

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

**September 20, 2012
9:00 a.m.**

AGENDA

I. CALL TO ORDER/ROLL CALL

II. APPROVAL OF MINUTES

- A. Regular Meeting Minutes, August 16, 2012 (*Pages 1-11*)
- B. Executive Session Minutes, July 19, 2012
- C. Executive Session Minutes, August 16, 2012

III. PUBLIC TESTIMONY

Public testimony on any item relevant to this agenda 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 Adopt Amendments to and Compilation of Chapter 17-2028 "Federally-Assisted Housing Projects", Hawaii Administrative Rules and to Authorize the Executive Director to Undertake All Actions Necessary under Chapter 91, Hawaii Revised Statutes, and Administrative Directive No. 09-01, Subject to Review and Approval by the Department of the Attorney General (*Pages 12-68*)
- B. Motion: To Adopt Amendments to and Compilation of Chapter 17-2020 "Eviction - Practice and Procedure", Hawaii Administrative Rules and to Authorize the Executive Director to Undertake All Actions Necessary under Chapter 91, Hawaii Revised Statutes, and Administrative Directive No. 09-01, Subject to Review and Approval by the Department of the Attorney General (*Pages 68-89*)
- C. Motion: To Approve the Hawaii Public Housing Authority's Proposed Legislation for Inclusion in the Executive Administration's Legislative Package (*Pages 90-92*)

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 Proposed Bills for Inclusion in the Executive Administration's Legislative Package

- D. Motion: To Authorize the Executive Director to Request Waterline Easements from the City and County of Honolulu within Ahe Street for the Palolo Valley Homes Modernization Project *(Pages 93-96)*
- E. Motion: To Approve the Written Justification for Waiver to the Annual Contributions Contract as Required by the Hawaii Public Housing Authority's (HPHA) Standards of Conduct; and to Authorize the Executive Assistant to Submit the Hawaii Public Housing Authority's Request for Waiver to the Annual Contributions Contract to the U.S. Department of Housing and Urban Development *(Pages 97-98)*

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 the Written Justification for Waiver to the Annual Contributions Contract

V. REPORTS

- A. Executive Director's Report:

Updates and Accomplishments Related to Public Housing Occupancy, Maintenance Repairs; Design and Construction Project Updates; Media Inquiries, Contracts & Procurements Executed During August 2012; Staffing; Rent Collections and Evictions; and Follow-Up Report on Board Inquiries *(Pages 99-149)*

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) (Page 150)*

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)*

If any person requires special needs (i.e., large print, taped materials, sign language interpreter, etc.) please call Ms. Taryn Chikamori 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 REGULAR MEETING
HELD AT 1002 NORTH SCHOOL STREET, BUILDING E,
HONOLULU, HAWAII 96817
ON THURSDAY, AUGUST 16, 2012
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, August 16, 2012 at 9:05 a.m.

The meeting was called to order by Chairperson Gierlach and upon the call to order, those present were as follows:

PRESENT: Director David Gierlach, Chairperson
Director Matilda Yoshioka, Vice-Chair
Director Roger Godfrey
Director Debbie Shimizu
Director Trevor Tokishi
Designee Wilfredo Tungol

Executive Director, Hakim Ouansafi
Deputy Attorney General, Jennifer Sugita

EXCUSED: Director Jason Espero, Secretary
Director Desiree Kihano
Director George Yokoyama

STAFF PRESENT: Barbara Arashiro, Executive Assistant
Clarence Allen, Acting Chief Financial Management Advisor
Kiriko Oishi, Compliance Officer
Rick Sogawa, Contracts and Procurement Officer
Becky Choi, State Housing Development Administrator
Joanna Renken, Acting Public Housing Supervisor
Stephanie Fo, Acting Section 8 Subsidy Branch Chief
Rochelle Akamine, Resident Services Program Specialist
Daniel Cardona, Property Management Specialist
Taryn Chikamori, Secretary to the Board

OTHERS: Kenneth Asahan, Private Resident
Pius Casiano, Puahala Homes Resident
Gloria Castro, Mayor Wright Homes Resident
Augafa Ene, Mayor Wright Homes Resident

Michael Flores, U.S. Department of Housing and Urban Development
Fetu Kolio, Mayor Wright Homes Resident
Andrew Samuel, Puahala Homes Resident
Sandy Shuru, Puahala Homes Resident
Matthew Taufetee, Peacemakers

Proceedings:

Chairperson Gierlach declared a quorum present.

The business of the Board proceeded with approval of the Regular Meeting Minutes of June 21, 2012 and July 19, 2012, and Annual Meeting Minutes of July 19, 2012.

Director Shimizu requested clarification regarding the date of the minutes as the agenda had the date of June 16, 2012 while the minutes referred to the date of the meeting as June 21, 2012.

Chairperson Gierlach stated the Board is approving the minutes of June 21, 2012.

Director Shimizu moved to approve the minutes,

Director Shimizu requested the following corrections:

June 21, 2012, Regular meeting minutes:

- Page 5, "...the motion be held until later in the meeting" should be revised with the correct spelling of "until" and removal of the word "to".
- Page 13, "She does not like the 30%..." change the word "She" to "Representative Cabanilla".

July 19, 2012, Annual meeting minutes:

- Page 29, Remove Director Debbie Shimizu and Director Travis Thompson from the "Present" list because they did not attend the meeting.

July 19, 2012, Regular meeting minutes:

- Page 24, second to the last paragraph, delete the word "Akon" and replace with "Akron".

The minutes were unanimously approved as amended.

Chairperson Gierlach deferred the approval of the Executive Session Minutes until the Executive Session is held later in the meeting.

Public Testimony

Mr. Pius Casiano, Puahala Homes Resident, reported that a non-tenant has threatened to kill him and he has a temporary restraining order (TRO) against this person. He stated that he has asked management to help him enforce the TRO. He stated that the Executive Director refused to see

him about this issue. He also asked that the HPHA hold elections for the Puahala Homes Tenant Association. He indicated that the association only has Vicky Milo as President and all other seats are vacant.

Mr. Pius Casiano provided interpretation for Mr. Sandy Shuru, Puahala Homes Resident. Mr. Shuru stated that he reported a change in his income in June and management has not adjusted his rent.

Chairperson Gierlach asked Mr. Shuru to provide the date that he reported the change in income. Mr. Shuru responded that he did not know, but thought it was in early June.

Mr. Fetu Kolio, Mayor Wright Homes Resident, stated that Management has authorized the citizens' patrol to enforce rules and laws against tenants. He stated that many of the people on the citizens' patrol are not tenants of Mayor Wright Homes (MWH). He feels that because Matt Levi is doing a good job, Matt Levi's security guards should be the only people authorized to enforce the rules. He feels that the current Tenant Association Board should still be serving until the new Board is elected. He feels that Management retaliates against him, and he is glad that he has a lawsuit because the lawsuit levels the playing field. Mr. Kolio stated that he does not like the service providers at MWH.

Mr. Kenneth Asahan, private resident, stated he lives next to a Section 8 tenant who he believes is abusing the Section 8 program. He spoke to and wrote a letter to Executive Director Ouansafi and received a response that the matter will be investigated.

Chairperson Gierlach asked Mr. Asahan to describe the abuse. Mr. Asahan stated that the tenant drives a \$50,000 Escalade, she is never home and her seven children are always making noise. She also has unauthorized people living in the house. He also stated that if he can't get help at the State level he will call the federal offices.

Chairperson Gierlach stated he would like staff to follow up on the following issues:

- 1) What is the Hawaii Public Housing Authority's (HPHA) policy regarding enforcement of a TRO?
- 2) What is the status of the Puahala Homes election?
- 3) What is the time frame for recalculating rent when a change in income is reported?
- 4) Are non-tenants involved in the MWH citizens patrol and is that appropriate?
- 5) To what extent does the Section 8 program require tenants to supervise their children, prohibit unauthorized people from living in Section 8 housing, and what assets disqualify a person from receiving a Section 8 voucher?

Chairperson Gierlach explained that because of State laws (regarding public notice) the Board cannot discuss the issues with HPHA staff today. Chairman Gierlach requested that the aforementioned items be addressed at the next Board meeting.

For Action:

Director Tokishi moved,

To Reappoint Eleanor Sheridan to the Kona Eviction Board for a Two-Year Term Expiring on August 16, 2014.

Executive Director Ouansafi reported that Ms. Eleanor Sheridan is a public housing resident and has experience with the lease agreement.

The motion was unanimously carried.

For Action:

Director Godfrey moved,

To Adopt the Hawaii Public Housing Authority's Section 8 Management Assessment Program (SEMAP) Certification for Fiscal Year July 1, 2011 to June 30, 2012.

Executive Director Ouansafi reported that the SEMAP is a self-evaluation. He stated that the HPHA lost points on Indicator 7, Expanding Housing Opportunities. Ms. Arashiro reported the points were lost because the HPHA did not conduct landlord outreach.

Chairperson Gierlach questioned why the HPHA did not hold workshops. Executive Director Ouansafi responded that the Section 8 list was closed, so the HPHA was not getting new tenants.

Executive Director Ouansafi reported that this fiscal year the HPHA is teaming up with the City and County of Honolulu (C & C) Section 8 Program to conduct joint landlord outreach.

Director Yoshioka asked why points are being lost on Indicator 14: Family Self Sufficiency. Executive Director Ouansafi responded that the HPHA does not have enough families enrolled in the Family Self-Sufficiency program.

Director Yoshioka asked how many families are needed to get the full points and how many families are currently enrolled in the program. Executive Director Ouansafi reported that the HPHA needs 161 families, but currently has 88 families.

Director Shimizu asked if the HPHA is trying for the bonus points. Executive Director Ouansafi reported that the HPHA is unable to get the deconcentration bonus points for a while because of the waitlist preferences.

Director Shimizu asked what happens to the score. Executive Director Ouansafi reported that the HPHA needs to submit the score to the U.S. Department of Housing and Urban Development (HUD). HUD may conduct monitoring and then accept/confirm the score.

Director Shimizu asked what HUD will say about the score. Executive Director Ouansafi reported that it is a good score and the HPHA has the back up for all line items. Ms. Arashiro stated that 133 points is a “high performer”.

Director Yoshioka asked what score causes HUD to become concerned about an agency. Executive Director Ouansafi responded that a score of 87 points is a troubled agency.

Designee Tungol stated he understands that the C & C administers vouchers for aging foster youth (Step-Up Housing) which is counted towards the HPHA voucher numbers. Executive Director Ouansafi responded that the Step-Up Housing is not part of the HPHA’s program.

The motion was unanimously carried.

Reports:

Executive Director’s Report:

Executive Director Ouansafi reported that the HPHA held a job fair on July 7, 2012. The HPHA is hiring teams of 10 people with different trade skills. Job offers have been made to the first team and two members have already started. The paperwork for the remaining positions are being processed.

Chairperson Gierlach asked what the teams are going to be doing. Executive Director Ouansafi responded that the teams will be renovating the vacant units. Once the units are occupied, the HPHA will be eligible for approximately \$3.7 million in operating subsidy from HUD. Contractors on the Big Island completed 36 units, but the contract was set up so that the HPHA staff needs to finish touching up the units.

Executive Director Ouansafi reported that Kauai has many problems, but the HPHA has a plan to get the Kauai Asset Management Project (AMP) back on track.

Chairperson Gierlach asked if Kauai has a manager. Executive Director Ouansafi reported that the HPHA hired someone, but he quit after one day.

Executive Director Ouansafi reported that the HPHA will be hiring someone for crime prevention on Kauai.

Executive Director Ouansafi reported that the HPHA has a team from the Correctional Industries on Kauai today and two more teams will be going on the weekend to fix the vacant units.

Executive Director Ouansafi reported that the HPHA will be sending Oahu staff to Kauai to help certify families, enforce the rules, and collect rent.

Director Yoshioka stated that the HPHA is using New Hope on Oahu and recommended using New Hope on Kauai. Executive Director Ouansafi reported that New Hope contacted HPHA offering assistance and HPHA will determine whether something can be put together on Kauai.

Director Yoshioka asked if Kauai's uncollected rent is so high because there is no manager. Executive Director Ouansafi reported the HPHA has been short staffed, and has not done a good job in rent collections on Kauai, but it is catching up.

Executive Director Ouansafi reported that it is difficult to hire a manager for Kauai based on the salary that the HPHA is offering. Chairperson Gierlach asked what the pay rate is for the manager on Kauai. Executive Director Ouansafi reported about \$45,000.

Director Yoshioka stated she asked employees at the County of Kauai to apply for the manager's position, but no one wants the job because they get paid more at the County for similar positions. Ms. Arashiro reported that the C & C employees are paid more than the State employees.

Director Godfrey asked if the HPHA can raise the pay for the manager position. Executive Director Ouansafi reported that the HPHA is looking into many options including converting the position to an exempt position in order to increase the pay and that HPHA is consulting with the Hawaii Government Employees Association (HGEA) before making any changes.

Director Yoshioka stated the Kauai manager position has been vacant for three years. Executive Director Ouansafi reported staff will come to the Board with a plan on hiring a manager.

Chairperson Gierlach questioned whether the issue is a lack of funds to hire a competent manager. He also questioned whether the HPHA needed to use the resources of the Governor's Office and the Department of Human Services (DHS) to obtain the funds to hire a manager. Executive Director Ouansafi stated the HPHA has the funds; the problem is the position is a civil service position and the pay rate is set.

Chairperson Gierlach asked how the HPHA can obtain an emergency exemption. Director Shimizu responded that the HPHA needs to talk to DHRD to find out if the HPHA can get an exemption.

Executive Director Ouansafi stated that each civil service position has a set pay range.

Executive Director Ouansafi clarified that the pool of candidates on Oahu is larger than Kauai, so it is easier to fill Oahu manager positions.

Chairperson Gierlach asked who determines if the position can be converted into exempt status. Executive Director Ouansafi reported the HPHA needs to put in a request and work with the HGEA or may need statutory authority.

Director Tokishi suggested that the HGEA might be more open to a neighbor island salary differential than an exempt position. Executive Director Ouansafi stated the HPHA will look into this idea.

Director Godfrey asked if the HPHA is having difficulty hiring managers on Maui and Hawaii. Executive Director Ouansafi responded that the HPHA would have the same difficulty recruiting managers on Maui and Hawaii.

Executive Director Ouansafi reported the HPHA will have an Acting Manager on Kauai. Chairperson Gierlach asked if the Acting Manager is the person with the law enforcement background. Executive Director Ouansafi responded that this is a different person.

Chairperson Gierlach asked how long the Acting Manager will remain on Kauai. Executive Director Ouansafi responded that the Acting Manager will stay on Kauai until the job is completed.

Executive Director Ouansafi reported that the job of the person with the law enforcement background will be to meet with tenants with violations and follow up until the violations are cured and to supervise maintenance.

Director Yoshioka requested that Designee Tungol talk with DHS personnel office. Designee Tungol responded that he will follow up with DHS personnel office and DHRD. He believes converting the position to exempt status may give flexibility to the HPHA, but the HPHA will need to consult with the HGEA and get legislative approval. He stated there is differential pay for hard to recruit positions.

Task Force Report:

Report from Board Task Force on Redevelopment at Mayor Wright Homes

Chairperson Gierlach reported that the Mayor Wright Homes Task Force met and the HPHA is looking into a public-private partnership. The HPHA is seeking a consultant to advise the Board and then a request for information (RFI) will be issued.

Director Shimizu asked if the HPHA will need to amend the 5-year plan. Executive Director Ouansafi confirmed that once the HPHA determines which direction it will be going, the HPHA will need to amend the 5-year plan.

Chairperson Gierlach stated that the task force's duties have come to a conclusion and another task force can be reappointed once the consultant has started.

Director Yoshioka asked who is on the task force. Chairperson Gierlach responded himself, Director Kihano, Director Espero, and Designee Tungol.

Chairperson Gierlach asked if Michael Flores can address the Board without a quorum. Deputy Attorney General Jennifer Sugita confirmed that because Mr. Flores' presentation was for informational purposes only, a quorum is not needed.

Deputy Attorney General Sugita stated that the Board moved on from the Executive Director's report, but will be going back to the Executive Director's report when Mr. Flores arrives.

For Discussion:

Discussion with the Executive Director on Staffing Needs

Chairperson Gierlach stated that HUD informed him that the HPHA needs Fiscal Management Office (FMO) staff.

Executive Director Ouansafi responded that the ideal candidate for the vacant Chief Financial Management Advisor position is a CPA with strong accounting, housing, and federal experience.

Chairperson Gierlach asked what it will take to hire someone with that experience. Executive Director Ouansafi reported that the HPHA would need to pay \$120,000 to \$150,000. The HPHA has met with Akron Metropolitan Housing Authority (AMHA) to determine a reasonable salary. Executive Director Ouansafi reported that each year, the HPHA pays the auditor \$300,000 in fees to audit HPHA, and an additional \$200,000 to the auditor.

Executive Director Ouansafi reported that the position has been in continuous active recruitment. Ms. Arashiro added that the HPHA has made offers to potential applicants, but their existing employer made counter offers.

Executive Director Ouansafi reported that the HPHA has hired consultants to help the HPHA address its audit findings.

Executive Director Ouansafi reported that the HPHA also has staff with performance issues.

Chairperson Gierlach stated that if the HPHA has staff that are not qualified for their job, the HPHA should not allow too much time to pass. Executive Director Ouansafi responded that some staff has been with the HPHA for 15 years or more.

Designee Tungol confirmed that it could take a couple of years to release a civil service employee for performance issues, whereas misconduct takes less time.

Chairperson Gierlach asked if there are minimum qualifications. Designee Tungol stated that if an employee is already on board, it is presumed that they meet the minimum qualifications.

Chairperson Gierlach questioned whether an employee can stay in their position while a grievance is being conducted. Designee Tungol confirmed that they can continue working or they can be put on administrative leave with pay.

Director Godfrey moved at 10:15 a.m.,

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 on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to Personnel Issues and Pay and Performance of Particular Employees in Different Departments of the Agency.

The motion was unanimously carried.

The Board reconvened from Executive Session at 10:35 a.m.

Reports continuation:

Executive Director's Report continuation:

Chairperson Gierlach stated that the Board will continue discussing the Executive Director's report.

Mr. Michael Flores, from HUD, stated he will be discussing the 2013 budget situation, the Budget Control Act and the Sequestration Bill. Mr. Flores distributed a chart created by the National Low Income Housing Coalition to the Board. He stated that the Senate Appropriations Committee (SAC) passed the HUD Appropriation bill on April 19, 2012. The full House passed its version of the Appropriation bill on June 29, 2012. Congress is not expected to take up the bill again until after the November elections.

Mr. Flores stated that the HPHA programs that could be affected include the Tenant Based Rental Assistance Contract Renewals; Administrative Fees; and Veterans Supportive Housing Vouchers. The Contract Renewals is the Section 8 program. The House is providing \$17,238, slightly less than FY 2012 enacted. The Senate is providing \$17,495, slightly more than FY 2012 enacted. The House and Senate are providing a 17 percent increase from the FY 2012 enacted for the Administrative Fee. For the Veterans Supportive Housing Voucher program, both the House and Senate agreed to continue funding the program. Mr. Flores stated that after the November election everything may change.

Mr. Flores stated that for the Public Housing Capital Fund, both the House and the Senate propose a 6 percent increase. He stated the Operating Subsidy has a 14 percent increase from the House and a 16 percent increase from the Senate.

Mr. Flores stated that the MWH project may be a candidate for the HOPE VI program. The Senate and the administration appropriated funds for the HOPE VI program, but the House did not.

Mr. Flores stated that Congress is in recess until September 10th. He stated before Congress went into recess they agreed to a six month Continuing Resolution. Mr. Flores stated the Federal fiscal year is October 1, 2012 to September 30, 2013. The Continuing Resolution will end March 31, 2013. The Resolution has not been drafted as of yet and typically the funding is based on the previous year's funding levels. He stated that if in March the funding is still under the Continuing Resolution, half the fiscal year has passed.

Mr. Flores stated that there are two concerns if the funding remains on the Continuing Resolution. The first concern is in fiscal year 2012, Congress allowed HUD to tap into \$750 million in a public housing's operating budget reserves and apply it to the operating subsidy.

The HPHA will not be affected because the HPHA did not tap into the reserves. The second concern is that Congress authorized HUD to offset \$650 million in the Net Restricted Asset (NRA) in the Housing Choice Voucher (HCV) Program. Mr. Flores stated that HUD provides a set amount for HCV. The Section 8 funds that are not used go into a NRA account.

Mr. Flores explained that for the HCV contract renewals, the HPHA was supposed to get \$22.8 million, but the offset was \$1.85 million. The HPHA only received \$20 million. Mr. Flores stated that as of January 1, 2012, the HPHA had approximately \$2.5 million NRA balance.

Mr. Flores stated that the administrative fee is a function of leasing. For the first 7,200 Unit Months Leased (UML), the HPHA receives \$101.47 and for every unit after that the HPHA receives \$94.71. If the HPHA is able to lease 1,900 vouchers, then the HPHA will receive over \$2 million in fees.

