 (Design)
																										300,000	Pumehana, Makamae & Punchbowl Homes Interior & Exterior Repairs, T
																										4,693,177	Mayor Wright Homes, Modernization - Ph 2 (Const)
																										567,093	Mayor Wright Homes, Replacement of Solar Hot Water System Instant o
																										67,474	Mayor Wright Homes, Replacement of Solar Hot Water System Instant o
																										378,426	Mayor Wright Homes, Replacement of Solar Hot Water System Instant o
																										498,215	Mayor Wright Homes, Reroofing (Const)
																										370,293	Mayor Wright Homes, Wahiawa Terrace, Kuhio Park Terrace Towers A &
																										1,493,510	Nakolea (Homeless Shelter) Design-Build Renovation (Both)
		250,000																								250,000	Nanakuli Homes, Drainage and Site Improvements (Const)
		50,000																								50,000	Nanakuli Homes, Drainage and Site Improvements (Design)
																										876,600	Nani O`Puna & Hale O`Puna LCCC (Const)
																										0	Nani O`Puna & Hale O`Puna LCCC (Const)
																										0	Nani O`Puna & Hale O`Puna LCCC (Const)
																										7,696	Nani O`Puna & Hale O`Puna LCCC (Const)
																										0	Nani Olu Additional Parking (Const)
																										100,000	Nani Olu Additional Parking (Design)
423,527																										423,527	Noelani I & II Waterline Repalacement and Repair (Const)
																										150,000	Noelani I & II Waterline Repalacement and Repair (Design)
																										0	Noelani II, Fill Sink Hole (Const)
																										35,000	Noelani II, Evaluate and fill sink hole (Design)
																										9,200	Noelani II, Evaluate and fill sink hole (Const)
																										77,118	Noelani II, Roof Cap and Gutter Work (Const)
																										1,389,000	Pahala Homes, Rehabilitate 24 Units of Elderly Housing, ADA Units, Mod
								226,882																		226,882	Pahala Homes, Rehabilitate 24 Units of Elderly Housing, ADA Units, Mod
																										2,634,719	Palolo Valley Homes Physical Improvements (Design)
					1,408,430																					5,000,000	Palolo Valley Homes Physical Improvements Ph1 (Const)
																										1,400,000	Piilani Homes Physical Improvements (Const)