Mr. Flores stated that he expects that the HPHA will continue receiving \$26,593,708 in public housing operating subsidy and approximately \$9.4 million in Capital Funds.

Mr. Flores stated the Budget Control Act of 2011 states that the national debt needs to be reduced by \$1.2 trillion. If Congress does not change the law or compromise on how to reduce the spending in the next nine years, then an across the board cut of 7.8 percent will apply to the FY 2012 levels and will take effect January 2013. The HPHA programs would be impacted as follows: 1) HCV will be reduced to \$1.78 million, causing HPHA to serve 150-200 fewer families; 2) administrative fees will be reduced by \$168,000; 3) operating subsidy will be reduced by \$2 million; and 4) the Capital Fund will be reduced by \$737,442. The HPHA will need to prepare for the impact on its programs and staffing. The HPHA would also need to think about how to implement the budget cuts in a shortened year because by January, the HPHA would be three months into the federal fiscal year.

Mr. Flores stated the President signed the Sequestration Bill on August 7, 2012. By September 6, 2012 the administration should have identified the percentage of proration/budget cut on each discretionary and mandatory Federal program.

Mr. Flores stated that the HPHA should maximize its voucher utilization to minimize the impact. The funding for the vouchers is based on utilization from the previous year. The HPHA is currently doing a good job, but will have to cut back in a couple of months to ensure the HPHA does not over utilize the vouchers.

Mr. Flores stated the HPHA needs to continue to fill vacant units. Filling vacant units increases operating subsidy and incoming rent. The HPHA needs to collect rent.

Director Yoshioka asked when Congress needs to pass the budget. Mr. Flores reported that Congress needs to pass a budget by September 30, 2012 or the federal government will shut down.

Director Yoshioka asked what needs to happen by March 31, 2013. Mr. Flores stated that a budget needs to be passed or the Continuing Resolution will need to be extended.

Designee Tungol asked if it is an advantage for the HPHA to utilize the vouchers as close to 100 percent. Mr. Flores responded the HPHA should always try to get as close to the 100 percent. Mr. Flores stated the HPHA should be issuing around 2020 or 2030 vouchers.

Director Yoshioka asked if the HPHA has leased 1800 vouchers. Mr. Flores reported that as of June, the HPHA has leased 1,927 and in July leased about 73 additional vouchers. Executive Director Ouansafi reported that the HPHA's goal is to lease up to 2,050 vouchers.

Designee Tungol asked if the Step Up program has 100 vouchers that are being underutilized by the HPHA. Mr. Flores reported that the Step Up program is under the C & C, not the HPHA.

Director Yoshioka asked if the Step Up vouchers were only available to cities. Mr. Flores responded no, the C & C applied for the vouchers. Chairperson Gierlach thanked Mr. Flores for the information.

Chairperson Gierlach stated that approval of the Executive Session Minutes, Board member questions and that the Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority Denise Wise in Her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795) will be deferred until next month.

With no further business for the Board to conduct,

Director Yoshioka moved to adjourn,

The motion was unanimously carried.

The meeting adjourned at 11:00 a.m.

MINUTES CERTIFICATION

Minutes Prepared by:



Taryn T. Chikamori
Secretary to the Board

SEP 20 2012

Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on September 20, 2012: [] As Presented [] As Amended



Jason Espino
Director/Board Secretary

SEP 20 2012

Date

FOR ACTION

SUBJECT: To Adopt Amendments to and Compilation of Chapter 17-2028 "Federally-Assisted Housing Projects", Hawaii Administrative Rules and to Authorize the Executive Director to Undertake All Actions Necessary under Chapter 91, Hawaii Revised Statutes, and Administrative Directive No. 09-01, Subject to Review and Approval by the Department of the Attorney General

I. FACTS

- A. The Hawaii Public Housing Authority (HPHA) Federal Low Income Public Housing (LIPH) inventory is governed by a variety of federal, state, and agency statutes and rules, such as the Code of Federal Regulations and Chapter 356D, Hawaii Revised Statutes (HRS).
- B. Sections 356D-4 and 356D-13 (Attachment A) authorize the HPHA to adopt administrative rules with the force and effect of law to govern its federal programs.
- C. The HPHA has consistently managed the federal LIPH inventory in accordance with Chapter 17-2028 "Federally-Assisted Housing Projects", Hawaii Administrative Rules (HAR).
- D. In order to implement a number of changes to policies, procedures, and initiatives to improve service delivery and program administration, amendments to 17-2028, HAR have been developed for adoption and compilation.
- E. Once approved by the HPHA Board of Directors, the agency must request permission to take the proposed Rule to public hearing from the Governor. The HPHA staff must make thirty days' notice to the public and hold hearings on the Islands of Kauai, Oahu, Maui, and Hawaii.
- F. Once the hearing process has been completed, the HPHA must request the Governor to adopt the Rule and file certified copies with the Office of the Lt. Governor.

II. DISCUSSION

- A. The proposed amendments to Chapter 17-2028, HAR, would add new and clarifying definitions to the Rule, including the definition of “drug”, “criminal activity”, “Admissions and Continued Occupancy Policy”, and “smoking”. (ATTACHMENT B).
- B. The proposed amendments would update exhibits governing occupancy guidelines and standards, and would make numerous changes to the rule governing utility allowances.
- C. The proposed amendments would require applicants to select one geographic waitlist, rather than the current practice of allowing applicants to submit applications to any and all geographic waitlists.
- D. The proposed amendments would prohibit applications based on prior rental history, the use of drugs, and would require disclosure of tobacco use for the purposes of enforcing smoking prohibitions.
- E. The proposed amendments would strengthen the ability of the HPHA to place tenants based on deconcentration and income mixing goals by allowing non-preference holders to be placed prior to preference holders.
- F. The proposed amendments would clarify that the homeless preference is provided only to those participating in a recognized homeless transitional shelter program.
- G. The proposed amendments would clarify the definitions of the HPHA’s geographical waiting lists by specifying the properties within each one, and applicants would be limited to their choice of one waiting list. Applicants would be permitted to change geographical preferences while maintaining the original date and time of their application.
- H. The proposed amendments would change the current policy requiring that all tenant transfers take priority over new applicants. Only transfers to accessible dwelling units for reasonable accommodations shall have priority.
- I. The proposed amendments would reduce the amount of time allowed to families in repaying back charges, from one hundred eighty days to ninety days, and would clarify the right of the HPHA to negotiate payment plans.
- J. The proposed amendments would provide for rental agreement termination for violating non-smoking requirements; smoking will be prohibited in all common areas, within twenty feet of entrances, exits,

windows that open, and ventilation intakes, and in all dwelling units unless specifically designated otherwise by the HPHA. If smoking is permitted in a development, the family would be charged a non-refundable deposit and additional fees per month due to the increased wear and tear.

- K. The proposed amendments would establish a minimum rent of \$50 per month, and would provide for requests for an exemption from the minimum rent due to hardships, as required by HUD regulations.
- L. The proposed amendments would provide for security deposits to be charged for smoking in designated smoking units and for community facility rentals.
- M. The proposed amendments are currently under review by the Department of the Attorney General. Approval of the Attachment B draft of the Rule would be subject to the review and advice of counsel.
- N. Following approval of the proposed Rule, the Executive Director will hold public hearings on the Islands of Kauai, Oahu, Maui, and Hawaii at a date and locations to be determined.
- O. Based on testimony received during the public viewing and comment period, the Executive Director will make any non-substantive amendments to the draft amendments to and compilation of the Rule prior to or following the public hearing.
- P. After the public hearings, the Executive Director will transmit amendments to and compilation of Chapter 17-2028, Hawaii Administrative Rules, to the Governor for final approval provided that no substantive amendments are made. Staff anticipates the following approximate schedule of the process:

| <u>Action</u> | <u>Timeframe</u> |
|---|--------------------|
| Board For Action (adopt amendments) | September 20, 2012 |
| Request to GOV for Public Hearing | September 21, 2012 |
| Receive GOV authorization | October 19, 2012 |
| Publish Hearing Notice (30 Day Notice) | October 24, 2012 |
| Public Hearing | November 27, 2012 |
| Finalize Rule /Transmit to GOV for Adoption | November 29, 2012 |
| Rule Effective | December 15, 2012 |

III. RECOMMENDATION

That the HPHA Board of Directors adopt amendments to and compilation of Chapter 17-2028 "Federally-Assisted Housing Projects", Hawaii Administrative Rules and authorize the Executive Director to undertake all actions necessary under Chapter 91, Hawaii Revised Statutes, and Administrative Directive No. 09-01, Subject to Review and Approval by the Department of the Attorney General.

ATTACHMENT A: Sections 356D-4 and 356D-13, HRS

ATTACHMENT B: Ch. 17-2028, HAR (Ramseyer Format)

Prepared by: Nicholas Birck, Chief Planner



Adopted by the HPHA Board of Directors on
the date set forth above:



David Gierlach, Chairperson

§356D-4 General powers of the authority. (a) The authority may:

- (1) Sue and be sued;
- (2) Have a seal and alter the same at pleasure;
- (3) Make and execute contracts and other instruments necessary or convenient to the exercise of its powers; and
- (4) Adopt bylaws and rules in accordance with chapter 91 for its organization, internal management, and to carry into effect its purposes, powers, and programs.

(b) In addition to other powers conferred upon it, the authority may do all things necessary and convenient to carry out the powers expressly provided in this chapter.

§356D-13 Administration of federal programs. (a) The authority may carry out federal programs designated to be carried out by a public housing agency, or entity designated by the authority.

(b) The authority shall adopt necessary rules in accordance with chapter 91, including the establishment and collection of reasonable fees for administering the program, to carry out any federal program in subsection (a).

(c) All fees collected for administering the program may be deposited into an appropriate special fund of the authority and may be used to cover the administrative expenses of the authority.

Rules Amending Title 17
Hawaii Administrative Rules

July 19, 2012

1. Chapter 2028 of Title 17, Hawaii Administrative Rules, entitled "Federally-Assisted Housing Projects" is amended and compiled to read as follows:

"HAWAII ADMINISTRATIVE RULES

TITLE 17

DEPARTMENT OF HUMAN SERVICES

SUBTITLE 5

HAWAII PUBLIC HOUSING AUTHORITY

CHAPTER 2028

FEDERALLY-ASSISTED HOUSING PROJECTS

Subchapter 1 General Provisions

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

Subchapter 2 Eligibility

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

Subchapter 3 Tenant Selection

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

Subchapter 4 Occupancy and Rental Agreement

| | |
|--------------|-------------------------------------|
| \$17-2028-51 | Rental agreement |
| \$17-2028-52 | Eligibility for continued occupancy |
| \$17-2028-53 | Reexamination |
| \$17-2028-54 | Reexamination results |
| \$17-2028-55 | Special reexamination |
| \$17-2028-56 | Interim rent adjustment |
| \$17-2028-57 | Tenant transfers |
| \$17-2028-58 | Backcharges |
| \$17-2028-59 | Rental agreement termination |
| \$17-2028-60 | Smoking prohibited |

Subchapter 5 Rents and Security Deposits

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

Subchapter 6 Family Self-Sufficiency
Program

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

Subchapter 7 Special Programs

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

Subchapter 8 Household Pets

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

Subchapter 9 Miscellaneous Provisions

- §17-2028-101 Severability
- §17-2028-102 Number and gender

Historical Note: Chapter 2028 of Title 17, Hawaii Administrative Rules, is substantially based upon Chapter 17-2028, Hawaii Administrative Rules, [Eff 7/21/05; am and comp 9/4/07; am and comp], Chapter 17-535, Hawaii Administrative Rules, [Eff 1/1/81; am and comp 2/11/85; am and comp 5/26/98; R 12/03/01], and Chapter 15-190, Hawaii Administrative Rules [Eff 12/03/01; R 7/21/05]

SUBCHAPTER 1

GENERAL PROVISIONS

§17-2028-1 Purpose. These rules are adopted under chapter 91, HRS, and shall govern the administration of federal programs designated to be carried out by a public housing agency, including admission to and the continued occupancy of federally-assisted housing projects owned or operated by the authority. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. Parts 5, 903, 960, 965, 966; HRS §§356D-4, 356D-13)

§17-2028-2 Definitions. [As used in these rules, except as otherwise required by context] The following terms, wherever used or referred to in these rules, shall have the following respective meanings, unless a different meaning clearly appears from the context:

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

"Adjusted income" means "annual income" minus any HUD allowable expenses and deductions as defined in 24 C.F.R. §5.611[, which is incorporated by reference and attached as exhibit A] as it existed on July 19, 2012.

"Admissions and Continued Occupancy Policy" or "ACOP" means the regulatory document governing the policies by which the authority determines eligibility for admission, prospective resident selection, housing unit assignment, fair and nondiscriminatory transfers, lease terminations, pet policies, and other property-specific guidelines as required pursuant to these rules.

"Annual income" means the gross amount of income anticipated to be received by the family during the twelve months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income which has been excluded by HUD, as defined in 24 C.F.R. §5.609[, which is incorporated by reference and attached as exhibit B] as it existed on July 19, 2012.

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

"Authority" means the Hawaii public housing authority.

"Assets" or "net family assets" means net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment as defined in 24 C.F.R. §5.603[, which is incorporated by reference and attached as exhibit C] as it existed on July 19, 2012.

"Assisted housing" means [housing assisted under the United States Housing Act of 1937] the same as "federally-assisted housing".

"Backcharge" means the amount of arrears in rent owed to the authority.

"Broad range of income" means attaining a tenant population in a project with a broad range of income that is generally representative of the range of

income and the rent paying ability of lower income families.

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

"Community facilities" includes real and personal property; buildings, equipment, lands, and grounds for recreational or social assemblies, and for educational, health, or welfare purposes; and necessary or convenient utilities, when designed primarily for the benefit and use of the authority or the occupants of the dwelling units.

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

"Community wide" means inclusive of any location that is under the jurisdiction of the authority.

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

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

"Designated housing" or "designated project" means a [project (or projects)] property (or properties), or a portion [of a project (or projects)] thereof that has been designated for occupancy by disabled families, elderly families, or mixed populations of disabled families and elderly families.

"Disabled family" means a family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living

together; or one or more persons with disabilities living with one or more live-in aides.

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

"Drug" means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802) as it existed on July 19, 2012.

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

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

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

"Elderly" or "elderly family" means a family whose head, spouse, or sole member is a person who is at least sixty-two years of age; or two or more persons who are at least sixty-two years of age living together; or one or more persons who are at least sixty-two years of age living with one or more live-in aides.

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

"Enclosed or partially enclosed" means closed in by a roof or overhang and at least two walls. Enclosed or partially enclosed areas include but are not limited to areas commonly described as public lobbies, lanais, interior courtyards, patios, and covered walkways.

"Exempt individual" means an individual who is exempt from complying with community service or self-

sufficiency activities and which is further defined in 24 C.F.R. §960.601(b) [, which is incorporated by reference and attached as exhibit D] as it existed on July 19, 2012.

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

"Family" means:

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

"Family self-sufficiency program" or "FSS program" means the program establish by the authority in accordance with 24 C.F.R. Part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services.

"Federally-assisted housing [projects]" means [the low-income federal assisted public housing projects as established by the United States Housing Act of 1937, as amended] housing assisted under any of the following HUD programs:

- (1) Public housing;
- (2) Housing receiving project-based or tenant-based assistance under Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f) as it existed on July 19, 2012;
- (3) Housing that is assisted under section 202 of the Housing Act of 1959, as amended by section 801 of the National Affordable Housing Act (12 U.S.C. 1701q) as it existed on July 19, 2012;
- (4) Housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before the enactment of the National Affordable Housing Act as it existed on July 19, 2012;
- (5) Housing that is assisted under section 811 of the National Affordable Housing Act (42 U.S.C. 8013) as it existed on July 19, 2012;
- (6) Housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act (12 U.S.C. 1715 1 (d)(3)) that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act (12 U.S.C. 1715 1 (d)(5)) as it existed on July 19, 2012;
- (7) Housing insured, assisted, or held by HUD or by a State or local agency under section 236 of the National Housing Act (12 U.S.C. 1715z-1) as it existed on July 19, 2012; or
- (8) Housing assisted by the Rural Development Administration under section 514 or section 515 of the Housing Act of 1949 (42 U.S.C. 1483, 1484) as it existed on July 19, 2012.

"Foster children" means a person or persons, under eighteen years of age who is not related to the foster parent by blood, marriage, or adoption and who is in need of parenting care.

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

"Gender identity" means actual or perceived gender-related characteristics.

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

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

"Housing projects" means those rental projects owned or operated by the authority.

"HRS" means the Hawaii Revised Statutes.

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

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

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

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

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

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

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

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

"Multifamily dwelling" means a building containing more than two dwelling units.

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

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

"PHA plan" means the authority's public housing agency plan that is prepared pursuant to 24 C.F.R. Part 903.

"Public housing" means housing assisted under the 1937 Act, other than under Section 8. "Public housing" includes dwelling units in a mixed finance project that are assisted by a PHA with capital or operating assistance.

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

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

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

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

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

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

"Sexual orientation" means homosexuality, heterosexuality, or bisexuality.

"Smoke" or "smoking" means inhaling or exhaling the fumes of tobacco or any other plant material, or burning or carrying any lighted smoking equipment for tobacco or any other plant material.

"Staff" means the employees or agents of the authority.

"Substandard housing" means a unit that:

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

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

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

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

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

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

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

"Violent criminal activity" means any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. Parts 5, 903, 960, 965, 966; HRS §§356D-4, 356D-13)

§17-2028-3 Income limits. (a) Income limits for an applicant's admission to a housing project shall be as prescribed by HUD annual income limit guidelines.

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

(c) Because the HUD income limits are mandatory and the [Authority] authority has no discretion to amend or change the income limits, the income limits shall be established without a public hearing as provided in Chapter 91-3(d), HRS as it existed on July 19, 2012. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §5.601; HRS §§356D-4, 356D-13, 356D-31)

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

(b) The value of the assets shall be based on the fair market value. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §5.603; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-5 Occupancy guidelines. (a) The authority shall establish occupancy guidelines to maintain the maximum usefulness of the dwelling units, while preventing excessive wear and tear or

underutilization. The occupancy guidelines are incorporated by reference and attached as exhibit [F] A.

(b) The occupancy guidelines shall provide for minimum and maximum unit sizes depending on the number of persons in a household for purposes of determining unit size for the wait list. The occupancy guidelines are not to be confused with the authority's occupancy standards, which are based on prevailing county building codes. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §960.204; HRS §§356D-4, 356D-13, 356D-31).

§17-2028-6 Occupancy standards. [Applicant and tenant] The authority and families shall abide by the occupancy standards for the admission and continued occupancy in housing projects as prescribed by the occupancy standards which are incorporated by reference and attached as exhibit [G] B. The standards follow the occupancy codes of the county in which the units are located. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §960.204; HRS §§356D-4, 356D-13, 356D-31).

§17-2028-7 Utility allowances. (a) The monthly rent for a [tenant] family residing in a federally-assisted housing project shall include utility allowances established in accordance with HUD's standards for utility allowances as described in 24 C.F.R. §965.505 as it existed on July 19, 2012.

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

relevant factors affecting consumption requirements, including:

- (1) The equipment and functions intended to be covered by the allowance for which the utility will be used;
- (2) The climatic location of the housing projects;
- (3) The size of the dwelling units and the number of occupants per dwelling unit;
- (4) Type of construction and design of the housing project;
- (5) The energy efficiency of authority-supplied appliances and equipment;
- (6) The utility consumption requirements of appliances and equipment whose reasonable consumption is intended to be covered by the total resident payment;
- (7) The physical condition, including insulation and weatherization, of the housing project;
- (8) Temperature levels intended to be maintained in the unit during the day and at night, and in cold and warm weather; and
- (9) Temperature of domestic hot water.

(c) The authority shall conduct a review of utility rates in January of each year as required by 24 C.F.R. §965.507 as it existed on July 19, 2012. Electric and gas rate schedules for all providers shall be collected and reviewed for each month from the preceding January through December of the calendar year prior to the fiscal year beginning July 1. These monthly rates shall be averaged over the year period.

(d) The new utility allowances shall be posted and noticed to residents at least sixty [(60)] days prior to the implementation date, during which time residents shall have the opportunity to present written or oral comments. The applicable schedules shall be publicly posted in a conspicuous manner at the authority's project offices and shall be furnished upon request. The implementation date for new allowances shall be July 1.

(e) Implementation of all new allowances or components of allowances, by utility, shall be

required when there is more than a [ten] five per cent change in rates. In cases when a utility is granted a substantial rate increase in between the annual review, a mid-year allowance adjustment may be required.

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

[(1) Allowances for lighting shall be developed by conducting a field survey of various units to determine the number and type of fixtures. The following factors shall be used to determine the kilowatt hour per month allowance for each unit size:

- (A) The number of fixtures;
- (B) Watts per fixture; and
- (C) Hours of use per day.