LS CIP Non-Routine R&M/Reno. S/W (Const) Encumber 06-30-2012	General Fund Operating HMS-220 Lapse 06-30-2011	Kuhio Park Terrace Improvements, Oahu Construction For Dry Standpipe,	Mayor Wright Homes, Renovations and Improvements, Oahu	Mayor Wright Homes, Renovations and Improvements, Oahu	Palolo Valley Homes, Physical Improvements Phase 2, Oahu Construction	Lanakila Homes, Master Plan For Demolition Of Remaining	Lanakila Homes, Renovation of Existing Buildings, Hawaii Design and	ADA Compliance for Various State and Federal Projects, Statewide	Puahala Homes, Phase 1B Abatement and Modernization Buildings	Kalihi Valley Homes, Site and Dwelling Improvements Phase IV, Oahu Design and	Hauiki Homes, Site Work and Roof Repairs, Oahu Design and	Kaahumanu Homes, Spall Repair and Painting For 19 Buildings, Site Improvement	Kaahumanu Homes, Spall Repair and Painting For 19 Buildings, Site Improvement	Pomaikai, Major Renovations and Site Improvements, Hawaii Construction	David Malo Circle, Exterior Improvements, and Site Work, Maui Design For	General Fund Operating HMS-220 Lapse 06-30-2012	Kuhio Park Terrace Improvements, Oahu Construction For Dry Standpipe,	Lanakila Homes, Renovation of Existing Buildings, Hawaii Design and	Hale Laulima, Major Modernization, Roof Replacement, Termite	ADA Compliance for Various State and Federal Projects, Statewide	Puahala Homes, Phase 1B Abatement and Modernization	Kalihi Valley Homes, Site and Dwelling Improvements Phase	Hauiki Homes, Site Work and Roof Repairs, Oahu Design and	Kaahumanu Homes, Spall Repair and Painting For 19 Buildings,	General Fund Operating HMS-220 Lapse 06-30-2013		PROJECT TITLE
					1,750,000																					5,000,000	Palolo Valley Homes Physical Improvements Ph2 (Const)
		2,079,754																								4,579,754	Salt Lake Apartment and Elevator Renovation (1) Plus Install (1) New Ele
																										0	Palolo Valley Homes Security Screen Door Replacement (Const)
																										0	Paoakalani (Design)
																										0	Paoakalani (Const)
																										300,000	Hale Hookipa Physical Improvements to Exterior Repairs and Interior Moc
																										0	PHA Wide State Relocation Expenses (Design)
																										325,000	PHA Wide Type C Units Group A (Design)
																										89,900	PHA Wide Type C Units Group A, Kauai (Const)
																										796,858	PHA Wide Type C Units Group A, Oahu (Const)
																										459,204	PHA Wide Type C Units Group B (Design)
																										450,000	PHA Wide Type C Units Group B, Hawaii (Const)
																										1,850,971	PHA Wide Type C Units Group B, Oahu (Const)
																										300,000	PHA Wide Type C Units Group C (Design)
																										952,263	PHA Wide Type C Units Group Inhouse, Maui (Const)
																										280,000	Physical Needs Assessment (PNA) of State-Owned Projects (25 total) (D
																										3,257,053	Palolo Valley Homes Physical Improvements Ph3 (Const)
		140,000																								140,000	Piilani Homes Physical Improvements (Design)
																				2,000,000						2,000,000	Pomaikai ADA Units and Modernization (Const)
								200,218																		200,218	Pomaikai ADA Units and Modernization (Design)
																					1,900,000					1,900,000	Puahala Homes IB Abatement and Modernization Buildings 4,5,6 (Const
									105,000																	401,002	Puahala Homes IB Abatement and Modernization Buildings 4,5,6 (Desig
																										0	Puahala Homes II, III & IV Abatement and Modernization (Construction)
																										0	Puahala Homes II, III & IV Abatement and Modernization (Design)
256,604																										2,782,679	Puahala Homes Site Improvements (Const)
																										360,420	Puahala Homes Site Improvements (Design)
																										3,250,000	Palolo Valley Homes Physical Improvements Ph4 (Const)
																										30,000	Pumehana, Makamae & Punchbowl Homes Interior & Exterior Repairs, T