- (2) Allowances for miscellaneous electric equipment shall be based upon usage of a television, radio, miscellaneous small appliances, and a fan.
- (3) The allowance for refrigerators is based on a new, but non-energy efficient model. For 0, 1, and 2 bedroom units a 14 cubic foot model utilizing 155 kilowatt hours per month is assumed. For a 3, 4 and 5 bedroom unit, a 16 cubic foot model utilizing 165 kilowatt hours per month is assumed.
- (4) Allowances for cooking shall be 930 kilowatt hours per year for 0, 1, and 2 bedroom units, and 1140 kilowatt hours per year for 3, 4, and 5 bedroom units, respectively.
- (5) Allowances for electric domestic hot water heating shall be based on engineering calculations for each bedroom size assuming

a certain number of occupants. The data used in the calculations include estimated consumption per occupant per day, temperature of incoming water, temperature of hot water supply, efficiency of heater, and energy required to heat water to supply temperature.

(6) Allowance for solar domestic hot water shall be based on a cost analysis of a domestic hot water heating system.

(7) Gas consumption allowances shall be developed using the same methodology as the electric consumption allowance.]

(g) The authority shall provide medical disability allowances for residents who have provided proof of medical necessity to the authority. The quantity allowances for medical equipment shall be determined by taking the equipment's average energy consumption multiplied by the normal frequency of usage. [shall be as follows:

- (1) For window air conditioners, 229 kilowatt hours per month;
- (2) For oxygen concentrators, 219 kilowatt hours per month;
- (3) For nebulizers, 5 kilowatt hours per month;
- (4) For electric hospital beds, 1 kilowatt hour per month;
- (5) For alternating pressure pads, 51 kilowatt hours per month;
- (6) For low air-loss mattresses, 88 kilowatt hours per month;
- (7) For power wheelchairs or scooters, 33 kilowatt hours per month;
- (8) For CPAP machines, 9 kilowatt hours per month; and
- (9) For any other medical equipment, the quantity allowance shall be determined by taking the equipment's average energy consumption multiplied by the normal frequency of usage.]

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

Requests for relief from surcharges for excess consumption of PHA-purchased utilities, or from payment of utility supplier billings in excess of the allowances for resident-purchased utilities, may be granted by the authority through an approved reasonable accommodation request where the special needs of elderly, ill or disabled residents, or special factors affecting utility usage not within the control of the resident demonstrate reasonable grounds for relief.

(i) A [tenant] family shall receive a utility reimbursement when the utility allowance exceeds the total [tenant] family payment [with the exception of] except where:

- (1) [tenants] The family is paying a flat rent[.];
- (2) The utility reimbursement would result in a rent due to the authority below the minimum rent as established in section 17-2028-61;
- (3) The family has received a financial hardship exemption pursuant to section 17-2028-61(b) from the minimum rent payment and reimbursement would result in a balance due from the authority to the household.

(j) If a family resides in a dwelling unit served by authority-furnished utilities and must pay for utility usage in excess of the applicable utility allowance pursuant to subsection (h), where:

- (1) A checkmeter has been installed, the family must pay the excess unit cost of the relevant utility amount based on the authority's average utility rate as described in subsection (b).
- (2) A checkmeter has not been installed, the family must pay for excess usage resulting from estimated utility consumption attributable to resident-owned major appliances or to optional functions of authority-furnished equipment according to the schedule described in subsection (b).
[Eff 7/21/05; am and comp 9/4/07; am and comp]

(Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §§5.603, 5.632, 960.253, Part 965 Subpart E, §966.4; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-8 Verification of information. An applicant or tenant shall provide documentation to verify information upon request of the staff. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §960.204; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-9 Misrepresentation. An applicant may be denied admission to a housing project if the applicant has submitted false information, withheld information, or made willful misstatements. A tenant who does the same may be denied continued eligibility and have the rental agreement terminated. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §966.4; HRS §§356D-4, 356D-13, 356D-31)

SUBCHAPTER 2

ELIGIBILITY

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

(b) An applicant who has misrepresented material information shall not be eligible to file an application with the authority for twelve months from the date of written notification from the authority. [Eff 7/21/05; am and comp 9/4/07; am and

comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §§960.204, 960.205; HRS §§356D-4, 356D-13, 356D-31)

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

- (1) During the pre-application phase, the applicant and adult household members shall:
 - (A) Qualify as a family;
 - (B) Be income eligible as determined under section 17-2028-3;
 - (C) Not have an outstanding debt owed to the authority as a participant in any of its programs;
 - (D) Not have an outstanding liability for unpaid rent or damages incurred while previously participating in any section 8 rental subsidy program;
 - (E) Provide a social security number for all family members who are at least six years of age or certify that the person does not have a social security number;
 - (F) Not have been evicted since March 1, 1985, from a public housing program administered by the authority or any of its [predecessor] predecessors, the housing and community development corporation of Hawaii or Hawaii housing authority;
 - (G) Not have been evicted from assisted housing by reason of drug-related criminal activity for a three-year period beginning on the date of the eviction unless the evicted tenant successfully completes a rehabilitation program approved by the authority;
 - (H) Not have committed fraud, bribery, or any other corrupt or criminal act in

- connection with any federal or state housing program;
- (I) Not be illegally using a controlled substance or give the authority a reasonable cause to believe that the illegal use (or pattern of illegal use) of a controlled substance or abuse alcohol by a household member, (or pattern of abuse) may interfere with the health, safety, or right to peaceful enjoyment of a rental premises by other residents
- (i) For the purposes of this subsection, "reasonable cause to believe" means by a preponderance of the evidence;
- (ii) For the purposes of this subsection, in determining whether to deny eligibility based on a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol by a household member, the authority may consider rehabilitation as provided for under 42 U.S.C. §13661(b)(2)(A)-(C) [effective October 1, 1999, which is incorporated by reference and attached as exhibit I] as it existed on July 19, 2012;
- (J) Not currently or during a three year period preceding the date when the applicant household would otherwise be selected for admission be engaged in any drug-related criminal activity or violent criminal activity which would adversely affect the health, safety, right to peaceful enjoyment of the premises by other residents, the owner, or authority employees;
- (K) Not have been convicted in the manufacture, production, or distribution of methamphetamines; [and]

- (L) Not subject to lifetime registration requirements under any State sex offender's registration program[.];
 - (M) Not have a record of conduct or behavior within ten years of the projected date of admission which may be detrimental to the project, its tenants, or employees;
 - (N) Not be using marijuana, even if pursuant to a lawful prescription under part IX of the Hawaii uniform controlled substances act as it existed on July 19, 2012; and
 - (O) Disclose incidence of tobacco use of all family members within the household.
- (2) During the final application phase, the applicant and all adult household members shall meet the requirements as set forth in (1), above, as well as the following requirements:
- (A) Not engaged in or threatened abusive or violent behavior toward the authority's personnel. For purposes of this subsection, "threatened" means an oral or written threat or physical gestures that communicate intent to abuse or commit violence. Abusive or violent behavior may be verbal or physical and include use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate; and
 - (B) Furnish evidence of citizenship or eligible immigrant status as provided for in 24 C.F.R. §5.508[, which is incorporated by reference

and attached as exhibit J] as it existed on July 19, 2012.

(b) An applicant who is continuously assisted under the U.S. Housing Act of 1937 Housing Act, as amended, shall be admitted to the program as though the applicant was already a program participant. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §§5.216, 960.202, 960.204, 960.205; HRS §§356D-4, 356D-13, 356D-31)

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

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

(c) An applicant determined to be ineligible for admission or participation in the program shall be provided an opportunity for an informal hearing pursuant to section 17-2028-24. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §960.204; HRS §§356D-4, 356D-13, 356D-31)

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

(b) The informal hearing shall be scheduled within twenty-one working days from the date the written request is received and shall be conducted by any person or persons designated by the authority, but shall not be a person who made or approved the determination of ineligibility or a subordinate of [this] such person.

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

(d) A written notice of the hearing officer's decision shall be mailed to the applicant within twenty-one working days after the hearing. The notice shall include an explanation of the reasons for decision. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §960.204; HRS §§356D-4, 356D-13, 356D-31)

SUBCHAPTER 3

TENANT SELECTION

§17-2028-31 Nondiscrimination. Tenant selection and assignment shall be made without regard to race, color, sex, religion, marital status, creed, national or ethnic origin, age, familial status, gender identity, sexual orientation, handicap or disability or HIV infection. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §960.103; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-32 Income targeting. Not less than forty per cent of families admitted to the program during the fiscal year from the waiting list shall be extremely low income families. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §960.202; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-33 Deconcentration. (a) For federally-assisted housing projects, the authority shall give priority to applicants to ensure that, to the maximum

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

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

(c) In order to effectuate the policies stated in this section, the authority may reserve a certain percentage of units for applicant placement for applicants who do not qualify for a preference as described in section 17-2028-34. [Eff 7/21/05; am and comp 9/4/07; am and comp]

(Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §§5.607, 903, 960.204, 960.205; HRS §§356D-4, 356D-13, 356D-31)

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

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

(b) Subject to section 17-2028-33(c), [Each] each preference in each priority group is of equal weight and an applicant who qualifies for any of the preferences shall receive assistance before any other applicant who is not so qualified regardless of:

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

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

(d) An applicant shall not receive preference if any adult member of the applicant family is a person who was evicted or terminated from any housing program operated by the authority for a three-year period beginning on the date of eviction because of drug-related criminal activities unless the adult member has successfully completed a rehabilitation program approved by the authority. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4; 356D-13) (Imp: 24 C.F.R. §960.204; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-35 Loss of preference. An applicant who declines one offer of a housing unit, without good cause, or who voluntarily requests cancellation of the application [after declining an offer], shall lose all preferences [and priorities] for a period of twelve months from the date the offer was declined or from the date of the request for cancellation. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: 24 C.F.R. §960.204; HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §960.204; HRS §§356D-4, 356D-13, 356D-31)

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

- (1) City and County of Honolulu
- (A) Honolulu ([Red Hill to Palolo] Ka'ahumanu Homes, Kalakaua Homes, Kalihi Valley Homes, Kamehameha Homes, Kuhio Homes, Mayor Wright Homes, Palolo Valley Homes, Punchbowl Homes, Pu'uwai Momi, Salt Lake Apartments, Spencer House, Kalanihuia, Makamae, Makua Ali'i, Paoakalani, and Pumehana);
- (B) Central Oahu ([Wahiawa to Waialua] Kauhale Nani, Wahiawa Terrace, and Kupuna Home O'Waialua);
- (C) Windward Oahu (Ho'okipa Kahalu'u, Kaneohe Apartments, Kauhale O'hana, Ko'olau Village, and Waimanalo Homes);
and
- (D) Leeward Oahu ([Pearl City, Waipahu, Waianae, Nanakuli, Kapolei] Hale Laulima, Kau'iokalani, Maili I & II, Nanakuli Homes, Waimaha - Sunflower, and Waipahu I & II).
- (2) County of Hawaii
- (A) [East Hawaii (Hilo, Honokaa to Ka'u)] Hilo (Lanakila Homes, Punahale, Pomaikai, Hale Aloha O Puna, Hale Olaola, Kauhale O'Hanakahi); [and]
- (B) Honoka'a (Hale Hauoli);
- (C) Ka'u (Pahala);
[(B) West Hawaii (Kona, Kohala, Waimea).]
- (D) Kona (Ka Hale Kahalu'u, Hale Ho'okipa, Kaimalino, Kealakehe, Nani Olu);
- (E) Waikoloa (Ke Kumu 'Ekolu, Ke Kumu 'Elua); and
- (F) Waimea (Noelani I & II).
- (3) County of Maui
- (A) East Maui ([Kahului to Wailuku] Kahekili Terrace and Makani Kai Hale);
- (B) West Maui ([Lahaina] Pi'ilani Homes and David Malo Circle); and
- (C) Molokai (Kahale Mua).

- (4) County of Kauai
 (A) East Kauai (Hanamaulu to Kapaa, Kilauea); and
 (B) West Kauai (Koloa to Kekaha).

(b) Applicants shall be notified of the opportunity to apply for and be placed on [any and all] one of the waiting lists through notices posted in a conspicuous place at the authority's offices that accept applications and printed statements in the authority's informational material on its application process.

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

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

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

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

(f) An applicant may elect to change from one geographic waiting list to another geographic waiting list while maintaining the original date and time of their application upon proper written notice to the authority. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: 24 C.F.R. §§1.4, 960.204; HRS §§356D-4; 356D-13) (Imp: 24 C.F.R. §960.204; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-37 Removal from waiting list. [(a)]

An applicant shall not be removed from the waiting list unless:

[(1)](a) The applicant requests that applicant's name be removed;

[(2)](b) The applicant fails to notify the authority of applicant's continued interest for housing at least once every twelve months;

[(3)](c) The applicant no longer meets the eligibility criteria set forth in section 17-2028-22;

[(4)](d) The applicant fails to respond to the authority's reasonable contact efforts.

Correspondence to the last known address will constitute reasonable effort to contact;

[(5)](e) The applicant fails without good cause to keep a scheduled interview or to provide requested information necessary to determine eligibility; or

[(6)](f) The applicant misrepresents any material information to the authority in the application or otherwise. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §§960.204, 960.206, 960.208; HRS §§356D-4, 356D-13, 356D-31)

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

(b) The authority shall announce any closure and reopening of the application process [by publishing notices in a newspaper of general circulation and minority newspapers, and notifying social service organizations] through notices posted in a conspicuous place at the authority's offices that accept applications.

(c) During periods when application acceptance is closed and until it is reopened, the authority shall not maintain a list of persons to be notified when application acceptance is reopened.

[Eff 7/21/05; am and comp 9/4/07; am and comp
] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R.
 §960.204; HRS §§356D-4, 356D-13, 356D-31)

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

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

[(1)] Geographical preference;

[(2)] (1) Size of dwelling unit required;

[(3)] (2) Type of dwelling unit required (e.g. accessible units for the mobility, hearing or visually impaired);

[(4)] (3) [Factors affecting priorities and] Local preferences [as established by the authority];

[(5)] (4) [Broad range of income families in the area] Income targeting and deconcentration policies and goals; and

[(6)] (5) Date and time the application was received.

(c) Upon refusal of one offer, without good cause, the applicant's name will be cancelled from all waiting lists on which the applicant's name has been placed.

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

(1) The unit is not of the proper size or type and the applicant would be able to reside there only temporarily (e.g., a specially designed unit that is awaiting a person with a disability needing such a unit);

(2) The unit offered is unsuitable for health or safety reasons for the applicant;

(3) The applicant is unable to move at the time of the offer and presents clear evidence which substantiates this to the authority's satisfaction, including, but not limited to:

- (A) A doctor verifies that the applicant has just undergone major surgery and needs a period to recuperate;
 - (B) A court verifies that the applicant is serving on a jury which has been sequestered; or
 - (C) A landlord verifies that the applicant has an existing lease that cannot be breached without causing undue financial hardship.
- (4) The applicant's acceptance of the offer would result in undue hardship not related to consideration of race, color, national origin, or language and the applicant presents evidence which substantiates this to the authority's satisfaction (e.g., where current employment or day care facilities are inaccessible). [Eff 7/21/05; am and comp 9/4/07; am and comp
] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §960.204; HRS §§356D-4, 356D-13, 356D-31)

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

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

the accessibility features of the vacant unit.

(b) When an applicant without a disability requiring the accessibility features of the unit accepts such unit, the applicant shall be required to agree to move to a non-accessible unit when one becomes available. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: §§356D-4, 356D-13) (Imp: 24 C.F.R. §§8.27, 5.410, 960.204; HRS §§356D-4, 356D-13, 356D-31)

SUBCHAPTER 4

OCCUPANCY AND RENTAL AGREEMENT

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

(b) No tenant shall be permitted to remain in a housing project without a valid rental agreement. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §966.4; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-52 Eligibility for continued occupancy.

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

- (1) Qualify as a family;
- (2) Conform to the occupancy standards;
- (3) Abide by smoking prohibitions pursuant to section 17-2028-60;

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

(b) Except for a newborn child, a person shall not be permitted to join or rejoin the family until it is verified that the person meets the eligibility requirements set forth in section 17-2028-22.

[Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: C.F.R. §§960.204, 960.603; HRS §§356D-4, 356D-13, 356D-31)

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

(b) For [tenants] families who pay a flat rent pursuant to section 17-2028-62, the authority shall conduct reexaminations as follows:

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

family's annual income, assets and any other matter necessary to determine [a tenant's] the family's eligibility for continued occupancy.

(c) For all [tenant] families who include non-exempt individuals, the authority shall also annually reexamine compliance with community service and economic self-sufficiency requirements. [Eff 7/21/05; am and comp 9/4/07; am and comp]
(Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §966.4; HRS §§356D-4, 356D-13, 356D-31)

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

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

(c) A [tenant] family aggrieved by the reexamination results may request a hearing pursuant to the authority's grievance procedure as provided in chapter 17-2021[, Hawaii administrative rules]. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §966.4; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-55 Special reexamination. If at the time of admission or reexamination, a family's income cannot be reasonably anticipated for the next twelve-month period, the authority may schedule a special reexamination at any time prior to the next annual reexamination when deemed necessary. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §5.609; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-56 Interim rent adjustment. (a) The authority may adjust a [tenant's] family's rent between reexamination if a tenant reports a change in family income. However, adjustments to rent shall not be made for covered families with reduced welfare benefit payments resulting from welfare sanctions for noncompliance with welfare self-sufficiency and work activity requirements. Adjustments, reflecting a lower rent, shall be made effective on the first of the month following the month the report was made.

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

(c) A tenant who fails to report any increase in income after obtaining a decrease in rent under this section shall be subject to a back rent charge retroactive to the month in which the rent increase should have been made pursuant to section 17-2028-58. A tenant shall report to the authority any changes in family composition. Rent adjustment shall be made between reexaminations when a person with income is added to the family and the rent adjustment shall be effective on the first of the second month following the approved inclusion. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §§5.615, 966.4; HRS §§356D-4, 356D-13, 356D-31)

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

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

- (1) To prevent overcrowding or under utilization of a dwelling unit as determined by the

authority at the time of the annual or interim reexamination;

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

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

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

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

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

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

(h) The authority may terminate the rental agreement of a [tenant] family who refuses to transfer as required by the authority. [Eff 7/21/05; am and comp 9/4/07; am and comp]
(Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §966.4; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-58 Backcharges. (a) A [tenant] family shall pay in full any backcharges within [one hundred eighty] ninety days from the date of notification of the backcharge. Failure to do so shall result in the termination of the rental agreement.

(b) The authority may, in its discretion, elect to negotiate a reasonable payment arrangement with a family to ensure payment in full of any backcharges. When the authority determines not to exercise this discretion, the family shall be responsible for the full balance of backcharges as stated in subsection (a). [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §966.4; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-59 Rental agreement termination. (a) [Tenant] A family shall give the authority at least twenty-eight days written notice that the [tenant] family will vacate the [tenant's] family's unit prior to the vacate date.

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

- (1) Fails to observe or perform any covenant or obligation of the rental agreement, or rule of the authority [of] or housing project, or law or ordinance of a governmental agency that pertains to or establishes standards of occupancy;
- (2) Engages in the illegal use of a controlled substance or gives the authority a

reasonable cause to believe that the illegal use (or pattern of illegal use) of a controlled substance or abuse (or pattern of abuse) of alcohol may interfere with the health, safety, or right to peaceful enjoyment of a rental premises by other residents;

- (3) Whose illegal use of a controlled substance, or abuse of alcohol, is determined by the authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents;
- (4) Who the authority determines engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents;
- (5) Who the authority determines engages in any drug-related criminal activity on or near the authority's property; or
- (6) [Tenant threatens] Threatens or implies to threaten an employee[()], contractor or [agency] agent of the authority or State.
- (7) Fails to disclose use of marijuana, even if pursuant to a lawful prescription under part IX of the Hawaii uniform controlled substances act as it existed on July 19, 2012, prior to offer and acceptance of a rental agreement as required in section 17-2028-22.
- (8) Fails to abide by smoking prohibitions pursuant to section 17-2028-60.

(c) The authority shall give a tenant written notice of the proposed termination of the rental agreement [of not less than] that conforms to 24 C.F.R. §966.4, such as:

- (1) Fourteen days in the case of failure to pay rent except for nonpayment of minimum rent during the 90-day period beginning the month following the family's request for a financial hardship exemption pursuant to section 17-2028-61(b);

(2) A reasonable time commensurate with the exigencies of the situation in the case of creation or maintenance of a threat to the health or safety of other tenants or project employees; or

(3) Thirty days in all other cases. The authority shall terminate a rental agreement in accordance with chapter [356D] 17-2020.

(d) The authority may terminate a rental agreement for the use of marijuana, even if pursuant to a lawful prescription under part IX of the Hawaii uniform controlled substances act as it existed on July 19, 2012. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: 24 C.F.R. 966.4; §§356D-4, 356D-13; 356D-98) (Imp: 24 C.F.R. §966.4; HRS §§356D-4, 356D-13, 356D-31, 356D-92)

§17-2028-60 Smoking prohibited. (a) Smoking is prohibited in all common areas and community facilities in and around the authority's multifamily dwellings. For the purposes of this subpart, common areas include, but are not limited to, shared ventilation ducts that service more than one dwelling unit. The authority may designate additional common areas in the ACOP.