																										0	Punahele, Replace Water Lines and Installation of Backflow Preventor (C
																										0	Punahele, Replace Water Lines and Installation of Backflow Preventor (D
																										213,102	Puuwai Momi Electrical System Repairs (Const)
																										2,139,561	Puuwai Momi, Electrical System Repairs (Const) I & II
																										186,066	Puuwai Momi, Electrical System Repairs (Design)
																										20,100	Puuwai Momi, Electrical System Repairs (Design)
																										0	Puuwai Momi W. Heater & Roof Impr. (Const)
																										0	Puuwai Momi W. Heater & Roof Impr. (Design)
																										2,239,959	**PHA Wide CMS Support Services Technical Salaries (Const)**
																										697,052	Salt Lake Apartment and Elevator Renovation (1) Plus Install (1) New Ele
																										0	Salt Lake Apartments Bldg Improvements (Const)
																										0	Salt Lake Apartments Bldg Improvements (Design)
																										0	School St Bldg A, Hazmat Abatement, Structural Remediation/Repair, AD
																										0	School St Bldg A, Hazmat Abatement, Structural Remediation/Repair, AD
	3,000																									3,000	School Street Building E Emergency Roof Leak Repair (Const)
																										621,202	School Street Renovations, Building M (Both)
																										0	Wahiawa Terrace, Electrical (Const)
																										589,277	Wahiawa Terrace, Re-roof (Const)
																										39,626	Wahiawa Terrace, Sewage Lift Station (Const)
	24,660																									24,660	Wahiawa Sewage Lift Station Preventive Maintenance Contract (3 Years)
																										76,105	Wahiawa Terrace, Upgrade and Replace Heat Pumps and Gas Water H
																										0	Wahiawa Terrace, Weatherproofing, Painting (Const)
																										0	Wahiawa Terrace, Weatherproofing, Painting (Design)
																										27,423,308	BLI 1406 Operations (may not exceed 20% of Grant)
																										2,746,599	BLI 1408 Management Improvements
																										12,972,537	BLI 1410 Administration (may not exceed 10% of Grant)
																										0	BLI 1411 Audit
																										7,259	BLI 1495.1 Relocation Costs
																										4,438,033	BLI 1502 Contingency (may not exceed 8% of Grant)
																										0	STATE PUBLIC HOUSING SUBSIDY
																										0	Transfer Funds from B-07-416-K to B-07-415-K Con to Des
																										0	Transfer Funds from B-07-414-K to B-07-413-K Con to Des
																										0	Transfer Funds from B-08-400-K to B-08-401-K Des to Con
																										0	Transfer Funds from B-08-402-K to B-08-403-K Con to Des
																										0	Transfer Funds from B-09-410-K to B-09-409-K Con to Des
(639,416)																										0	Transfer Funds from B-10-404-K to B-10-403-K Con to Des
																										0	Transfer Funds from B-10-403-K to B-10-404-K Des to Con
			1,147,448	(1,147,448)																						0	Transfer Funds from B-11-406-K to B-11-405-K Con to Des
4,000,000	4,414,556	9,200,000	1,000	5,599,000	5,000,000	100,000	750,000	10,000,000	105,000	700,000	65,000	550,000	1,800,000	2,000,000	1,800,000	4,414,556	7,000,000	7,500,000	5,000,000	10,000,000	1,900,000	7,000,000	600,000	1,800,000	4,414,556	393,651,758	APPROPRIATION
3,360,584	4,414,556	9,200,000	1,148,448	4,451,552	5,000,000	100,000	750,000	10,000,000	105,000	700,000	65,000	550,000	1,800,000	2,000,000	1,800,000	4,414,556	7,000,000	7,500,000	5,000,000	10,000,000	1,900,000	7,000,000	600,000	1,800,000	4,414,556	393,651,758	ALLOTMENT
3,360,584	479,538	9,200,000	1,148,448	4,451,552	3,158,430	0	750,000	10,000,000	105,000	700,000	0	0	0	0	1,800,000	299,425	0	7,500,000	0	2,000,000	1,900,000	7,000,000	0	0	0	322,040,563	EXPENDED/BUDGET
(0)	3,935,018	0	0	0	1,841,570	100,000	0	0	0	0	65,000	550,000	1,800,000	2,000,000	0	4,115,131	7,000,000	0	5,000,000	8,000,000	0	0	600,000	1,800,000	4,414,556	71,611,195	BALANCES