(b) Smoking is prohibited within a presumptively reasonable minimum distance of twenty feet from entrances, exits, windows that open, and ventilation intakes that serve an enclosed or partially enclosed area where smoking is prohibited.

(c) Smoking is prohibited within all public housing projects, or portions of public housing projects, including inside dwelling units, unless specifically exempted by the authority in the ACOP.

(d) This prohibition applies to the use of marijuana, even if its use is pursuant to a lawful prescription under part IX of the Hawaii uniform controlled substances act as it existed on July 19, 2012 that was given subsequent to tenant placement in the dwelling unit.

(e) Where smoking is not prohibited in a dwelling unit pursuant to subsection (c) and the household includes a person who smokes as disclosed pursuant to section 17-2028-22, the family shall pay a non-refundable monthly fee of \$50.00.

(f) The authority may discontinue the monthly fee required in subsection (e) when a family can demonstrate to the authority reasonable cause to believe that no member of the household continues to smoke.

- (1) For the purposes of this subsection, "reasonable cause to believe" means by a preponderance of the evidence; and
- (2) For the purposes of this subsection, in determining whether to discontinue charging the monthly fee, the authority may consider completion of a smoking cessation program.
[Eff and comp] (Auth: §§356D-4, 356D-13) (Imp: 24 C.F.R. §§903.7, 966.3; HRS §§356D-4, 356D-13, 356D-31)

SUBCHAPTER 5

RENTS AND SECURITY DEPOSITS

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

(b) The authority shall grant an exemption from payment of minimum rent if the family is unable to pay the minimum rent because of financial hardship attributable only to the following situations:

- (1) The family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program;
- (2) The family would be evicted because it is unable to pay the minimum rent;
- (3) The income of the family has decreased because of changed circumstances, including loss of employment;

(4) A death has occurred in the family; and

(5) Other circumstances determined by the authority or HUD.

(c) If a family requests a financial hardship exemption, the authority shall suspend the minimum rent requirement beginning the month following the family's request for a hardship exemption, and continuing until the authority determines whether there is a qualifying financial hardship and whether it is temporary or long term.

(d) When the authority determines that a qualifying financial hardship is temporary, ninety days after receiving the exemption request the authority shall reinstate the minimum rent from the beginning of the suspension of the minimum rent. The family shall be responsible for backcharges as established in section 17-2028-58.

(e) When the authority determines a qualifying financial hardship is long term, the authority shall exempt the family from the minimum rent requirements so long as such hardship continues. Such exemption shall apply from the beginning of the month following the family's request for a hardship exemption until the end of the qualifying financial hardship.

(f) When the authority determines that there is no qualifying financial hardship exemption, the authority shall reinstate the minimum rent, including back rent owed from the beginning of the suspension. The family shall be responsible for backcharges as established in section 17-2028-58 and shall not be eligible for payment arrangements as provided under section 17-2028-58(b). [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. 5.630; HRS §§356D-4, 356D-13, 356D-31)

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

(a) The flat rent shall be the fair market rents (or "FMRs") that are determined by HUD, at least annually, pursuant to 24 C.F.R. §888.113 as it existed on July 19, 2012. These [fair market rents] FMRs, which include utilities (exclusive of telephone and cable television), are established for dwelling units of various bedroom sizes[, and which are incorporated by reference and attached as exhibit K]. Because the FMRs are determined by HUD and the authority has no discretion to amend or change the FMRs, the FMRs shall be established without a public hearing as provided in Chapter 91-3(d), HRS.

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

(1) The income-based rent does not include charges for excess utility consumption or other charges.

(2) For purposes of establishing the income-based rent, the authority shall exclude from annual income the earned income of previously unemployed family members and increases in earnings of a family member during participation in any economic self-sufficiency or other job training program as provided for in 24 C.F.R. §960.255 as it existed on July 19, 2012 and the PHA plan.

(c) If a [tenant] family is unable to pay the flat rent because of financial hardship, the [tenant] family may at any time request a switch to payment of income-based rent prior to the next annual option to select the type of rent. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §356D-15) (Imp: HRS §§356D-4, 356D-13; 24 C.F.R. §§5.628, 960.255; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-63 Security deposits. (a) Prior to admission to a housing project, a [tenant] family shall pay a security deposit in an amount not to exceed one month's rent. The security deposit may be applied to rent or used to repay charges owed to the authority upon the termination of the rental agreement.

(b) Where smoking is not prohibited in a dwelling unit pursuant to section 17-2028-60(c) and the household includes a person who smokes as disclosed pursuant to section 17-2028-22, the family shall pay an initial non-refundable smoking deposit of \$150.00.

(c) The authority may charge a non-refundable community facilities maintenance deposit of not less than one per cent of the community facilities expenses for rental and use for private functions. Resident associations that are duly recognized by the authority shall be exempt from the payment of this deposit.

[Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §966.4; HRS §§356D-4, 356D-13, 356D-31).

SUBCHAPTER 6

FAMILY SELF-SUFFICIENCY PROGRAM

§17-2028-71 Family self-sufficiency program. The objective of the authority's family self-sufficiency (FSS) program is to reduce the dependency of low-income families on welfare assistance, section 8, public housing, or any federal, state, or local rent or homeownership subsidies. Under the family self-sufficiency program, low-income families are provided opportunities for education, job training, counseling, and other forms of social service assistance, while living in assisted housing, so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. [Eff 7/21/05; am and comp 9/4/07;

comp] (Auth: HRS §§356D-4,
356D-13) (Imp: 24 C.F.R. Part 984; HRS §§356D-4,
356D-13, 356D-31)

§17-2028-72 Eligibility. (a) Tenants in the authority's federal public housing program are eligible to participate in the family self-sufficiency program.

(b) Preference shall be given to applicants who already receive family self-sufficiency-related support services for fifty per cent or less of the allocations. [Eff 7/21/05; am and comp 9/4/07;

comp] (Auth: HRS §§356D-4,
356D-13) (Imp: 24 C.F.R. Part 984; HRS §§356D-4,
356D-13, 356D-31)

§17-2028-73 Recruitment and outreach. (a) The authority shall conduct outreach programs to recruit participants for the family self-sufficiency program.

(b) Outreach efforts may include the following:

- (1) Sending informational brochures to each family participating in the authority federal public housing program;
- (2) Conducting orientation sessions for families who express an interest in participating in the family self-sufficiency program; and
- (3) Identifying and targeting potential families in the authority's caseloads.

[Eff 7/21/05; am and comp 9/4/07;

comp] (Auth: HRS
§§356D-4, 356D-13) (Imp: 24 C.F.R. Part 984;
HRS §§356D-4, 356D-13, 356D-31)

§17-2028-74 Selection. (a) Families will be selected without regard to race, color, religion, sex, disability, gender identity, sexual orientation, familial status, or national origin.

(b) Families will be selected by date of receipt of the family self-sufficiency application.

(c) In the event there are more applicants than family self-sufficiency allocations available, the authority shall conduct a lottery to determine placement on the waiting list.

(d) Initially, up to twenty-five tenants may be selected to participate in the family self-sufficiency program. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. Part 984; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-75 Termination or withholding of service. (a) The authority shall monitor and assess the family self-sufficiency participant's progress and compliance with the goals set forth in the contract of participation. When the authority determines that the family self-sufficiency participant is not making progress or complying with the goals of the contract of participation, the authority shall notify the family self-sufficiency participant of such determination and provide the family self-sufficiency participant six months to demonstrate compliance with the plan of the contract of participation.

(b) If no progress has been made or the family self-sufficiency participant is still not complying with the contract of participation after the six-month period, the authority shall provide the family self-sufficiency participant with a written notice of intent to terminate or withhold services and of the opportunity to request an informal hearing. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. Part 984; HRS §§356D-4, 356D-13, 356D-31)

SUBCHAPTER 7

SPECIAL PROGRAMS

§17-2028-81 Special programs. The authority may administer programs that are created for special or specific purposes to benefit specific categories of persons pursuant to HUD regulations governing those programs. This may include selection from wait lists and lists of participants using criteria that are different from those provided in this chapter. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. 960.505; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-82 Occupancy by police officers. (a) For purposes of this section, "police officer" means a person determined by the authority to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a federal, State or local government or by any agency of these governments.

(b) For the purpose of increasing security for residents of a public housing project, the authority may allow police officers that would not otherwise be eligible for occupancy in public housing, to reside in a public housing dwelling unit.

(c) The authority shall include in the PHA annual plan or supporting documents the number and location of the units to be occupied by police officers, and the terms and conditions of their tenancies; and a statement that such occupancy is needed to increase security for public housing residents.

(d) Occupancy by police officers shall be carried out pursuant to 24 C.F.R. §960, subpart E as it existed on July 19, 2012. [Eff 7/21/05; am and comp 9/4/07; am and comp]

(Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §960.505; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-83 Designated housing. (a) The authority may designate public housing projects, or portions of public housing projects, for occupancy by disabled families, elderly families, or mixed populations of disabled and elderly families.

(b) The authority shall designate public housing projects, or portions of public housing projects in accordance with 24 C.F.R. Part 945 as it existed on July 19, 2012. The authority shall also include a description of the designation activity in the PHA plan. [Eff 7/21/05; am and comp 9/4/07; am and comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. Part 945; HRS §§356D-4, 356D-13, 356D-31)

SUBCHAPTER 8

HOUSEHOLD PETS

§17-2028-91 Pet ownership. (a) The authority may permit pet ownership by residents of public housing, subject to compliance with the authority's pet policy established in the PHA plan.

(b) This subchapter does not apply to animals that assist, support or provide service to persons with disabilities. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §§356D-4, 356D-13) (Imp: 24 C.F.R. §§960.705, 960.707; HRS §§356D-4, 356D-13, 356D-31)

§17-2028-92 Conditions for pet ownership. (a)

A resident shall comply with the authority's reasonable conditions for pet ownership that include, but are not limited to, the following:

- (1) Obtaining a permit from the authority to own a pet pursuant to the requirements set forth in the authority's pet policy established in the PHA plan; and
 - (2) Complying with the authority's rules for pet ownership.
- (b) The authority may revoke a pet permit for the following reasons:
- (1) The authority determines that the pet is not properly cared for;
 - (2) The pet presents a threat to the safety and security of other tenants, employees of the authority, contractors and others on the premises;
 - (3) The pet is destructive or causes an infestation;
 - (4) The pet disturbs other tenants for reasons including, but not limited to, noise, odor, cleanliness, sanitation, and allergic reactions;
 - (5) The pet owner fails to provide an annual update on the pet as required in the pet rules;
 - (6) The resident association or project pet committee, which consists of residents with and without a pet, recommends to the authority that the pet permit be revoked due to a demonstrated lack of cooperation and responsibility in maintaining the pet; or
 - (7) Tenant fails to pay on a timely basis the following applicable pet fees:
 - (A) An initial pet deposit of \$75.00 or an amount equal to the total tenant payment, whichever is lower; and
 - (B) For owners of a dog or cat, a non-refundable monthly fee of \$5.00. [Eff 7/21/05; am and comp 9/4/07;

comp] (Auth:
HRS §§356D-4, 356D-13) (Imp: 24 C.F.R.
§§960.705, 960.707; HRS §§356D-4, 356D-
13, 356D-31)

SUBCHAPTER 9

MISCELLANEOUS PROVISIONS

§17-2028-101 Severability. If any part, section, sentence, clause, or phrase of this chapter, or its application to any person or transaction or other circumstances, is for any reason held to be unconstitutional or invalid, the remaining parts, sections, sentences, clauses, and phrases of this chapter, or the application of this chapter to other persons or transactions or circumstances, shall not be affected. [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §1-23)

§17-2028-102 Number and gender. Words in the singular or plural number and masculine gender shall have the same meaning as defined in section 1-17, HRS." [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §356D-4, 356D-13) (Imp: HRS §1-17)

2. Material, except sources notes, to be repealed is bracketed. New material is underscored.

3. Additions to source notes to reflect these amendments and compilation are not underscored.

4. These amendments to and compilation of chapter 17-2028, Hawaii Administrative Rules shall take effect ten days after filing with the Office of the Lieutenant Governor.

I certify that the foregoing are copies of the rules, drafted in the Ramseyer format pursuant to the requirements of section 91-4.1, Hawaii Revised Statutes, which were adopted on _____ and filed with the Office of the Lieutenant Governor.

DAVID J. GIERLACH, Chairperson
Board of Directors
Hawaii Public Housing Authority

APPROVED AS TO FORM:

Deputy Attorney General

FOR ACTION

SUBJECT: To Adopt Amendments to and Compilation of Chapter 17-2020 "Eviction - Practice and Procedure", Hawaii Administrative Rules and to Authorize the Executive Director to Undertake All Actions Necessary under Chapter 91, Hawaii Revised Statutes, and Administrative Directive No. 09-01, Subject to Review and Approval by the Department of the Attorney General

I. FACTS

- A. The Hawaii Public Housing Authority (HPHA) Federal Low Income Public Housing (LIPH) inventory is governed by a variety of federal, state, and agency statutes and rules, such as the Code of Federal Regulations and Chapter 356D, Hawaii Revised Statutes (HRS).
- B. Act 196, Session Laws of Hawaii (SLH) 2005, as amended by Act 180, SLH 2006, separated the housing financing and development functions from the Housing and Community Development Corporation of Hawaii (HCDCH) and created the Hawaii Housing Finance and Development Corporation (HHFDC), and the Hawaii Public Housing Authority (HPHA). Act 196 became effective on July 1, 2006. Act 196 provided that all HCDCH administrative rules would remain in effect until amended.
- C. Act 160, SLH 2012 required the HPHA to conform all grievance and eviction practices to federal standards, reduced the required number of board members required to hear an eviction, and authorized the use of video teleconferencing technology for the conduct of hearings
- D. Section 356D-98 (Attachment A) authorizes the HPHA to adopt administrative rules with the force and effect of law to govern evictions from its federal low income public housing inventory.
- E. The HPHA has consistently managed the federal LIPH evictions in accordance with Chapter 17-2020 "Eviction - Practice and Procedure", Hawaii Administrative Rules (HAR).
- F. Amendments to 17-2020, HAR have been developed for adoption and compilation, which are necessary to effectuate the current statutory framework. Amendments are also necessary to make housekeeping

amendments to the Rule, such as updating the agency's name and the statutory references within the Rule.

- G. Once approved by the HPHA Board of Directors, the agency must request permission to take the proposed Rule to public hearing from the Governor. The HPHA staff must make thirty days' notice to the public and hold hearings on the Islands of Kauai, Oahu, Maui, and Hawaii.
- H. Once the hearing process has been completed, the HPHA must request the Governor to adopt the Rule and file certified copies with the Office of the Lt. Governor.

II. DISCUSSION

- A. The proposed amendments to Chapter 17-2020, HAR, would update the Rule to refer to the "Hawaii public housing authority" or "the authority", where appropriate, as the responsible agency. The Rule currently refers to the HCDCH, or the corporation, throughout its provisions (ATTACHMENT B). The proposed amendments would further update the historical note and statutory reference sections of the Rule to reflect that it is authorized by and implementing the relevant provisions of Ch. 356D, HRS, rather than Ch. 201G, HRS, which was repealed in 2006
- B. The proposed amendments to Chapter 17-2020, HAR, would add new and clarifying definitions to the Rule, including the definition of "drug", "criminal activity", and removal of the term "examiner".
- C. The proposed amendments would implement Act 160, SLH 2012, which enabled the use of eviction boards with one member and video teleconferencing technology.
- D. The proposed amendments are currently under review by the Department of the Attorney General. Approval of the Attachment B draft of the Rule would be subject to the review and advice of counsel.
- E. Following approval of the proposed Rule, the Office of the Executive Director will hold public hearings on the Islands of Kauai, Oahu, Maui, and Hawaii at a date and locations to be determined.
- F. Based on testimony received during the public viewing and comment period, the Office of the Executive Director will make any non-substantive amendments to the draft amendments to and compilation of the Rule prior to or following the public hearing.

- G. After the public hearings, the Office of the Executive Director will transmit amendments to and compilation of Chapter 17-2020, HAR, to the Governor for final approval provided that no substantive amendments are made. Staff anticipates the following approximate schedule of the process:

| <u>Action</u> | <u>Timeframe</u> |
|---|--------------------|
| Board For Action (adopt amendments) | September 20, 2012 |
| Request to GOV for Public Hearing | September 21, 2012 |
| Receive GOV authorization | October 19, 2012 |
| Publish Hearing Notice (30 Day Notice) | October 24, 2012 |
| Public Hearing | November 27, 2012 |
| Finalize Rule /Transmit to GOV for Adoption | November 29, 2012 |
| Rule Effective | December 15, 2012 |

III. RECOMMENDATION

That the HPHA Board of Directors adopt amendments to and compilation of Chapter 17-2020 "Eviction - Practice and Procedure", Hawaii Administrative Rules and authorize the Executive Director to undertake all actions necessary under Chapter 91, Hawaii Revised Statutes, and Administrative Directive No. 09-0, Subject to Review and Approval by the Department of the Attorney General

ATTACHMENT A: Section 356D-98, HRS

ATTACHMENT B: Ch. 17-2020, HAR (Ramseyer Format)

Prepared by: Nicholas Birck, Chief Planner



Adopted by the HPHA Board of Directors on the date set forth above:



David Gierlach, Chairperson

§356D-13 Administration of federal programs. (a) The authority may carry out federal programs designated to be carried out by a public housing agency, or entity designated by the authority.

(b) The authority shall adopt necessary rules in accordance with chapter 91, including the establishment and collection of reasonable fees for administering the program, to carry out any federal program in subsection (a).

(c) All fees collected for administering the program may be deposited into an appropriate special fund of the authority and may be used to cover the administrative expenses of the authority.

§356D-98 Rules. The authority may adopt rules pursuant to chapter 91 necessary for the purposes of this part.

ATTACHMENT A

Rules Amending Title 17
Hawaii Administrative Rules

September 11, 2012

1. Chapter 2020 of Title 17, Hawaii Administrative Rules, entitled "Eviction - Practice and Procedure" is amended and compiled to read as follows:

"HAWAII ADMINISTRATIVE RULES

TITLE 17

DEPARTMENT OF HUMAN SERVICES

SUBTITLE 5

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

CHAPTER 2020

EVICTIION - PRACTICE AND PROCEDURE

Subchapter 1 General Provisions

| | |
|-------------|--|
| \$17-2020-1 | Purpose |
| \$17-2020-2 | Definitions |
| \$17-2020-3 | Examiner |
| \$17-2020-4 | Asset limits |
| \$17-2020-5 | Grounds for termination of tenancy and eviction |

Subchapter 2 Hearing Procedure

| | |
|--------------|---|
| \$17-2020-11 | Notice of cause for cases referred for eviction prior to July 1, 2012 |
| \$17-2020-12 | Notice of cause for cases referred for eviction on or after July 1, 2012 |
| \$17-2020-13 | Notice of hearing |
| \$17-2020-14 | Request for subpoenas |

Subchapter 3 Hearings

A. Conditions

§17-2020-21 Counsel
§17-2020-22 Motions
§17-2020-23 Waiver of procedure
§17-2020-24 Records

B. Hearing Board

§17-2020-31 Hearing Board
§17-2020-32 Default
§17-2020-33 Curable and Non-Curable Violations

Subchapter 4 Appeals

§17-2020-41 Appeals of contested case hearings

Subchapter 5 Miscellaneous Provisions

§17-2020-51 Severability
§17-2020-52 Number
§17-2020-53 Termination of rental agreement based on
Public Law 104-120

Historical Note: Chapter 17-2020, Hawaii Administrative Rules, is substantially based upon chapter 17-2020, Hawaii Administrative Rules, [Eff 8/6/04; am and comp], chapter 17-501, Hawaii Administrative Rules, [Eff 1/1/81; am and comp 5/26/98; R 10/25/99], and Chapter 15-182, Hawaii Administrative Rules. [Eff 10/25/99; R 8/6/04]

SUBCHAPTER 1

GENERAL PROVISIONS

§17-2020-1 Purpose. These rules shall govern the practice and procedure for terminating the tenancy of persons using or occupying any unit in a project owned or operated by the [housing and community development corporation of Hawaii] Hawaii public housing authority except for rental housing projects governed by [chapter 15-173] chapter 356D-44, HRS. These rules afford tenants an opportunity for a hearing if a tenant disputes any action by the [corporation] authority to evict the tenant from the tenant's unit. These rules shall be liberally construed to ensure that the rights of the parties are preserved in a just and timely resolution of every hearing.

[Eff 8/6/04; am and comp] (Auth: 24 CFR \$966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR \$966.4; HRS \$356D-98)

§17-2020-2 Definitions. [As used in these rules, except otherwise required by context] The following terms, wherever used or referred to in these rules, shall have the following respective meanings, unless a different meaning clearly appears from the context:

"Agreement" means any lease, rental agreement, permit, or license covering the use and occupation of any unit or other premises owned or controlled by the corporation.

"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.

"Authority" means the Hawaii public housing authority.

"C.F.R." means the Code of Federal Regulations.

["Corporation" means the housing and community development corporation of Hawaii.]

"Criminal activity" means the tenant, any member of the tenant's household, a guest or another person under the tenant's control has engaged in:

- (1) 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
- (2) 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;

regardless of whether there has been an arrest or conviction for such activity and without satisfying the standard of proof used for a criminal conviction.

"Document" means written decisions, orders, and notices issued for the purposes of this chapter.

"Drug" means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802) as it existed on July 19, 2012 except for marijuana prescribed pursuant to part IX of the Hawaii uniform controlled substances act at HRS §329-121 et seq. as it existed on July 19, 2012.

"Examiner" means a trial examiner, hearing board or eviction board appointed by the [corporation] authority for the purposes of chapter [201G] 356D, HRS.

"Grievance hearing" means the hearing prescribed in the grievance procedure set forth in rules of the [corporation] authority.

"HRS" means the Hawaii Revised Statutes.

"Hearing" means a quasi-judicial proceeding in which the [corporation] authority prepares to terminate an agreement.

"Hearings clerk" means the person responsible for receiving, recording, and preserving the records of the examiner.

"Hearings officer" means the person representing the [corporation] authority in a hearing."

"Party" means a person or agency as defined in section [201G-51] 356D-91, HRS as it existed on July 19, 2012.

"Presiding officer" means the trial examiner, a member of the hearing board, or a member of the eviction board duly elected by a majority of the board members to serve as its chairman.

"Project manager" means the [corporation's] authority's representative assigned to manage projects in a management area or any other employee of the [corporation] authority specifically designated by position description.

"Tenant" means a person who is subject to eviction proceedings under this chapter.

"U.S.C." means the United States Code. [Eff 8/6/04; am and comp] (Auth: HRS §§92-6, 356D-4, 356D-13, 356D-98) (Imp: HRS §§356D-92, 356D-93, 356D-94, 356D-98)

§17-2020-3 Examiner. (a) Communications to the examiner may be mailed or delivered to the [corporation's] authority's office in the respective county in care of the hearings clerk.

(b) When the examiner is a hearing board[,] or an eviction board, a quorum of members shall be present to validate any action taken.

(c) No employee of the [corporation] authority shall be an examiner, unless specifically designated by the [corporation] authority.

(d) All documents issued by the examiner may be executed by facsimile signature. [Eff 8/6/04; am and comp] (Auth: 24 CFR §966.4; HRS §§92-15, 356D-4, 356D-13, 356D-98) (Imp: 24 CFR §966.4; HRS §§356D-92, 356D-93, 356D-98)

§17-2020-4 Process service. (a) All documents issued for the purposes of this chapter shall be served either:

- (1) Personally to the tenant or adult household member by [a law enforcement officer] any person who is not a party and is not less than 18 years of age of the State or county, or an officer appointed by the [corporation] authority; or

- (2) By certified mail return receipt requested; or
- (3) If personal service or service by certified mail cannot be effectuated, the document or documents may be served:
 - (i) By posting the document or documents on the unit occupied by the tenant and by first class mail to the party's last known address; or
 - (ii) By publication in a newspaper of general circulation and by first class mail.
- (b) Service upon a party shall be complete if:
 - (1) The party or the party's attorney is personally served;
 - (2) The party signs the receipt for certified mail;
 - (3) The document or documents are posted on the unit occupied by the tenant and mailed to the party's last known address by first-class mail;
 - (4) Upon publication in a newspaper of general circulation; or
 - (5) By special order of the examiner, upon a finding that service by other means is not practicable, a document is posted on the unit occupied by the party. [Eff 8/6/04; am and comp] (Auth: HRS §§356D-4, 356D-13, 356D-98) (Imp: HRS §§356D-92, 356D-93, 356D-98)

§17-2020-5 Grounds for termination of tenancy and eviction. (a) The examiner shall determine whether there are sufficient grounds for termination of the rental agreement.

(b) The following constitutes grounds for termination of the rental agreement:

- (1) Serious or repeated violation of material terms of the rental agreement, including, but not limited to:
 - (A) Failure to make payments due under the rental agreement;
 - (B) Failure to fulfill household obligations as defined in the rental agreement.

- (2) Other good cause, including, but not limited to, the following:
- (A) Criminal activity or alcohol abuse;
 - (B) Discovery after admission of facts that made the tenant ineligible;
 - (C) Discovery of material false statements or fraud by the tenant in connection with an application for assistance or with reexamination of income; and
 - (D) Failure of a family member to comply with service requirement provisions of 24 C.F.R. part 960, subpart F; and
 - (E) Failure to accept the [corporation's] authority's offer of a revision to the existing rental agreement, subject to the requirements of 24 C.F.R. 966.4(1) as it existed on July 19, 2012. [Eff 8/6/04; am and comp]
 (Auth: 24 CFR §966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR §966.4; HRS §§356D-92, 356D-98)

SUBCHAPTER 2

[PRE-]HEARING PROCEDURE

[§17-2020-11 Notice of cause for cases referred for eviction prior to June 28, 2002. (a) Any violation under section [201G-52], HRS, shall constitute cause for the project managers within each county to initiate eviction proceedings. The tenant shall be notified in writing and the document shall state the reason for and the date of the proposed termination of the agreement. The document shall also inform the tenant of the tenant's rights to reply to the corporation's staff and to request a grievance hearing.

(b) The tenant shall be notified in accordance with the terms of the agreement.

(c) If the tenant fails to respond within the time period prescribed by the notice of proposed termination; the project manager shall submit a written

request to the examiner that the tenant be evicted.]
[Eff: 8/6/04; R] (Auth: 24 CFR
\$966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR
\$966.4; HRS \$356D-98)

\$17-2020-[12]11 Notice of cause for cases referred for eviction [on or after June 28, 2002] prior to July 1, 2012. (a) Any violation under section [201G-52] 356D-92, HRS, shall constitute cause for the project managers within each county to initiate eviction proceedings. The tenant shall be notified in writing and the document shall state the reason for and the date of the proposed termination of the agreement. The document shall also inform the tenant of the tenant's rights to reply to the [corporation's] authority's staff, [and] to request a grievance hearing[.] , and may require the tenant to provide management with a mental health or physical assessment report from their treating physician.

(b) The tenant shall be notified in accordance with the terms of the rental agreement.

(c) If the tenant fails to respond within the time period prescribed by the notice of proposed termination, the project manager shall submit a written request to the examiner that the tenant be evicted.

(d) If the violation is for delinquent payment in rent,

- (1) The written notice shall conform to the requirements of section [201G-52(b)] 356D-92, HRS as it existed on June 30, 2012 (prior to the effective date of Act 160, Session Laws of Hawaii 2012); and
- (2) The [corporation] authority shall schedule a meeting with the tenant to discuss the delinquency.
- (3) If the tenant fails to attend the meeting and does not contact the [corporation] authority or the [corporation's] authority's agents to reschedule the meeting, the [corporation] authority shall provide the tenant with a second written notice conforming to the requirements of section [201G-52(e)] 356D-92, HRS as it existed on June 30, 2012 (prior to

the effective date of Act 160, Session Laws of Hawaii 2012).

(e) At the meeting, the [corporation] authority or its agent and the tenant shall complete, sign, and date a checklist conforming to the requirements of section [201G-52(c)] 356D-92, HRS, as it existed on June 30, 2012 (prior to the effective date of Act 160, Session Laws of Hawaii 2012) to memorialize the meeting.

(f) If the tenant appears at the meeting, the [corporation] authority will consider whether the tenant's situation is appropriate for a reasonable payment plan. The [corporation] authority or its agent may consider but is not limited to considering the following factors to determine whether the tenant's situation is appropriate for a reasonable payment plan:

- (1) The amount of the delinquent balance;
- (2) The amount of tenant's monthly rent charge;
- (3) The tenant's household income;
- (4) Any other sources of income of the tenant;
- (5) The history of rent payment by the tenant;
- (6) Any history of other violations of the rental agreement by the tenant;
- (7) The cause of the delinquency; and
- (8) Any mitigating factors.

(g) The [corporation] authority or its agent may consider, but is not limited to considering, the following factors to determine if the payment plan is reasonable:

- (1) The tenant's household income;
- (2) Any other sources of income of the tenant;
- (3) Any other debts of the tenant;
- (4) Whether the tenant can clear the delinquent balance within six months; and
- (5) Any hardship on the tenant.

(h) If the [corporation] authority or its agent determines that the tenant will be unable to clear the delinquent balance within a six-month period, the tenant's situation is not appropriate for a reasonable payment plan.

(i) If the [corporation] authority or its agent determines that the tenant's situation is appropriate for a reasonable payment plan, one may be offered as agreed upon between the [corporation] authority or its

agent and the tenant. A reasonable payment plan shall not exceed a period of six months.

(j) The [corporation] authority shall inform the tenant of its decision in writing. The written notice shall further notify the tenant of the tenant's right to request a grievance hearing within thirty days of receipt of the notice.

(k) In the event the tenant breaches the reasonable payment plan, the [corporation] authority or its agent shall proceed to terminate the tenant's tenancy by referring the matter to the hearings office to schedule a hearing before the eviction board. [Eff: 8/6/04; am and ren] (Auth: 24 CFR \$966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR \$966.4; HRS §§356D-92, 356D-98)

\$17-2020-12 Notice of cause for cases referred for eviction on or after July 1, 2012. (a) Any violation under section 356D-92, HRS, shall constitute cause for the project managers within each county to initiate eviction proceedings. The tenant shall be notified in writing and the document shall state the reason for and the date of the proposed termination of the agreement. The document shall also inform the tenant of the tenant's rights to reply to the authority's staff, to request a grievance hearing, and may require tenant to provide management with a mental health or physical assessment report from their treating physician.

(b) If the violation is for delinquent payment of rent, the authority may negotiate a reasonable payment arrangement with a family in accordance with section 17-2028-58.

(c) The tenant shall be notified in accordance with 24 C.F.R. \$966.4 as it existed on July 19, 2012.

(d) If the tenant fails to respond within the time period prescribed by the notice of proposed termination, the project manager shall submit a written request to the examiner that the tenant be evicted.

[Eff and comp] (Auth: 24 CFR \$966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR \$966.4; HRS \$356D-92, 356D-98)

§17-2020-13 Notice of hearing. Notice of hearing shall meet the requirements of [chapter 201G, HRS] 24 C.F.R. §966.4 as it existed on July 19, 2012. [Eff: 8/6/04; am and comp] (Auth: 24 CFR §966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR §966.4; HRS §356D-92, 356D-98)

§17-2020-14 Request for subpoena. (a) Only an examiner or parties to the hearing may request the issuance of a subpoena, provided that subsection (b) shall be complied with. The examiner or the examiner's designated representative shall issue the subpoena.

(b) The request for issuance of a subpoena of a witness shall be in writing and shall state the name and address of the desired witness and the reasons why the testimony of the witness is material and relevant to the issues in the hearing. The party requesting the subpoena shall pay to the witness the same fees and mileage as prescribed in chapter 607, HRS. The request for issuance of a subpoena duces tecum for documents and records shall be in writing. The party requesting the subpoena duces tecum for documents and records shall pay all copying costs. The request shall specify the particular document or record, or part thereof sought, and shall state the reasons why the document or record is material and relevant to the issues of the hearing. [Eff 8/6/04; comp] (Auth: 24 CFR §966.4; HRS §§92-16, 356D-4, 356D-13, 356D-98, 607-12) (Imp: 24 CFR §966.4; HRS §§356D-92, 356D-98)

SUBCHAPTER 3

[HEARING PROCEDURE] HEARINGS

A. Conditions

§17-2020-21 Counsel. (a) Unless otherwise directed by the presiding officer, one counsel for each party represented shall be permitted to conduct direct and cross examination of a witness, state and argue an

objection or motion, and make opening or closing argument.

(b) A tenant may appear in the tenant's own behalf or with another person as the tenant may authorize. [Eff 8/6/04; comp] (Auth: 24 CFR §966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR §966.4; HRS §§356D-93, 356D-98)

§17-2020-22 Motions. (a) All motions shall state the grounds and shall set forth the relief or order sought. Motions need not be in writing.

(b) All motions shall be presented to the examiner at the commencement of the hearing. If a written motion is presented, a copy shall be provided to the opposing party.

(c) The opposing party may state opposition to any motion presented to the examiner. The examiner may consider all motions and opposing motions in executive session and shall rule on each motion when appropriate. [Eff 8/6/04; comp] (Auth: HRS §§356D-4, 356D-13, 356D-98) (Imp: HRS §§356D-93, 356D-98)

§17-2020-23 Waiver of procedure. Upon agreement of the parties, any procedure in a hearing may be modified or waived and informal disposition may be made of any case by agreed settlement, consent order, or default. [Eff 8/6/04; comp] (Auth: 24 CFR §966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR §966.4; HRS §§356D-93, 356D-98)

§17-2020-24 Records. (a) The hearings clerk shall keep written summaries of all hearings. Neither a full transcript nor recording of the hearing shall be required.

(b) All records of a hearing shall be confidential and released only at the direction of the examiner or by judicial order. [Eff 8/6/04; comp] (Auth: 24 CFR §966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR §966.4; HRS §§356D-93, 356D-98)

B. [Hearings] Hearing Board

§17-2020-31 [Hearings.] Hearing Board. (a) In all hearings the presiding officer shall preside. The vice-chairman of a hearing board or an eviction board shall preside at a hearing in the absence of the presiding officer.

(b) The presiding officer shall determine the order of appearance of the parties to a hearing and shall administer the oath to all witnesses as prescribed by section 621-12, HRS. The presiding officer may limit the time of each witness giving testimony upon a particular issue.

(c) The hearing board or eviction board shall consist of not less than one and no more than three members, of which one member shall be a tenant.

(c) Hearings shall be conducted in an informal manner unless otherwise required by law.

(d) The examiner may remove any person who disrupts a hearing.

(e) If a tenant, the tenant's attorney, or the tenant's representative is removed for disruptive conduct, the hearing may continue and a determination made based upon the available evidence and testimony presented.

(f) All hearings shall be confidential and closed to the public unless the tenant agrees otherwise.

(g) The hearing may be conducted through the use of video conferencing technology in accordance with section 356D-93(b), HRS as it existed on July 19, 2012. The authority shall notify the tenant, the tenant's attorney, or the tenant's representative in writing prior to the scheduled hearing date that the hearing shall be conducted using video conferencing technology.

[Eff 8/6/04; am and comp] (Auth: 24
CFR §966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24
CFR §966.4; HRS §§356D-93, 356D-98)

§17-2020-32 Default. A tenant who fails to appear at a hearing after being duly notified may be found in default and the examiner may proceed with the hearing. [Eff 8/6/04; comp] (Auth:

24 CFR §966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp:
24 CFR §966.4; HRS §§356D-93, 356D-98)

§17-2020-33 Curable and Non-Curable Violations.

(a) The examiner shall determine whether or not the violation of the rental agreement is curable by the tenant. A violation is curable if the violation for which the tenant is being referred is a first offense and is not defined as a non-curable violation.

(b) Non-curable violations include:

- (1) Chronic or consistent violations of any material term of the rental agreement;
- (2) A history of chronic or consistent rent delinquency;
- (3) Violations of any material term of the rental agreement subsequent to a finding of violation of said term by a hearing or eviction board;
- (4) Any violations that threaten the health or safety of the other residents or the [corporation's] authority's employees or representatives;
- (5) Any drug-related criminal activity occurring on or near the project premises;
- (6) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the other residents or the [corporation's] authority's employees or representatives;
- (7) Where the 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.

[Eff 8/6/04; am and comp]
(Auth: 24 CFR §966.4; HRS §§356D-4, 356D-13, 356D-94, 356D-98) (Imp: 24 CFR §966.4; HRS §356D-94, 356D-98)

SUBCHAPTER 4

APPEALS

[§17-2020-41 Appeals of contested case hearings referred for eviction prior to June 28, 2002. (a) An appeal of the decision of the examiner may be taken to the corporation as provided in section 201G-54, HRS. The appeal shall be in writing and may be mailed or delivered to the corporation's office at 677 Queen Street, Suite 300, Honolulu, Hawaii, 96813, in care of the hearings clerk. The appeal may be heard and decided by the corporation or an appeals board appointed by the corporation.

(b) The corporation shall give written notice of the appeal hearing to the tenant fixing the date, time, and place of the appeal hearing. The notice shall be given at least five days before the date set for the appeal hearing.

(c) A tenant who fails to appear at an appeals hearing after being duly notified may be found in default and the corporation may proceed with the hearing.

(d) The corporation's decision shall be based solely on the record of the examiners which may be orally summarized by the hearings officer.

(e) Any person aggrieved by the final decision and order of the corporation may institute proceedings for review in the circuit court within thirty days after receipt of the decision as provided in section 201G-57, HRS.] [Eff 8/6/04; R] (Auth: HRS §§356D-4, 356D-13, 356D-98) (Imp: HRS §356D-98)

§17-2020-[42] 41 Appeals of contested case hearings [referred for eviction on or after June 28, 2002]. Any person aggrieved by the final decision and order of the examiner may institute proceedings for review in the circuit court within thirty days after receipt of the decision as provided in section [201G-57] 356D-96, HRS. [Eff 8/6/04; am and ren] (Auth: 24 CFR §966.4; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR §966.4; HRS §§356D-96, 356D-98)

SUBCHAPTER 5

MISCELLANEOUS PROVISIONS

§17-2020-51 Severability. If any part, section, sentence, clause, or phrase of these rules or its application to any person or circumstance is for any reason held to be unconstitutional or invalid, the remaining parts, sections, sentences, clauses, and phrases or applications of these rules to other persons or circumstances shall not be affected.

[Eff 8/6/04; comp _____] (Auth: HRS §§356D-4, 356D-13, 356D-98) (Imp: HRS §356D-98)

§17-2020-52 Number. The use of all words used in the singular shall extend to and include the plural.

[Eff 8/6/04; comp _____] (Auth: HRS §§356D-4, 356D-13, 356D-98) (Imp: HRS §356D-98)

§17-2020-53 Termination of rental agreement based on Public Law 104-120. The corporation may also terminate a rental agreement as provided for in section [15-190-59] 17-2028-59." [Eff 8/6/04; am and comp _____] (Auth: 42 U.S.C. §1437d; Pub. L. 104-120; HRS §§356D-4, 356D-13, 356D-98) (Imp: 24 CFR §966.4; HRS §§356D-92, 356D-98)

2. Material, except sources notes, to be repealed is bracketed. New material is underscored.

3. Additions to source notes to reflect these amendments and compilation are not underscored.

4. These amendments to and compilation of chapter 17-2020, Hawaii Administrative Rules shall take effect ten days after filing with the Office of the Lieutenant Governor.

I certify that the foregoing are copies of the rules, drafted in the Ramseyer format pursuant to the requirements of section 91-4.1, Hawaii Revised Statutes, which were adopted on _____ and filed with the Office of the Lieutenant Governor.

DAVID J. GIERLACH, Chairperson
Board of Directors
Hawaii Public Housing Authority

APPROVED AS TO FORM:

Deputy Attorney General

FOR ACTION

SUBJECT: To Approve the Hawaii Public Housing Authority's Proposed Legislation for Inclusion in the Executive Administration's Legislative Package

I. FACTS

- A. The Hawaii State Legislature convenes for the Fiscal Year 2013 Biennium on January 16, 2013.
- B. On a subsequent date in January still to be determined, the Governor will deliver a State of the State address to the Legislature that will coincide with the introduction of the Administration's legislative package.
- C. In order to have proposals included in the Administration's legislative package, the Hawaii Public Housing Authority (HPHA) must submit initial bill drafts to the Governor's Policy Office by September 21, 2012.
- D. Prior to submission to the Governor's Policy Office, the HPHA Board of Directors must approve of HPHA-developed proposals that impact the statute administered by the agency, or that might have other policy-related impacts.

II. DISCUSSION

- A. Staff has developed a number of legislative proposals that have been reviewed and approved by the Executive Director (ATTACHMENT).
- B. The proposals would be subject to review and approval by the Governor's Policy Office, the Department of the Attorney General, and the Department of Budget & Finance.
- C. HPHA staff would work with other impacted departments and agencies to minimize adverse effects while advocating the interests of the HPHA.