Executive Director Search

Task Force Report

- HPHA advertised from October 16, 2011 through November 4, 2011.
  Newspapers: Honolulu Star Advertiser, Midweek, Garden Island, Maui News, Hawaii Herald Tribune and HPHA website.
- A total of 62 resumes received, and culled 10 resumes to conduct first interview.
  HPHA received resumes from the following geographic location:
  - Oahu 28
  - Maui 10
  - Hawaii 10
  - Kauai 5
  - Out-of-State 4
  - No physical address 5
- Task Force tentative schedule to meet and review resumes on November 22, 2011.
- Timeline to conduct interviews: November 27, 2011 – December 2, 2011.
- Task Force will conduct interviews and select candidates for second interviews.
- Second interviews will be held during a special or regular board meeting. Target date January 2012.
- All candidates must be able to meet all board members during the second interview.

KMH LLP

A Hawaii Limited Liability Partnership

November 8, 2011

Board of Directors
Hawaii Public Housing Authority
1002 North School Street, Building E
Honolulu, Hawaii 96817

Attention: Mr. David Gierlach

This letter is intended to communicate certain matters related to the planned scope and timing of our audit of the Hawaii Public Housing Authority's (the Authority) financial statements and compliance as of and for the year ended June 30, 2011.

Communication

Effective two-way communication between our Firm and the Board of Directors of the Authority is important to understanding matters related to the audit and in developing a constructive working relationship.

Your insights may assist us in understanding the Authority and its environment, in identifying appropriate sources of audit evidence, and in providing information about specific transactions or events. We will discuss with you your oversight of the effectiveness of internal control and any areas where you request additional procedures to be undertaken. We expect that you will timely communicate with us any matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing and extent of audit procedures, your suspicion or detection of fraud or abuse, or any concerns you may have about the integrity or competence of senior management.

We will timely communicate to you any fraud involving senior management and other fraud that causes a material misstatement of the financial statements, illegal acts, instances of noncompliance, or abuse that come to our attention (unless they are clearly inconsequential), and disagreements with management and other serious difficulties encountered in performing the audit. We also will communicate to you and to management any significant deficiencies or material weaknesses in internal control that become known to us during the course of the audit. Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process will be communicated to you in writing after the audit.

Independence

Our independence policies and procedures are designed to provide reasonable assurance that our Firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and nonaudit services that may be thought to bear on independence. For example, without our permission, no partner or professional employee of KMH LLP (KMH) is permitted to own any direct financial interest or a material indirect financial interest in a client or any affiliates of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and

1003 Bishop Street ▪ Suite 2400 ▪ Honolulu, HI 96813 ▪ Telephone: 808-526-2255 ▪ Fax: 808-536-5817 ▪ www.kmhllp.com

resolved in accordance with firm policy. In addition, our policies restrict certain nonaudit services that may be provided by KMH and require audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

The Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how your entity functions. This enables us to identify key audit components and tailor our procedures to the unique aspects of your operations. The development of a specific audit plan will begin by meeting with you and with management to obtain an understanding of business objectives, strategies, risks, and performance.

We will obtain an understanding of internal control over financial reporting and compliance with laws, regulations, and provisions of contracts and grant agreements to assess the impact of internal control on determining the nature, timing, and extent of audit procedures, and we will establish an overall materiality limit for audit purposes. We will conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error or to instances of noncompliance.

We will use this knowledge and understanding, together with other factors, to first assess the risk that errors or fraud may cause a material misstatement at the financial statement level. The assessment of the risks of material misstatement at the financial statement level provides us with parameters within which to design the audit procedures for specific account balances and classes of transactions. Our risk assessment process at the account-balance or class-of-transactions level consists of:

An assessment of inherent risk (the susceptibility of an assertion relating to an account balance or class of transactions to a material misstatement, assuming there are no related controls); and

An evaluation of the design effectiveness of internal control over financial reporting and our assessment of control risk (the risk that a material misstatement could occur in an assertion and not be prevented or detected on a timely basis by the Authority's internal control).

Similar assessments will also be made relative to compliance with certain laws, regulations, and provisions of contracts and grant agreements.

We will then determine the nature, timing, and extent of tests of controls and substantive procedures necessary given the risks identified and the controls as we understand them.

The Concept of Materiality in Planning and Executing the Audit

In planning the audit, the materiality limit is viewed as the maximum aggregate amount, which if detected and not corrected, would cause us to modify our opinion on the financial statements. The materiality limit is an allowance not only for misstatements that will be detected and not corrected but also for misstatements that may not be detected by the audit. Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods. At the end of the audit, we will inform you of all individual unrecorded misstatements aggregated by us in connection with our evaluation of our audit test results.

Our Approach to Internal Control and Compliance Relevant to the Audit

Our audit of the financial statements will include obtaining an understanding of internal control sufficient to plan the audit and to determine the nature, timing, and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Our review and understanding of the Authority's internal control is not undertaken for the purpose of expressing an opinion on the effectiveness of internal control.

We will issue report on internal control related to the financial statements and major programs. These report describe the scope of testing of internal control and the results of our tests of internal controls. Our reports on internal control will include any significant deficiencies and material weaknesses in the system of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with the requirements of the Government Auditing Standards issued by the Comptroller General of the United States, the Single Audit Act, and the U.S. Office of Management and Budget, (OMB) Circular No. A-133.