III. RECOMMENDATION

That the HPHA Board of Directors approve the Hawaii Public Housing Authority's proposed Legislation for inclusion in the Executive Administration's Legislative package

ATTACHMENT: Legislative Proposals developed by HPHA staff

Prepared by: Nicholas Birck, Chief Planner



Adopted by the HPHA Board of Directors on the date set forth above:



David Gierlach, Chairperson

2013 Legislative Proposal Tracking Sheet
Prepared by: Planning & Evaluation Office

| HPHA No. | Bill Purpose | Tracking No. | Bill Priority |
|-----------------|---|---------------------|----------------------|
| HPHA-12 | Authorizes HPHA to establish Resident Programs and Services trust fund, outside state treasury, to receive any moneys from any source, to provide resident related services, construct service related capital improvements, exempt from all relevant laws of the State | 1 | 1 |
| HPHA-09 | Amends 356D-10 to further define corporate entities that can be created and managed by HPHA; exempts HPHA from competitive bidding where HPHA determines its own corporate entity can provide necessary management/support services | 2 | 2 |
| HPHA-13 | Amends 171-2 to provide that HPHA lands are not "public lands"; requires the Board of Land & Natural Resources to offer public lands classified as "residential" to HPHA prior to any other disposition | 3 | 3 |
| HPHA-14 | Amends 356D-56 regarding the disposition of abandoned personal property on HPHA state LIPH properties to match process that DLNR uses | 4 | 4 |
| HPHA-11 | Adds to agency powers clear ability to: manage any type of property in any way necessary; receive gifts of any type of property from any source; and engage volunteer services exempt from state laws. | 5 | 5 |
| HPHA-07 | Exempts HPHA from all planning/zoning, construction, subdivision regulations of all governments exempt from competitive bidding laws; authorizes HPHA to develop and lease commercial, industrial, and other issues in connection with development of housing | 6 | 6 |
| HPHA-02 | Provide HPHA with authority to adopt certain policies exempt from Chapter 91 rulemaking formalities | 7 | 7 |
| HPHA-03 | Exempts HPHA from 26-35(a)(1),(4-6); provides for ED and EA salary to be set by Board; exempts personnel from Chapter 89 | 8 | 8 |
| HPHA-06 | Repeals Section 201H-37 and re-enacts in Chapter 356D | 9 | 9 |
| HPHA-01 | Provide HPHA with ability to write off delinquent account balances for state LIPH in same manner as federal LIPH, exempt from section 40-82 | 10 | 10 |
| HPHA-04 | Allows for certain evictions to be processed without grievance hearing per HUD regulations; amends 356D-92 and 521-7, HRS | 11 | 11 |
| HPHA-08 | Authorizes HPHA to lease dwelling units and community facilities to non-profits and government agencies; exempts from competitive bidding laws the selection of non-profit service providers and developers of community facilities | 12 | 12 |
| HPHA-05 | Makes possession/storage of open containers of intoxicating liquors on public housing common areas criminal offense | 13 | 13 |
| HPHA-10 | Reduced version of HPHA-03 amending only 356D-2(a) rather than entirety of 356D-2 | 14 | 14 |

FOR ACTION

MOTION: To Authorize the Executive Director to Request Waterline Easements from the City and County of Honolulu within Ahe Street for the Palolo Valley Homes Modernization Project.

I. FACTS

- A. Palolo Valley Homes is a federally assisted low-income family housing project. The project consists of (see Exhibit A – Site Plan):
 - 1. 20 two-story duplex structures with a total of 8 one-bedroom, 34 two-bedroom, 40 three-bedroom, 32 four-bedroom and 4 five-bedroom units for a total of 118 residential units. The project is located on two sites separated by Ahe Street.
 - 2. An Administrative Office, Community Association Office and a Maintenance Shop which utilize three of the units.
- B. In the winter of 2012, the Palolo Valley Homes Modernization, Phases 1 and 2 construction projects will commence. The project involves the modernization of seven buildings (44 units), conversion of seven units to accessible units, parking lot repair/replacement and new utilities.
- C. As part of the modernization, 50-year-old water lines including the ones located beneath Ahe Street will be replaced. The waterlines were built prior to the dedication of Ahe Street to the City and County of Honolulu ("City"). Since its construction, HPHA has been responsible for the maintenance of the lines although a formal easement with the City does not exist.

II. DISCUSSION

- A. With construction of the new lines, the Board of Water Supply requires a formal easement to designate control of the waterlines to HPHA as the City will not accept responsibility for the HPHA's water lines. (see Exhibit B – Easement Location):

- B. In order to proceed with the modernization project, the HPHA must submit a formal easement request to the City and obtain City Council approval. With the Board's approval, the staff will work with the Department of the Attorney General to submit the required documents to the City

III. STAFF RECOMMENDATION

To Authorize the Executive Director to Request Waterline Easements from the City and County of Honolulu within Ahe Street for the Palolo Valley Homes Modernization Project.

Exhibit A: Original Site Plan

Exhibit B: Easement Location

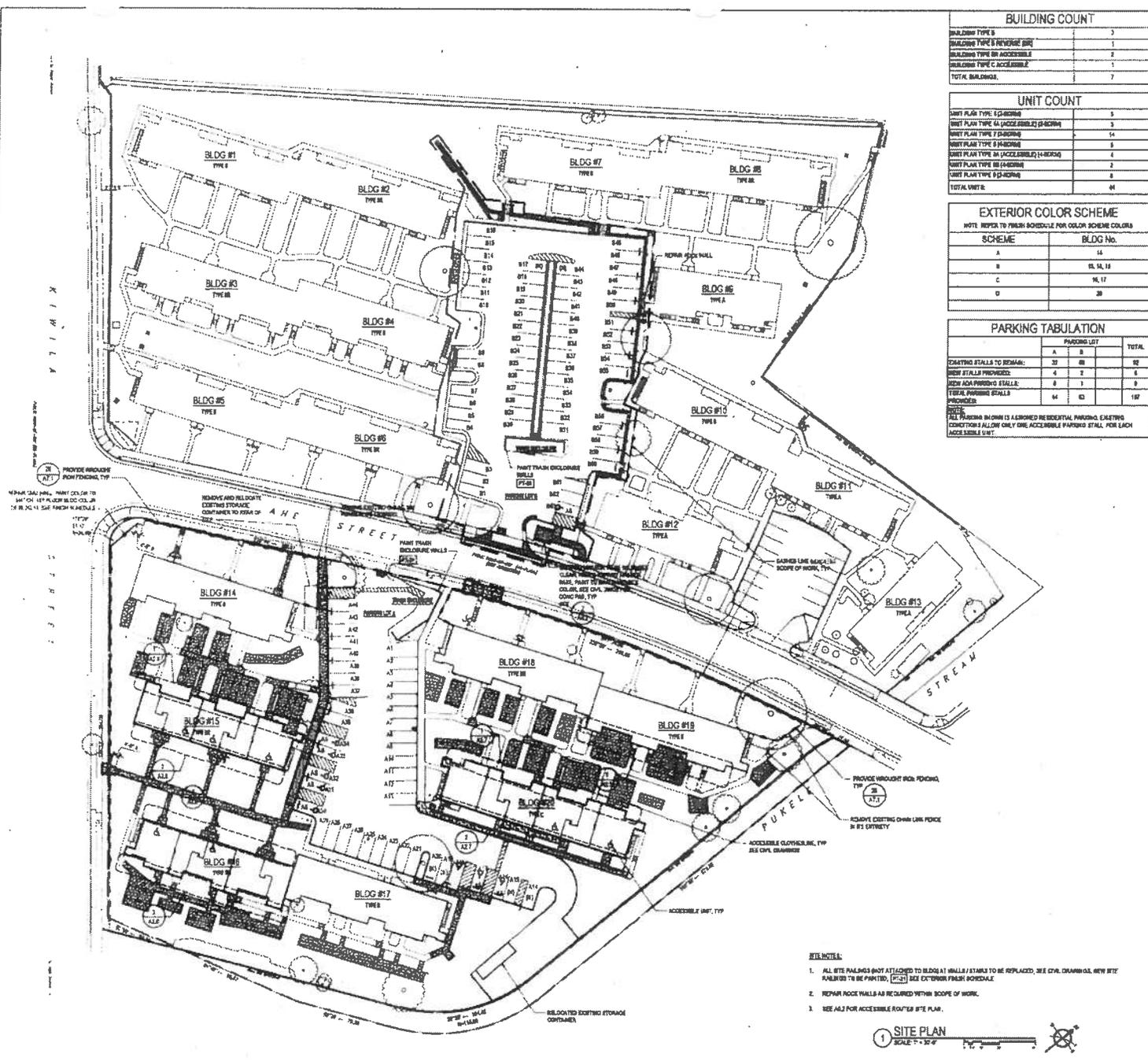
Prepared by: Lisa Izumi, Project Engineer 

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

Approved by the Board of Directors on
the date set forth above:



David Gierlach, Chair



| BUILDING COUNT | |
|------------------------------|---|
| BUILDING TYPE B | 3 |
| BUILDING TYPE B (ACCESSIBLE) | 1 |
| BUILDING TYPE B (ACCESSIBLE) | 2 |
| BUILDING TYPE C (ACCESSIBLE) | 1 |
| TOTAL BUILDINGS | 7 |

| UNIT COUNT | |
|--|----|
| UNIT PLAN TYPE 8 (2-BEDROOM) | 5 |
| UNIT PLAN TYPE 6A (ACCESSIBLE 2-BEDROOM) | 3 |
| UNIT PLAN TYPE 7 (3-BEDROOM) | 14 |
| UNIT PLAN TYPE 8 (2-BEDROOM) | 3 |
| UNIT PLAN TYPE 8A (ACCESSIBLE 2-BEDROOM) | 1 |
| UNIT PLAN TYPE 9 (3-BEDROOM) | 2 |
| UNIT PLAN TYPE 9 (3-BEDROOM) | 3 |
| TOTAL UNITS | 44 |

| EXTERIOR COLOR SCHEME | |
|--|------------|
| NOTE: REFER TO FINISH SCHEDULE FOR COLOR SCHEME COLORS | |
| SCHEME | BLDG No. |
| A | 14 |
| B | 15, 16, 17 |
| C | 16, 17 |
| D | 20 |

| PARKING TABULATION | | | |
|--------------------------------|-------------|----|-------|
| EXISTING STALLS TO REMAIN: | PARKING LOT | | TOTAL |
| | A | B | |
| EXISTING STALLS TO REMAIN: | 32 | 68 | 100 |
| NEW STALLS PROVIDED: | 4 | 2 | 6 |
| NEW ADA PARKING STALLS: | 8 | 1 | 9 |
| TOTAL PARKING STALLS PROVIDED: | 44 | 71 | 115 |

| PROJECT DATA - BUILDING B (BUILDING BR 606) | |
|---|-------------------|
| OCCUPANCY GROUP: | A-2 (RESIDENTIAL) |
| NUMBER OF STORIES: | 2 STORIES |
| CONSTRUCTION TYPE: | VI |
| BUILDING HEIGHT (LIMIT): | 30 FT |

| EXISTING BUILDING AREA: | | | | | |
|-------------------------|----------|-----------|-----------|--|----------|
| FLOOR LEVEL | AREA | OCCUPANCY | ALLOWABLE | MODIFICATION FOR SPINNAKERS INSTALLATION PER IBC SECTION 503.3 | ACTUAL |
| FIRST FLOOR | 3,212 SF | A-2 | 7,208 SF | 21,808 SF | 3,212 SF |
| SECOND FLOOR | 2,647 SF | A-2 | 7,208 SF | 21,808 SF | 2,647 SF |
| TOTAL | 5,859 SF | | | | |

| PROJECT DATA - ACCESSIBLE BUILDING B | |
|--------------------------------------|-------------------|
| OCCUPANCY GROUP: | A-2 (RESIDENTIAL) |
| NUMBER OF STORIES: | 2 STORIES |
| CONSTRUCTION TYPE: | VI |
| BUILDING HEIGHT (LIMIT): | 30 FT |

| EXISTING BUILDING AREA: | | | | | |
|-------------------------|----------|-----------|-----------|--|----------|
| FLOOR LEVEL | AREA | OCCUPANCY | ALLOWABLE | MODIFICATION FOR SPINNAKERS INSTALLATION PER IBC SECTION 503.3 | ACTUAL |
| FIRST FLOOR | 3,212 SF | A-2 | 7,208 SF | 21,808 SF | 3,212 SF |
| SECOND FLOOR | 1,881 SF | A-2 | 7,208 SF | 21,808 SF | 1,881 SF |
| TOTAL | 5,093 SF | | | | |

| PROJECT DATA - ACCESSIBLE BUILDING C | |
|--------------------------------------|-------------------|
| OCCUPANCY GROUP: | A-2 (RESIDENTIAL) |
| NUMBER OF STORIES: | 2 STORIES |
| CONSTRUCTION TYPE: | VI |
| BUILDING HEIGHT (LIMIT): | 30 FT |

| EXISTING BUILDING AREA: | | | | | |
|-------------------------|----------|-----------|-----------|--|----------|
| FLOOR LEVEL | AREA | OCCUPANCY | ALLOWABLE | MODIFICATION FOR SPINNAKERS INSTALLATION PER IBC SECTION 503.3 | ACTUAL |
| FIRST FLOOR | 4,859 SF | A-2 | 7,208 SF | 21,808 SF | 4,859 SF |
| SECOND FLOOR | 3,594 SF | A-2 | 7,208 SF | 21,808 SF | 3,594 SF |
| TOTAL | 8,453 SF | | | | |

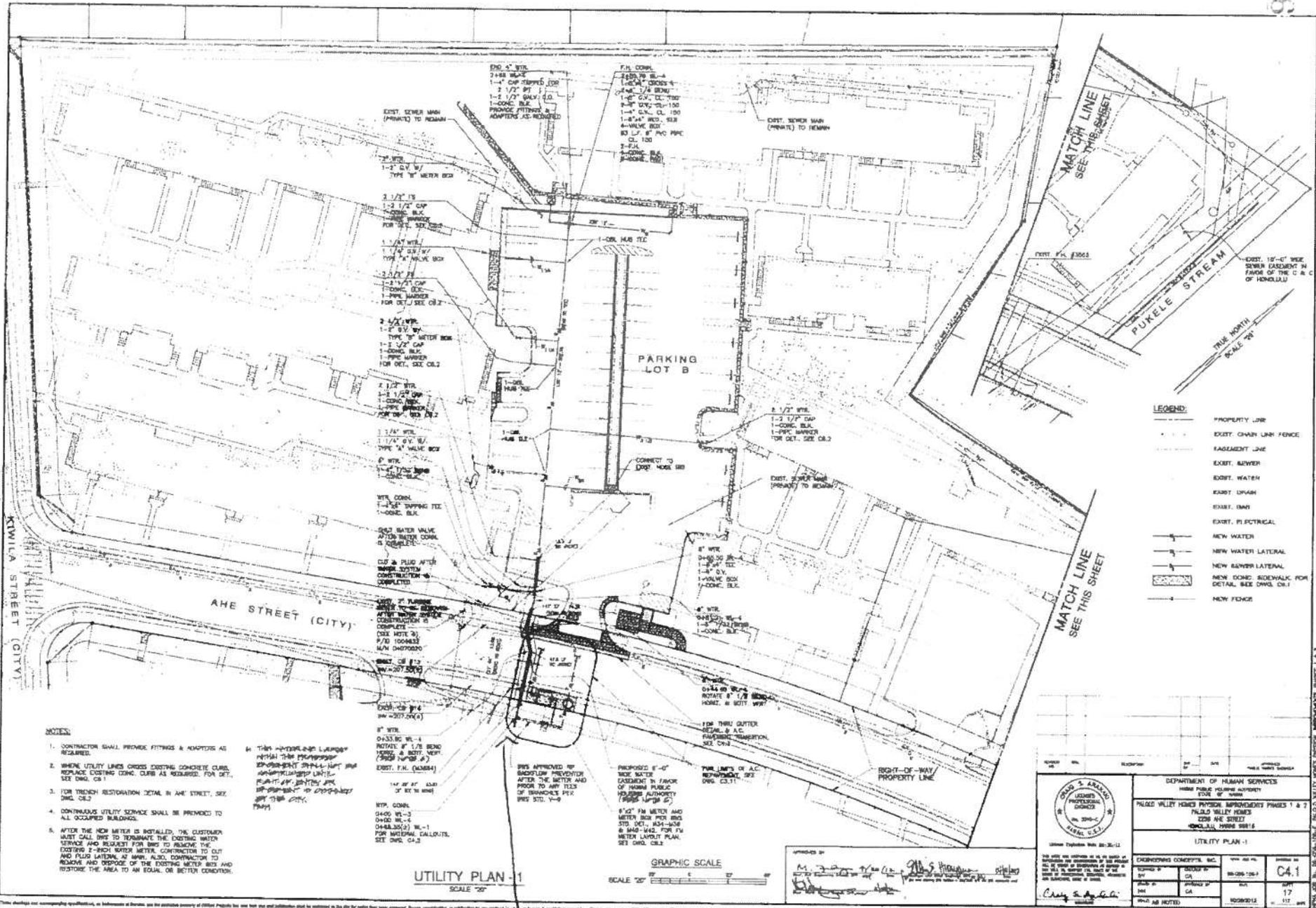
- NOTE:**
- ALL SITE MARKS NOT ATTACHED TO BLDG #1 WALLS SHALL BE REPLACED, SEE CIVL DRAWING NEW SITE MARKS TO BE PAINTED, (2-2) SIZE EXTERIOR PINK BOWSHALE.
 - REPAIR POOR WALLS AS REQUIRED WITHIN SCOPE OF WORK.
 - SEE A4.3 FOR ACCESSIBLE ROUTE BY SITE PLAN.

1 SITE PLAN
SCALE 1" = 30'

DEPARTMENT OF HUMAN SERVICES
HUMAN SERVICES DIVISION
VALLEY HILLS PROJECT - SPINNAKERS PHASE 1 & 2
VALLEY HILLS HOUSING
2025 ONE STREET
PHASE 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

DATE: 08/11/2023
SCALE: 1" = 30'
SHEET NO: A0.1

This drawing and accompanying specifications, an indication of location, and the nature of the work to be performed are the property of the client. It is the responsibility of the client to verify the accuracy of the information provided. The client shall be responsible for obtaining all necessary permits and approvals from the appropriate authorities. The client shall be responsible for providing all necessary information and data to the architect. The architect shall be responsible for preparing the drawings and specifications in accordance with the contract documents. The architect shall be responsible for coordinating with the client and other professionals involved in the project. The architect shall be responsible for providing the client with a clear and concise set of drawings and specifications that are easy to understand and use. The architect shall be responsible for providing the client with a high level of customer service and professionalism. The architect shall be responsible for providing the client with a clear and concise set of drawings and specifications that are easy to understand and use. The architect shall be responsible for providing the client with a high level of customer service and professionalism.



Easement Location

DATE: 10/11/16; DRAWN BY: [Name]; CHECKED BY: [Name]; PROJECT: PALO VALLEY HOMES PHYSICAL IMPROVEMENT PHASES 1 & 2

DATE: 10/11/16; DRAWN BY: [Name]; CHECKED BY: [Name]; PROJECT: PALO VALLEY HOMES PHYSICAL IMPROVEMENT PHASES 1 & 2

FOR ACTION

MOTION: To Approve the Written Justification for Waiver to the Annual Contributions Contract as Required by the Hawaii Public Housing Authority's (HPHA) Standards of Conduct and to Authorize the Executive Assistant to Submit the Hawaii Public Housing Authority's Request for Waiver to the Annual Contributions Contract to the U.S. Department of Housing and Urban Development

I. FACTS

A. Pursuant to the United States Code of Federal Regulations (C.F.R.), at 24 C.F.R. §85.36, recipients of federal grants, including the Hawaii Public Housing Authority (HPHA), are required to "maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts."

B. According to Administrative Memorandum No. 1: "Hawaii Public Housing Authority Standards of Conduct" (April 15, 2010):

HPHA employees . . . should avoid conflicts between their duties to HPHA and their own personal interests. Where the potential for conflict exists, HPHA employees . . . shall identify such situation(s), disclose the potential conflict to the appropriate person(s), and take whatever steps may be warranted by the situation, up to and including recusing themselves from decision-making or action pertaining to the situation."

C. The Standards of Conduct further states that the "Board of Directors will be required to act on any disclosures received, with written justification being required for any waivers."

II. DISCUSSION

A. Discussion of the written justification will be held in executive session with HPHA's Deputy Attorney General.

III. RECOMMENDATION

To Approve the Written Justification for Waiver to the Annual Contributions Contract as Required by the Hawaii Public Housing Authority's (HPHA) Standards of Conduct and to Authorize the Executive Assistant to Submit the Hawaii Public Housing Authority's Request for Waiver to the Annual Contributions Contract to the U.S. Department of Housing and Urban Development

Prepared by: Barbara E. Arashiro, Executive Assistant 

Approved by the Board of Directors
on the date set forth above

David Gierlach, Chairperson

Executive Director's Board Status Report August / September 2012

I. Accomplishments for the Month of August 2012

Major Programs

A. Public Housing

- REAC inspections were conducted by HUD contractors at several the federal public housing projects.
- PMMSB staff working on a variety of programs and procedures including a Preventive Maintenance (PM) Power Point plan, list of major building systems that require routine maintenance, common maintenance issues, emergency call out and after hour procedures, Resident Survey, Mystery Shopper Program and resident feedback procedures.
- PMMSB continues to work with the Planning Office and the AGs to update the HPHA's rental agreement and house rules.
- Completed a very successful "Community N Unity" event at Mayor Wright Homes.

B. Section 8 Subsidy Programs

- The annual Section 8 Management Assessment Program (SEMAP) Certification was submitted to HUD before the August 29, 2012 deadline.
- We are continuing Voucher lease up with 60 applicants in July, 27 new vouchers, 29 families with vouchers searching for units, 192 veterans housed under the VASH program and 29 veterans currently looking for a unit.
- We achieved 100% completion of the annual re-certifications and provided medical allowance calculations training.

C. Construction Management Branch

For Construction Management Branch Activities, see Program Reports

Administrative Services

A. Compliance Office

- Resolved 33 tenant requests for reasonable accommodations under Section 504 of the Rehabilitation Act and the Fair Housing Act and assisted in establishing written procedures for the offer of reasonable accommodation transfers to families on the transfer waitlist;

implementation of the revised changes to the HPHA reasonable accommodations policy.

- Provided language access resources to managers and continued drafting HPHA Language Access Action Plan and four-factor analysis. Coordinated presentation of Fair Housing training to Hilo and remaining Oahu staff and to Hilo, Kona, and Oahu residents.
- Worked on resolving various discrimination complaints with the Hawaii Civil Rights Commission.

B. Planning and Evaluation Office (PEO)

- Worked with managers on development and distribution of smoking surveys.
- Consulted with branch chiefs on development of bill proposals for Board consideration.

C. Fiscal Management Office

For Fiscal Management Office Activities, see financial reports.

D. Contracts and Procurement

- For Solicitations and Contracts Issued in August see Program Reports.
- Received approval of PV 12-080 from the State Procurement Office.

E. Information Technology Office

- Coordinated remote “refresher” training for the Fiscal Management Office staff; coordinated remote training sessions to have the LIPH team (of selected AMP staff) verify that their data was converted correctly from the older Flex system into Elite; and created security setups for all Elite LIPH users in the Live system

F. Hearings Office

- 17 eviction cases heard in August 2012 - (10 for rent, 7 for non-rent) and \$365,113 over 90 days Delinquent Balance as of (7/31/12)

G. Personnel

- As of September 5, 2012, we have 279 Full-time Filled positions and 87 vacant positions with 18 New Hires, six employees resigned/retired and eight 89-day hires (temp).

Kauai AMP 38 Staffing Plan

- AMP 38 extended their office hours on August 29 and 30, 2012 to accept employment applications, hired an 89- day Public Housing Supervisor IV (Deputy Manager) and Social Service Aide IV.
- Central Office will deploy a Property Management Program Specialist on a temporary basis to assist in various management and operational duties.
- In addition, we are currently screening Housing Licensed Plumber and Housing Building Maintenance Worker I applications and will initiate formal interviews HPHA and are pending start dates for both positions.

II. Planned Activities for September/October 2012

A. Program Activities

Public Housing Program

We will continue to focus on established priorities including filling of vacant units, rent collection, evictions, repair and maintenance, capital improvements. We will review, address, and establish a plan to address REAC deficiencies, work towards full implementation of Elite system and coordinate volunteer events at multiple sites in October.

Pursuant to §356D, HRS, the HPHA is responsible to establish rents at rates that will produce revenues sufficient to pay all expenses of management, operation, and maintenance, and related administrative expenses so that the state low-income housing projects are self-supporting. We are considering implementation of program changes (such as increasing rents and revising wait list preferences) as previously approved by the Board.

Section 8 Subsidy Programs Branch

Section 8 is in the process of reviewing existing policies, procedures, forms and correspondence templates being used to determine where revisions are necessary. Staff will continue to work with Family Self-Sufficiency (FSS) contractor to increase the number of families participating in the FSS program

Staff working on advertising campaign to encourage landlords to participate in the section 8 program and working with the City and County of Honolulu to conduct landlord outreach.

Administrative Activities

Staff will continue to administer contract with National Center for Housing Management for HPHA self-evaluation and transition plan as well as coordinate with Construction Management Branch to plan for the construction of accessible and hearing/sight-impaired units in compliance with federal accessibility laws. In

addition, coordinate with the National Center for Housing Management to present Fair Housing training sessions for all HPHA offices and residents.

Coordinate with the Department of the Attorney General regarding revisions to the Admissions and Continued Occupancy Policy, Administrative Rules, and updating the HPHA's Declarations of Trust.

Staff will continue HAR revision process on additional admin. rules, e.g. 17-2028, 17-2020, and 15-186. We continue to analyze and establish reasonable minimum rents for State Public Housing to comply with statutory requirements regarding operating at a fiscal break even amount and initiating redevelopment planning for properties.

Personnel Office and various AMPs will (and have) offer extended hours to accept employment applications during the month of September.

We are also working on proper ways to implement non-smoking policy working with tenants, staff and various agencies.

Will Implement Wait List batch correspondence to automate letter processing in Elite, Verify data converted to the Elite LIPH system and work with Governor's office and affected departments on legislative proposals for HPHA.

III. Responses to Board Inquiries at August 16, 2012 Regular Meeting

(Responses were included at the request of the Chair to provide the Board and the public with feedback to their comments or concerns.)

1. To what extent does the Hawaii Public Housing Authority have authority to enforce parental supervision?

The Hawaii Public Housing Authority does not have authority to enforce parental supervision on a section 8 client. In general, the staff refer the complainant to a third party (e.g., property manager, landlord, or owner of the property) to enforce their lease agreement. In cases of more serious complaints, a complainant would be referred to Child Protective Services.

2. Are there assets that disqualify a person from being eligible for Section 8 assistance?

Pursuant to 24CFR 5.609(b) (3) and 24 CFR 5.603(b) there is no asset limitation for participation in the Housing Choice Voucher program. HUD requires that the HPHA include in annual income the "interest, dividends, and other net income of any kind from real or personal property". In the case of a vehicle, when used for transportation the vehicle would not be considered an asset. The Section 8 administrative plan is located on the HPHA website for further reference. Please refer to page 6-17 for HPHA's general policy on assets

3. What is the HPHA's process for receiving and investigating complaints regarding unauthorized people residing in a section 8 subsidized units?

If a client is found to have an unauthorized tenant living in a section 8 subsidized units, the HPHA can terminate the voucher if able to prove that there are unauthorized tenants. When Section 8 staff receive a complaint regarding unauthorized people in the household, they send the client a letter and have them call in by a certain date. A copy of that letter is also sent to the landlord or agent who is a party to the housing assistance payment contract with HPHA.

The section 8 family is required to meet with HPHA staff during the investigation. The client is required to sign an affidavit confirming that they do not have unauthorized occupants. If they admit to having unauthorized members in the household, staff explains that they can have their voucher terminated and require documentation to prove that the person will no longer live in the unit. If no proof is provided to HPHA by the given deadline the voucher is terminated.

The HPHA investigates all allegations of fraud in the section 8 program and has taken action to terminate voucher assistance in the past. Most recently, in an unrelated case, a client was found guilty of the allegations and voluntarily surrendered her section 8 assistance.

The HPHA does respond to all individuals who submit a complaint with a generic response during the course of an investigation due to confidentiality issues.

Questions Relating to the Low Income Public Housing Program

4. What is the HPHA's role in the enforcement of a Temporary Restraining Order?

The HPHA does not have the authority to enforce a temporary restraining order between two tenants. It is the petitioner's responsibility to enforce a TRO by calling law enforcement to report a violation of the order.

However, the HPHA will make efforts to assist a family in keeping safe when appropriately notified. For example, if the property has security guards, the guards are provided a copy of the TRO and are instructed to contact the Honolulu Police Department if necessary to assist a tenant in enforcing the TRO. If anyone stops by the office to meet with the Executive Director (ED) unannounced, the ED makes all efforts possible when he is available. When the ED is not in the office at the time, the staff

do arrange for the individual to meet with the appropriate staff including PMMSB Chief, the State Public Housing Manager, the AMP Manager, and HUD staff regarding their concerns.

Although someone files a TRO, the management staff is aware when TRO is denied by the court. The manager is also made aware when there are counter complaints against the individual who initiated the complaints. Management is also aware that an individual has been rude and belligerent to several staff members in different departments at HPHA.

5. Are non-tenants taking part in the Mayor Wright Homes tenant walks? And is that appropriate?

There are occasions when non-tenants take part in the community patrol. Like many other public housing communities, the Mayor Wright Homes tenant walks are supported by tenants, management staff, law enforcement, and service providers.

Using the *Communities that Care* concept, the inclusion of community members demonstrates to the tenant population that they are part of a larger community and that delinquent behaviors are not acceptable within or outside of their immediate property. Other than couple tenants, the HPHA has received positive feedback about the how the walks are helping to keep bad elements out of MWH and make the tenants feel more secure.

6. What is the status of the elections at Puahala Homes?

The HPHA has been working with the last president elect, to hold new elections for Puahala Homes. The entire process from nominations to elections takes approximately 45 days.

7. What is the timeline for calculating rent when a tenant's income changes? Are there ticklers in place to ensure that the recertifications are completed timely?

Under the current procedures, the HPHA should complete an interim adjustment within 60-90 days. The staff's first priority is to process annual recertification and then interim adjustments. An adjustment is made after verification is provided to the AMP.

**Federal LIPH
HPHA Island Overview Report
August 2012**

| Island | Occupancy * | | | | | | | | LIPH and Elderly Waiting List** | | | | |
|--------------|-----------------------|----------------------|--|-----------------|-----------|-----------|-----------|------------------|---------------------------------|---------------|----------------|-----------------|------------------|
| | Total Available Units | Total Occupied Units | Total Vacant Units (excludes rent ready) | Occupancy Ratio | Move-Ins | Move-Outs | Transfers | Units Rent Ready | HUD Income Limit | # of HoH | % of WL | Avg Family Size | Avg Bedroom Size |
| Hawaii | 620 | 546 | 73 | 88.06% | 21 | 5 | 6 | 1 | Average Income | 39 | 0.36% | 5.85 | 2.93 |
| Kauai | 318 | 274 | 33 | 86.16% | 8 | 6 | 4 | 11 | Low Income (80%) | 136 | 1.26% | 2.77 | 1.95 |
| Maui | 196 | 172 | 22 | 87.76% | 10 | 2 | 1 | 2 | Very Low Inc. (50%) | 889 | 8.24% | 2.84 | 1.90 |
| Oahu | 3,553 | 3,344 | 189 | 94.12% | 21 | 16 | 4 | 20 | Extremely Low Inc. (30%) | 9,729 | 90.14% | 2.57 | 1.77 |
| Total | 4,687 | 4,336 | 317 | 92.51% | 60 | 29 | 15 | 34 | | 10,793 | 100.00% | 2.60 | 1.78 |

| Island | Non Vacated Delinquencies*** | | | | Collection Rate | | |
|--------------|------------------------------|----------------------|-------------------|----------------------|------------------------|------------------------|----------------|
| | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| Hawaii | 34 | \$ 13,912.47 | 25 | \$ 11,880.00 | \$ 105,021.00 | \$ 118,324.62 | 112.67% |
| Kauai | 43 | \$ 18,119.41 | 27 | \$ 47,611.96 | \$ 68,634.69 | \$ 74,684.13 | 108.81% |
| Maui | 23 | \$ 11,496.00 | 25 | \$ 13,507.23 | \$ 43,521.00 | \$ 43,913.67 | 100.90% |
| Oahu | 380 | \$ 179,218.03 | 225 | \$ 291,776.85 | \$ 920,596.61 | \$ 933,241.75 | 101.37% |
| Total | 480 | \$ 222,745.91 | 302 | \$ 364,776.04 | \$ 1,137,773.30 | \$ 1,170,164.17 | 102.85% |

* 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
August 2012**

| AMP | Occupancy* | | | | | | | |
|-------------------|-----------------------|----------------------|--|-----------------|-----------|-----------|-----------|------------------|
| | Total Available Units | Total Occupied Units | Total Vacant Units (excludes rent ready) | Occupancy Ratio | Move-Ins | Move-Outs | Transfers | Units Rent Ready |
| 30P-Aiea | 362 | 340 | 19 | 93.92% | 1 | 4 | 0 | 3 |
| 31P-KVH | 373 | 333 | 40 | 89.28% | 2 | 1 | 0 | 0 |
| 32P-MWH | 363 | 350 | 13 | 96.42% | 5 | 0 | 0 | 0 |
| 33P-Kam/Kaamanu | 371 | 361 | 9 | 97.30% | 2 | 1 | 2 | 1 |
| 34P-Kalakaua | 581 | 559 | 19 | 96.21% | 0 | 1 | 0 | 3 |
| 35P-Kalanihua | 587 | 580 | 1 | 98.81% | 5 | 3 | 1 | 6 |
| 37P-Hilo | 319 | 259 | 60 | 81.19% | 17 | 3 | 6 | 0 |
| 38P-Kauai | 318 | 274 | 33 | 86.16% | 8 | 6 | 4 | 11 |
| 39P-Maui | 196 | 172 | 22 | 87.76% | 10 | 2 | 1 | 2 |
| 40P-KPT | 170 | 159 | 11 | 93.53% | 1 | 1 | 0 | 0 |
| 43P-Kona | 200 | 193 | 6 | 96.50% | 2 | 2 | 0 | 1 |
| 44P-Leeward Oahu | 258 | 219 | 37 | 84.88% | 4 | 4 | 0 | 2 |
| 45P-Windward Oahu | 225 | 219 | 6 | 97.33% | 0 | 0 | 0 | 0 |
| 46P-Kamuela | 101 | 94 | 7 | 93.07% | 2 | 0 | 0 | 0 |
| 49P-Central Oahu | 149 | 120 | 29 | 80.54% | 1 | 0 | 1 | 0 |
| 50P-Palolo | 114 | 104 | 5 | 91.23% | 0 | 1 | 0 | 5 |
| Total | 4,687 | 4,336 | 317 | 92.51% | 60 | 29 | 15 | 34 |

| AMP | Non Vacated Delinquencies** | | | | Collection Rate | | |
|-------------------|-----------------------------|----------------------|-------------------|----------------------|------------------------|------------------------|----------------|
| | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| 30P-Aiea | 60 | 40,482.72 | 27 | 46,296.97 | \$ 129,338.00 | \$ 112,784.72 | 87.20% |
| 31P-KVH | 49 | 19,880.63 | 22 | 39,364.31 | \$ 89,705.00 | \$ 80,294.01 | 89.51% |
| 32P-MWH | 57 | 27,597.13 | 33 | 35,340.72 | \$ 100,206.30 | \$ 98,672.68 | 98.47% |
| 33P-Kam/Kaamanu | 58 | 30,054.85 | 30 | 47,289.08 | \$ 95,423.87 | \$ 94,476.38 | 99.01% |
| 34P-Kalakaua | 26 | 9,488.33 | 10 | 15,090.78 | \$ 131,817.90 | \$ 147,883.05 | 112.19% |
| 35P-Kalanihua | 21 | 6,207.34 | 8 | 3,357.46 | \$ 147,661.54 | \$ 164,320.50 | 111.28% |
| 37P-Hilo | 8 | 2,750.00 | 3 | 654.00 | \$ 53,160.00 | \$ 66,328.79 | 124.77% |
| 38P-Kauai | 43 | 18,119.41 | 27 | 47,611.96 | \$ 68,634.69 | \$ 74,684.13 | 108.81% |
| 39P-Maui | 23 | 11,496.00 | 25 | 13,507.23 | \$ 43,521.00 | \$ 43,913.67 | 100.90% |
| 40P-KPT | 21 | 7,238.02 | 41 | 28,896.35 | \$ 66,872.00 | \$ 69,030.71 | 103.23% |
| 43P-Kona | 12 | 4,670.30 | 4 | 977.33 | \$ 33,134.00 | \$ 33,546.00 | 101.24% |
| 44P-Leeward Oahu | 45 | 17,589.99 | 35 | 53,745.94 | \$ 51,802.00 | \$ 50,887.31 | 98.23% |
| 45P-Windward Oahu | 27 | 13,928.02 | 12 | 7,757.02 | \$ 58,073.00 | \$ 60,730.76 | 104.58% |
| 46P-Kamuela | 14 | 6,492.17 | 18 | 10,248.67 | \$ 18,727.00 | \$ 18,449.83 | 98.52% |
| 49P-Central Oahu | 14 | 6,733.00 | 7 | 14,638.22 | \$ 31,242.00 | \$ 33,524.63 | 107.31% |
| 50P-Palolo | 2 | 18.00 | 0 | 0.00 | \$ 18,455.00 | \$ 20,637.00 | 111.82% |
| Total | 480 | \$ 222,745.91 | 302 | \$ 364,776.04 | \$ 1,137,773.30 | \$ 1,170,164.17 | 102.85% |

* 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).

FEDERAL PUBLIC HOUSING

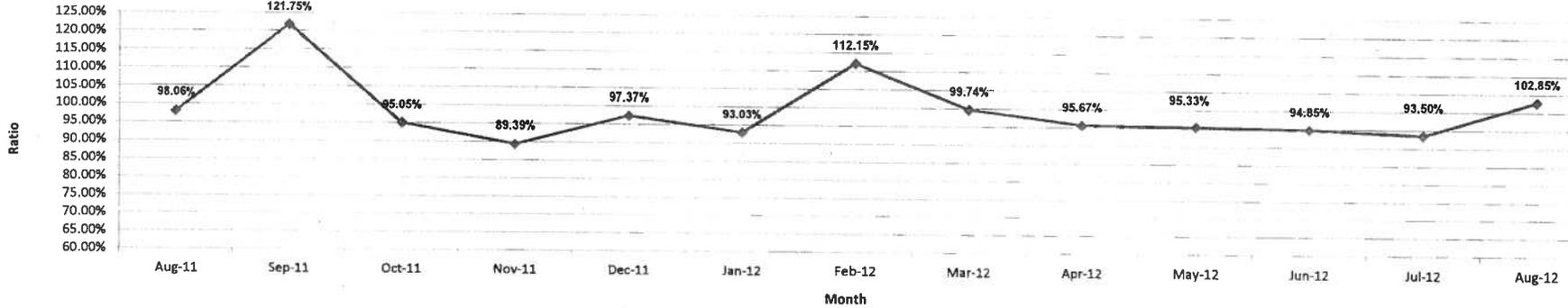
Rent Collection from August 2011 to August 2012

| | Aug-11 | | | Sep-11 | | | Oct-11 | | | Nov-11 | | | Dec-11 | | | Jan-12 | | |
|--------------|------------------------|------------------------|---------------|----------------------|------------------------|----------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | \$115,666.00 | \$121,351.38 | 104.92% | \$84,374.00 | \$115,921.69 | 137.39% | \$115,276.00 | \$115,980.86 | 100.61% | \$115,276.00 | \$103,458.24 | 89.75% | \$116,323.00 | \$116,388.33 | 100.06% | \$114,209.50 | \$110,422.26 | 96.68% |
| Kauai | \$77,537.00 | \$71,665.17 | 92.45% | \$59,469.00 | \$69,959.18 | 117.64% | \$76,718.00 | \$78,481.84 | 102.30% | \$76,718.00 | \$68,948.60 | 89.87% | \$76,420.00 | \$72,976.75 | 95.49% | \$74,647.00 | \$73,572.68 | 98.56% |
| Maui | \$44,681.00 | \$48,814.87 | 109.25% | \$34,889.00 | \$46,767.70 | 134.05% | \$47,144.00 | \$44,929.36 | 95.30% | \$47,144.00 | \$44,214.52 | 93.79% | \$44,242.00 | \$43,525.67 | 98.38% | \$44,064.00 | \$39,954.01 | 90.67% |
| Oahu | \$906,855.05 | \$880,691.57 | 97.11% | \$732,192.65 | \$876,381.22 | 119.69% | \$901,126.01 | \$844,396.33 | 93.70% | \$901,126.01 | \$802,654.28 | 89.07% | \$895,633.23 | \$869,941.27 | 97.13% | \$895,613.84 | \$825,897.28 | 92.22% |
| Total | \$ 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% | \$ 1,140,264.01 | \$ 1,019,276.64 | 89.39% | \$ 1,132,618.23 | \$ 1,102,632.02 | 97.37% | \$ 1,128,534.34 | \$ 1,049,846.23 | 93.03% |

| Cumulative (12 Months) 08/11 - 08/12 | |
|---|------------------|
| Charges | \$ 14,556,804.14 |
| Collections | \$ 14,379,295.45 |
| Total | \$ (177,508.69) |
| Ratio | 98.78% |

| | Feb-12 | | | Mar-12 | | | Apr-12 | | | May-12 | | | Jun-12 | | | Jul-12 | | | Aug-12 | | |
|--------------|------------------------|------------------------|----------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|---------------|------------------------|------------------------|----------------|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | \$113,942.00 | \$129,996.25 | 114.09% | \$112,348.50 | \$111,155.13 | 98.94% | \$112,335.00 | \$109,297.72 | 97.30% | \$110,139.00 | \$105,928.84 | 96.18% | \$101,718.68 | \$97,508.52 | 95.85% | \$107,350.00 | \$103,718.74 | 96.62% | \$105,021.00 | \$118,324.62 | 112.67% |
| Kauai | \$74,418.00 | \$93,535.27 | 125.69% | \$74,359.33 | \$81,552.35 | 109.67% | \$75,405.02 | \$77,085.39 | 102.23% | \$76,265.02 | \$72,320.18 | 94.83% | \$68,375.34 | \$64,430.50 | 94.23% | \$68,659.02 | \$67,390.13 | 98.15% | \$68,634.69 | \$74,684.13 | 108.81% |
| Maui | \$43,797.00 | \$47,465.60 | 108.38% | \$43,703.00 | \$42,816.67 | 97.97% | \$43,493.00 | \$39,093.69 | 89.89% | \$44,587.00 | \$37,367.85 | 83.81% | \$30,148.70 | \$22,929.55 | 76.05% | \$42,751.00 | \$41,534.18 | 97.15% | \$43,521.00 | \$43,913.67 | 100.90% |
| Oahu | \$898,482.79 | \$996,986.76 | 110.96% | \$918,878.90 | \$910,771.32 | 99.12% | \$933,096.95 | \$888,433.44 | 95.21% | \$936,627.70 | \$897,513.54 | 95.82% | \$858,399.38 | \$819,285.22 | 95.44% | \$932,406.22 | \$863,699.38 | 92.63% | \$920,596.61 | \$933,241.75 | 101.37% |
| Total | \$ 1,130,639.79 | \$ 1,267,983.88 | 112.15% | \$ 1,149,289.73 | \$ 1,148,295.47 | 99.74% | \$ 1,164,329.97 | \$ 1,113,910.24 | 95.67% | \$ 1,167,618.72 | \$ 1,113,130.41 | 95.33% | \$ 1,058,642.10 | \$ 1,004,153.79 | 94.85% | \$ 1,151,166.24 | \$ 1,076,342.43 | 93.50% | \$ 1,137,773.30 | \$ 1,170,164.17 | 102.85% |