We will issue a report on compliance with laws, regulations, and the provisions of contracts or grant agreements. We will report on any noncompliance which could have a material effect on the financial statements and any noncompliance which could have a direct and material effect on each major program. Our report on compliance will address material errors, fraud, abuse, violations of compliance requirements, and other responsibilities imposed by state and federal statutes and regulations and assumed contracts; and any state or federal grant, entitlement, or loan program questioned costs of which we become aware, consistent with the requirements of the standards and circular identified above.

Closing

This communication is intended solely for the information and use of the Board of Directors of the Authority and is not intended to be and should not be used by anyone other than the specified parties.

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to be of service to the Authority.

KMH LLP

KMH LLP

Copy to: Ms. Barbara Arashiro, Acting Executive Director

Volunteers Instilling Pride (VIP)
Frequently Asked Questions

What is VIP?

Volunteers Instilling Pride (VIP) is a grassroots volunteer initiative that utilizes volunteer labor to help the Hawaii Public Housing Authority (HPHA) renovate vacant public housing. Presently, there are about 400 vacant public housing units sitting in disrepair. We have the opportunity to quickly return many of these units to circulation. Since 2007, VIP has renovated over 200 units on Oahu. Assuming an average unit cost of $250,000 to build, these renovations effectively returned $50,000,000 of housing to our affordable housing market.

Who can help?

No experience required! VIP is open to all willing and able adults with a heart to help the poor with their housing needs. Children under 18 must be accompanied at all times by a parent or guardian.

Why should I help?

In one morning you can make a difference and be part of the solution to our affordable housing crisis! Inadequate affordable housing is a primary cause of homelessness and creates great stresses on low and middle-income families. Due to inadequate State resources, there are many public housing units sitting in disrepair that can help struggling families. Volunteer work days quickly return existing units to our affordable housing inventory. New low-income tenants will usually move into the renovated units within 3 weeks of the work day.

I have no experience... is it safe?

Yes, it is safe! Specific volunteer-appropriate functions have been identified that are designed for the novice volunteer worker. Higher-risk, technical, and intensive work is performed by the HPHA and contracted labor. In life, mistakes happen and random injuries occur; however, experience has proven this to be a safe activity. The biggest risk is inadequate hydration, so be sure to drink enough fluids!

How long is an average work day?

Each project may vary; however a normal workday is 4 hours long- from 8:00am – noon with lunch to follow. Most workdays are on Saturdays or holidays; however large volunteer groups may be able to organize weekday projects upon request. Lunch and water are provided at no cost to the volunteer.

What type of work will be done?

Each project may vary; however normal work duties include painting, cleaning, and grounds keeping. Some other volunteer-appropriate functions may include taping, caulking, dry walling, tiling, flooring, lifting, and installing.

Who will supervise the work and provide quality control?

Work is supervised by trained employees or contracted labor of the Hawaii Public Housing Authority (HPHA)

What does it cost?

There is no cost to the volunteer! All materials and tools are provided by the HPHA. Some volunteers like to bring their own snacks and water, but it is not required. Coolers will be onsite with cold water and disposable cups.

What should I wear?

Volunteers will get dirty and often speckled with paint- wear clothes that you don't mind getting dirty. Hats recommended to keep paint out of hair. Closed-toe shoes required.

What should I bring with me on the workday?

Some volunteers choose to bring sunscreen. Most work is done in-doors; however there are some external duties. Completed liability waiver forms must be completed and signed in order to assist on workdays.

What must I do in advance of a workday?

Volunteers must complete the attached liability waiver form and return to the project coordinator before the workday. You must also provide contact information to your project coordinator so that we can verify expected headcount on the work day.

Are there other ways to help?

Yes! Groups willing to provide workday lunches needed (10 – 75 meals, depending on project size). Individuals willing to coordinate work days and volunteers greatly desired. Contact Kent Anderson for additional ways you and/or your organization can get involved.

Where should I park on the workday?

Parking is usually available on-site; however the project coordinator will provide this information in advance to the work day.

Why is affordable housing such a crisis in Hawaii?

Hawaii experiences the least affordable housing market in the United States with a relatively low wage base. In Hawaii, according to a 2011 National Low Income Housing Coalition report:

- Fair market rent of a two bedroom apartment is $1,616;
- A family of four must earn $31.08/hr to afford a two-bedroom apartment;
- The average renter earns $13.65/hr;
- A minimum wage family would need to work 171 hours per week to afford a two-bedroom apartment;
- Monthly Supplemental Security Income (SSI) payments for an individual are $674 / month.

Hawaii suffers a severe shortage of affordable housing. Hawaii's housing deficit is estimated to be over $7.5 billion.

- Housing need: 30,000 units
- Cost per unit: $250,000
- Housing Shortfall: $7,500,000,000

The housing deficit has devastated low and middle-income families in Hawaii:

- Number of sheltered homeless increased 35% from 5,648 in 2006 to 7,649 in 2010;
- Number of unsheltered homeless increased 63%, from 4,884 in 2006 to 7,974 in 2010;
- Also 358,669 residents are considered at-risk or hidden homeless;
- Maui and Hawaii are amongst the hardest hit foreclosure markets.

Contact Information

	Contact	Phone	Email	Website
Statewide	Kent Anderson	203-6718	kentanderson@rcchawaii.org	n/a

Volunteer Satisfaction Survey

August 6, 2011 – Wahiawa workday

1. What did you hope to gain from volunteering when you first started?

47% Meet new people
40% Use/develop my existing skills
96% Feel I was making a contribution to the community
11% Other (please describe)

2. To what extent have your expectations been met?

81% Fully met
19% Partly met
0% Not met at all

3. How useful have the following been in helping you carry out your role

Supervision arrangements
53% Very helpful
34% helpful
11% neither helpful or unhelpful
2% unhelpful

Initial training
43% Very helpful
31% helpful
24% neither helpful or unhelpful
2% unhelpful

Support from staff generally
74% Very helpful
23% helpful
4% neither helpful or unhelpful
0% unhelpful

Support from other volunteers
79% Very helpful
21% helpful
0% neither helpful or unhelpful
0% unhelpful

STATE OF HAWAII
HAWAII PUBLIC HOUSING AUTHORITY
VOLUNTEER DATA FORM
(Please print clearly)

NAME____
Last First M.I.

ADDRESS____
Number Street Apt. No. City Zip Code

WORK PHONE__________________ HOME PHONE__________________

CURRENT EMPLOYER____________________________________

AGENCY SPONSOR______________________________________

PREVIOUS VOLUNTEER EXPERIENCE________________________

SPECIALIZED SKILLS: Please check as appropriate.

☐ Electrical	☐ Plumbing	☐ Carpentry	☐ Ceramic Tile
☐ Drywall	☐ Flooring	☐ Window/Doors	☐ Cabinetry
☐ Landscape	☐ Tree Trimming	☐ Roofing	☐ Concrete/Paving

OTHER____

AVAILABILITY

What days of the week are you available? (Please circle)
Sunday Monday Tuesday Wednesday Thursday Friday Saturday

What hours are you available?_______________________

What are your available start and end dates? Start Date:______________ End Date:______________

EMERGENCY INFORMATION

Do you have medical/health insurance? (Please check) ☐ Yes ☐ No

Name of Medical Insurance & Policy Number:

____

In the event of emergency, contact person(s):

Name______________________________ Relationship______________________

Home Phone______________________ Work Phone______________________

I hereby certify that all information provided in this volunteer data form are true and correct to the best of my knowledge. My participation in this activity is of my own free will and, to the extent permitted by law, I will indemnify and hold harmless the State of Hawaii and the Hawaii Public Housing Authority and all its employees in the event of damages or injury suffered or caused by me during my participation as a willing volunteer.

Submitted By__________________________________ Date__________________
Volunteer's Signature

For volunteers under the age of 18: I am the parent or guardian of ________________________.
I authorize his/her participation as a volunteer in the VIP volunteer program of the Hawaii Public Housing Authority and I agree to the above statement and terms.

________________________________ Date____________________
Parent/Guardian's Signature

Parent/Guardian's Printed Name______________________________

Memorandum of Understanding
Hawaii Public Housing Authority (HPHA)
and
Volunteers Instilling Pride (VIP)

Together, the Hawaii Public Housing Authority and Volunteers Instilling Pride enter into this Memorandum of Understanding to mutually renovate public housing units that are currently vacant due to disrepair and are able to be returned to Hawaii's affordable housing inventory using community-based volunteer labor.

Purpose

This Memorandum of Understanding (MOU) establishes a collaborating partnership between the Hawaii Public Housing Authority and Volunteers Instilling Pride with the objective of maximizing the number of public housing units that are occupied by low-income households through the utilization of community-based volunteer labor. Under this agreement, the Hawaii Public Housing Authority will promote this agreement with key staff, contractors, labor unions, tenant associations, and other stakeholders to ensure that VIP workdays are supported with sufficient resources and supervision. Volunteers Instilling Pride will promote this agreement among its various partner agencies across the islands and these partner agencies will recruit and educate members of their volunteer networks to assist HPHA with their renovation needs. This partnership is limited to volunteer-appropriate work and is not intended to undertake professional renovations such as electrical, plumbing, roofing, and elevator repair.

Roles and Responsibilities

Hawaii Public Housing Authority will:

- Assist scheduling of VIP workdays across the Hawaiian Islands at least 12 times per year until all volunteer-appropriate public housing renovations are completed.
- Provide qualified supervision on VIP workdays for volunteer labor.
- Provide needed work materials and water on VIP workdays for volunteer labor.
- Complete required site preparation work in advance of work day to maximize quality control and ensure that volunteers have sufficient work opportunities on day of event.
- Provide central point of contact for VIP initiatives and attend monthly VIP planning meetings to facilitate the renovation of vacant public housing.
- Liaison with tenant associations to educate them about VIP workdays and solicit potential tenant volunteers.

- Select work sites, create work calendars, create punch lists, create supply check lists, coordinate preliminary walk-through, identify number of requested volunteers, and lead work day planning process.
- Properly maintain and manage renovated units to keep them occupied by low-income households.
- Maintain general liability insurance as required by law.

Volunteers Instilling Pride will:

- Recruit, manage, and thank volunteers for designated work days. Most volunteers will be of a non-professional nature to undertake tasks such as cleaning, painting, grounds keeping, flooring, minor repairs, etc. Technically skilled volunteers may be recruited based on specific requests for the HPHA related to specific projects.
- Provide volunteer team leaders for VIP workdays to assist HPHA supervisors as requested.
- Provide lunches on VIP workdays for volunteer labor.
- Strive to deliver high-quality results based on HPHA directives.
- Provide central point of contact for VIP initiatives and attend monthly VIP planning meetings to facilitate the renovation of vacant public housing.
- Provide community education regarding Hawaii's affordable housing needs and positive public relations related to the HPHA.
- Coordinate with HPHA regarding selection of work sites, creation of work calendars, creation of punch lists, creation of supply check lists, coordination of preliminary walk-through, and assistance with work day planning process.
- Coordinate signing of liability waivers.

Each party in this MOU will appoint a person to serve as the official contact and will coordinate the activities of each organization in carrying out this MOU. The initial appointees of each organization are:

Denise Wise
Executive Director
Hawaii Public Housing Authority
1002 North School Street
Honolulu, HI 96817

Kent Anderson
Housing Development Director
Office of Affordable Housing
Roman Catholic Diocese of Honolulu
6301 Pali Highway
Kaneohe, HI 96744

<u>Terms of Understanding</u>

The term of the MOU will begin on the date signed by both parties. There is no end date to this MOU though it may be superseded by future MOUs between the below signed organizations and may be amended by mutual consent. This memorandum of understanding testifies to a spirit of cooperation that exists between the organizations. The MOU is not a formal undertaking. It implies that the signatories will strive to reach, to the best of their ability, the objective stated in the MOU.

The undersigned hereby pledge to work together to meet the goals set forth in this document.

______________________________	______________________________
Hawaii Public Housing Authority Representative	Volunteers Instilling Pride Representative