Rent Collection Rate



FEDERAL PUBLIC HOUSING

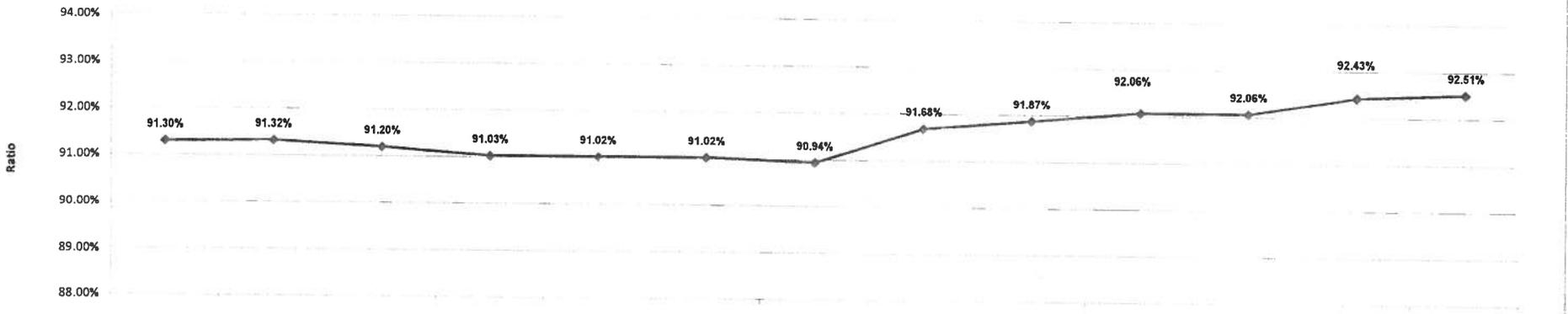
Occupancy from August 2011 to August 2012

| | Aug-11 | | | Sep-11 | | | Oct-11 | | | Nov-11 | | | Dec-11 | | | Jan-12 | | |
|--------------|--------------|--------------|---------------|-----------------|-----------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|
| | Total Units | Occ Units | Ratio | Total Units | Occ Units | Ratio | Total Units | Occ Units | Ratio | Total Units | Occ Units | Ratio | Total Units | Occ Units | Ratio | Total Units | Occ Units | Ratio |
| Hawaii | 621 | 526 | 84.70% | 621.00 | 530.00 | 85.35% | 623 | 533 | 85.55% | 623 | 532 | 85.39% | 621 | 533 | 85.83% | 621 | 533 | 85.83% |
| Kauai | 319 | 278 | 87.15% | 319.00 | 276.00 | 86.52% | 319 | 275 | 86.21% | 319 | 274 | 85.89% | 319 | 274 | 85.89% | 319 | 274 | 85.89% |
| Mauai | 196 | 151 | 77.04% | 196.00 | 149.00 | 76.02% | 196 | 147 | 75.00% | 196 | 146 | 74.49% | 196 | 147 | 75.00% | 196 | 147 | 75.00% |
| Oahu | 3,554 | 3,327 | 93.81% | 3,554.00 | 3,328.00 | 93.64% | 3,554 | 3,324 | 93.53% | 3,554 | 3,319 | 93.39% | 3,554 | 3,315 | 93.28% | 3,554 | 3,315 | 93.28% |
| Total | 4,690 | 4,282 | 91.30% | 4,690.00 | 4,283.00 | 91.32% | 4,692 | 4,275 | 91.20% | 4,692 | 4,271 | 91.03% | 4,690 | 4,269 | 91.02% | 4,690 | 4,269 | 91.02% |

| Cumulative (12 Months) | |
|------------------------|--------|
| 08/11 - 08/12 | |
| Units | 60,963 |
| Tenants | 55,826 |
| Ratio | 91.57% |

| | Feb-12 | | | Mar-12 | | | Apr-12 | | | May-12 | | | Jun-12 | | | Jul-12 | | | Aug-12 | | |
|--------------|--------------|--------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|
| | Total Units | Occ Units | Ratio |
| Hawaii | 621 | 533 | 85.83% | 621 | 533 | 85.83% | 621 | 536 | 86.31% | 621 | 541 | 87.12% | 621 | 541 | 87.12% | 620 | 534 | 86.13% | 620 | 546 | 88.06% |
| Kauai | 319 | 273 | 85.58% | 319 | 272 | 85.27% | 318 | 277 | 87.11% | 318 | 274 | 86.16% | 318 | 274 | 86.16% | 318 | 275 | 86.48% | 318 | 274 | 86.16% |
| Mauai | 196 | 150 | 76.53% | 196 | 152 | 77.55% | 196 | 156 | 79.59% | 196 | 158 | 80.61% | 196 | 158 | 80.61% | 196 | 169 | 85.22% | 196 | 172 | 87.76% |
| Oahu | 3,555 | 3,310 | 93.11% | 3,554 | 3,343 | 94.06% | 3,553 | 3,338 | 93.95% | 3,553 | 3,343 | 94.09% | 3,553 | 3,343 | 94.09% | 3,553 | 3,354 | 94.40% | 3,553 | 3,344 | 94.12% |
| Total | 4,691 | 4,266 | 90.94% | 4,690 | 4,300 | 91.68% | 4,688 | 4,307 | 91.87% | 4,688 | 4,316 | 92.06% | 4,688 | 4,316 | 92.06% | 4,687 | 4,332 | 92.43% | 4,687 | 4,336 | 92.51% |

Occupancy Rate



**State LIPH
HPHA Island Overview Report
August 2012**

| Island | Occupancy* | | | | | | | | LIPH and Elderly Waiting List** | | | | |
|--------------|-----------------------|----------------------|--|-----------------|----------|-----------|-----------|------------------|---------------------------------|--------------|----------------|-----------------|------------------|
| | Total Available Units | Total Occupied Units | Total Vacant Units (excludes rent ready) | Occupancy Ratio | Move-Ins | Move-Outs | Transfers | Units Rent Ready | HUD Income Limit | # of HoH | % of WL | Avg Family Size | Avg Bedroom Size |
| Hawaii | 56 | 48 | 8 | 85.71% | 2 | 0 | 0 | 0 | Average Income | 26 | 0.33% | 7.30 | 3.48 |
| Kauai | 26 | 24 | 2 | 92.31% | 0 | 0 | 0 | 0 | Low Income (80%) | 73 | 0.94% | 2.51 | 1.83 |
| Maui | 32 | 29 | 3 | 90.63% | 0 | 1 | 0 | 0 | Very Low Inc. (50%) | 574 | 7.39% | 2.82 | 1.88 |
| Oahu | 749 | 728 | 11 | 97.20% | 3 | 3 | 2 | 10 | Extremely Low Inc. (30%) | 7,092 | 91.33% | 2.43 | 1.66 |
| Total | 863 | 829 | 24 | 96.06% | 5 | 4 | 2 | 10 | | 7,765 | 100.00% | 2.48 | 1.69 |

| Island | Non Vacated Delinquencies*** | | | | Collection Rate | | |
|--------------|------------------------------|---------------------|-------------------|----------------------|----------------------|----------------------|----------------|
| | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| Hawaii | 8 | \$ 4,372.00 | 9 | \$ 6,607.67 | \$ 15,525.00 | \$ 14,149.00 | 91.14% |
| Kauai | 4 | \$ 2,402.00 | 4 | \$ 18,500.46 | \$ 5,264.00 | \$ 5,466.00 | 103.84% |
| Maui | 7 | \$ 1,151.00 | 17 | \$ 16,659.53 | \$ 5,448.00 | \$ 4,651.00 | 85.37% |
| Oahu | 22 | \$ 16,779.86 | 53 | \$ 213,262.54 | \$ 225,890.00 | \$ 245,627.74 | 108.74% |
| Total | 41 | \$ 24,704.86 | 83 | \$ 255,030.20 | \$ 252,127.00 | \$ 269,893.74 | 107.05% |

* 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
August 2012**

| Project | Occupancy * | | | | | | | |
|----------------------|-----------------------|----------------------|--|-----------------|----------|-----------|-----------|------------------|
| | Total Available Units | Total Occupied Units | Total Vacant Units (excludes rent ready) | Occupancy Ratio | Move-Ins | Move-Outs | Transfers | Units Rent Ready |
| 2201-Hauiki | 46 | 44 | 1 | 95.65% | 0 | 0 | 0 | 1 |
| 2202-Puahala Homes | 128 | 114 | 7 | 89.06% | 0 | 1 | 0 | 7 |
| 2204-Kawailehua | 26 | 24 | 2 | 92.31% | 0 | 0 | 0 | 0 |
| 2205-Kahale Mua | 32 | 29 | 3 | 90.63% | 0 | 1 | 0 | 0 |
| 2206-Lokahi | 30 | 23 | 7 | 76.67% | 0 | 0 | 0 | 0 |
| 2207-Ke Kumu Elua | 26 | 25 | 1 | 96.15% | 2 | 0 | 0 | 0 |
| 2401-Hale Po'ai | 206 | 205 | 1 | 99.51% | 0 | 0 | 0 | 0 |
| 2402-La'iola | 108 | 106 | 2 | 98.15% | 1 | 1 | 1 | 0 |
| 2403-Kamalu-Ho'olulu | 220 | 219 | 0 | 99.55% | 2 | 1 | 1 | 1 |
| 2404-Halia Hale | 41 | 40 | 0 | 97.56% | 0 | 0 | 0 | 1 |
| Total | 863 | 829 | 24 | 96.06% | 5 | 4 | 2 | 10 |

| Project | Non Vacated Delinquencies** | | | | Collection Rate | | |
|----------------------|-----------------------------|---------------------|-------------------|----------------------|----------------------|----------------------|----------------|
| | Count of Families | 30-90 Days | Count of Families | Over 90 Days | Charges | Collected | Ratio |
| 2201-Hauiki | 3 | \$ 2,750.47 | 13 | \$ 85,155.11 | \$ 17,180.00 | \$ 19,448.74 | 113.21% |
| 2202-Puahala Homes | 18 | \$ 14,020.39 | 30 | \$ 124,486.51 | \$ 42,622.00 | \$ 39,615.00 | 92.94% |
| 2204-Kawailehua | 4 | \$ 2,402.00 | 4 | \$ 18,500.46 | \$ 5,264.00 | \$ 5,466.00 | 103.84% |
| 2205-Kahale Mua | 7 | \$ 1,151.00 | 17 | \$ 16,659.53 | \$ 5,448.00 | \$ 4,651.00 | 85.37% |
| 2206-Lokahi | 1 | \$ 496.00 | 0 | \$ - | \$ 8,366.00 | \$ 8,332.00 | 99.59% |
| 2207-Ke Kumu Elua | 7 | \$ 3,876.00 | 9 | \$ 6,607.67 | \$ 7,159.00 | \$ 5,817.00 | 81.25% |
| 2401-Hale Po'ai | 0 | \$ - | 2 | \$ 1,630.00 | \$ 58,042.00 | \$ 68,210.00 | 117.52% |
| 2402-La'iola | 0 | \$ - | 7 | \$ 1,986.52 | \$ 33,704.00 | \$ 37,805.00 | 112.17% |
| 2403-Kamalu-Ho'olulu | 1 | \$ 9.00 | 1 | \$ 4.40 | \$ 63,868.00 | \$ 68,755.00 | 107.65% |
| 2404-Halia Hale | 0 | \$ - | 0 | \$ - | \$ 10,474.00 | \$ 11,794.00 | 112.60% |
| Total | 41 | \$ 24,704.86 | 83 | \$ 255,030.20 | \$ 252,127.00 | \$ 269,893.74 | 107.05% |

* Occupancy also counts Scheduled for Modernization Units.

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

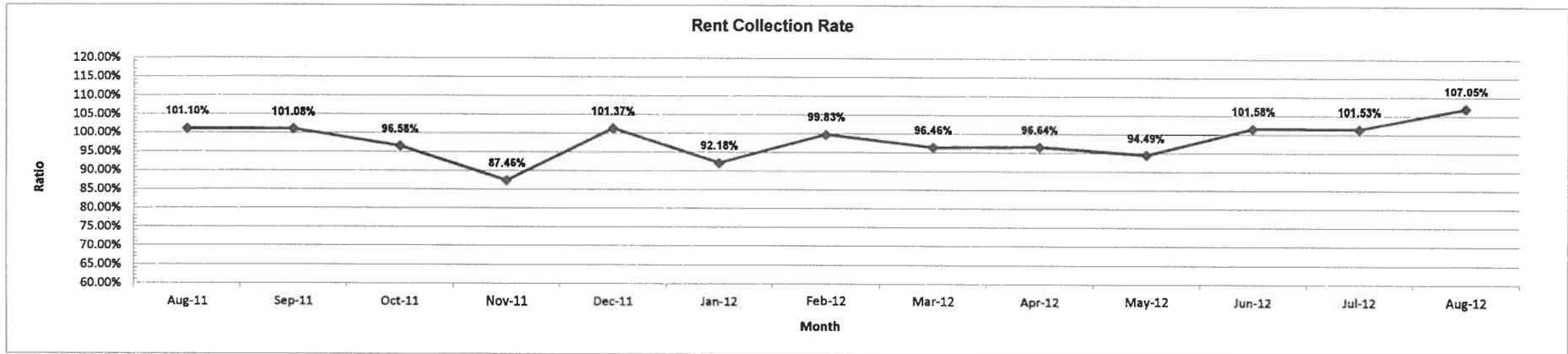
STATE PUBLIC HOUSING

Rent Collection from August 2011 to August 2012

| | Aug-11 | | | Sep-11 | | | Oct-11 | | | Nov-11 | | | Dec-11 | | | Jan-12 | | |
|--------|---------------|---------------|---------|---------------|---------------|---------|---------------|---------------|--------|---------------|---------------|--------|---------------|---------------|---------|---------------|---------------|--------|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | \$ 14,673.00 | \$ 13,607.60 | 92.74% | \$ 12,542.20 | \$ 11,476.80 | 91.51% | \$ 14,366.00 | \$ 10,717.00 | 74.60% | \$ 14,366.00 | \$ 13,036.00 | 90.74% | \$ 16,098.00 | \$ 14,089.00 | 87.52% | \$ 17,160.00 | \$ 13,920.00 | 81.12% |
| Kauai | \$ 5,511.00 | \$ 4,705.00 | 85.37% | \$ 3,899.00 | \$ 3,093.00 | 79.33% | \$ 5,336.00 | \$ 4,690.00 | 87.89% | \$ 5,336.00 | \$ 4,304.00 | 80.66% | \$ 5,176.00 | \$ 5,036.00 | 97.30% | \$ 4,980.00 | \$ 3,606.93 | 72.43% |
| Mau | \$ 5,305.00 | \$ 5,650.00 | 106.50% | \$ 5,995.00 | \$ 6,340.00 | 105.75% | \$ 4,825.00 | \$ 3,322.00 | 68.85% | \$ 4,825.00 | \$ 4,010.00 | 83.11% | \$ 4,754.00 | \$ 4,964.00 | 104.42% | \$ 4,765.00 | \$ 3,194.00 | 67.03% |
| Oahu | \$ 228,214.00 | \$ 232,531.34 | 101.89% | \$ 236,848.68 | \$ 241,166.02 | 101.82% | \$ 228,648.00 | \$ 225,787.56 | 98.75% | \$ 228,648.00 | \$ 200,070.86 | 87.50% | \$ 226,267.00 | \$ 231,667.63 | 102.39% | \$ 227,509.00 | \$ 213,788.90 | 93.97% |
| Total | \$ 253,703.00 | \$ 256,493.94 | 101.10% | \$ 259,284.88 | \$ 262,075.82 | 101.08% | \$ 253,175.00 | \$ 244,516.56 | 96.56% | \$ 253,175.00 | \$ 221,420.86 | 87.46% | \$ 252,295.00 | \$ 255,756.83 | 101.37% | \$ 254,414.00 | \$ 234,509.83 | 92.16% |

| Cumulative (12 Months) 08/11 - 08/12 | |
|---|-----------------|
| Charges | \$ 3,299,989.56 |
| Collections | \$ 3,242,578.68 |
| Total | \$ (57,410.88) |
| Ratio | 98.26% |

| | Feb-12 | | | Mar-12 | | | Apr-12 | | | May-12 | | | Jun-12 | | | Jul-12 | | | Aug-12 | | |
|--------|---------------|---------------|---------|---------------|---------------|---------|---------------|---------------|--------|---------------|---------------|--------|---------------|---------------|---------|---------------|---------------|---------|---------------|---------------|---------|
| | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio | Charges | Collected | Ratio |
| Hawaii | \$ 17,779.00 | \$ 18,461.00 | 103.84% | \$ 17,154.00 | \$ 15,435.00 | 89.98% | \$ 15,823.00 | \$ 14,366.00 | 90.79% | \$ 14,147.00 | \$ 11,955.00 | 84.51% | \$ 14,040.00 | \$ 11,505.00 | 81.94% | \$ 8,970.00 | \$ 6,435.00 | 71.74% | \$ 15,525.00 | \$ 14,149.00 | 91.14% |
| Kauai | \$ 4,980.00 | \$ 4,831.00 | 97.01% | \$ 5,086.00 | \$ 6,646.00 | 130.67% | \$ 5,086.00 | \$ 3,850.00 | 75.70% | \$ 5,182.00 | \$ 3,926.00 | 75.76% | \$ 5,182.00 | \$ 4,157.00 | 80.22% | \$ 3,132.00 | \$ 2,107.00 | 67.27% | \$ 5,264.00 | \$ 5,466.00 | 103.84% |
| Mau | \$ 4,901.00 | \$ 6,354.00 | 129.65% | \$ 5,096.00 | \$ 6,577.00 | 129.06% | \$ 5,632.00 | \$ 5,373.00 | 95.40% | \$ 5,748.00 | \$ 5,367.00 | 93.37% | \$ 5,376.00 | \$ 5,440.00 | 101.19% | \$ 5,504.00 | \$ 5,568.00 | 101.16% | \$ 5,448.00 | \$ 4,651.00 | 85.37% |
| Oahu | \$ 226,763.00 | \$ 224,341.74 | 98.93% | \$ 227,314.00 | \$ 216,985.75 | 95.46% | \$ 226,343.00 | \$ 220,786.72 | 97.55% | \$ 226,638.00 | \$ 216,596.73 | 95.57% | \$ 225,516.00 | \$ 232,969.84 | 103.31% | \$ 240,423.68 | \$ 247,877.52 | 103.10% | \$ 225,890.00 | \$ 245,627.74 | 108.74% |
| Total | \$ 254,423.00 | \$ 253,987.74 | 99.83% | \$ 254,650.00 | \$ 245,643.75 | 96.48% | \$ 252,884.00 | \$ 244,375.72 | 96.64% | \$ 251,715.00 | \$ 237,844.73 | 94.49% | \$ 250,114.00 | \$ 254,071.84 | 101.58% | \$ 258,029.68 | \$ 261,987.52 | 101.53% | \$ 252,127.00 | \$ 269,893.74 | 107.05% |



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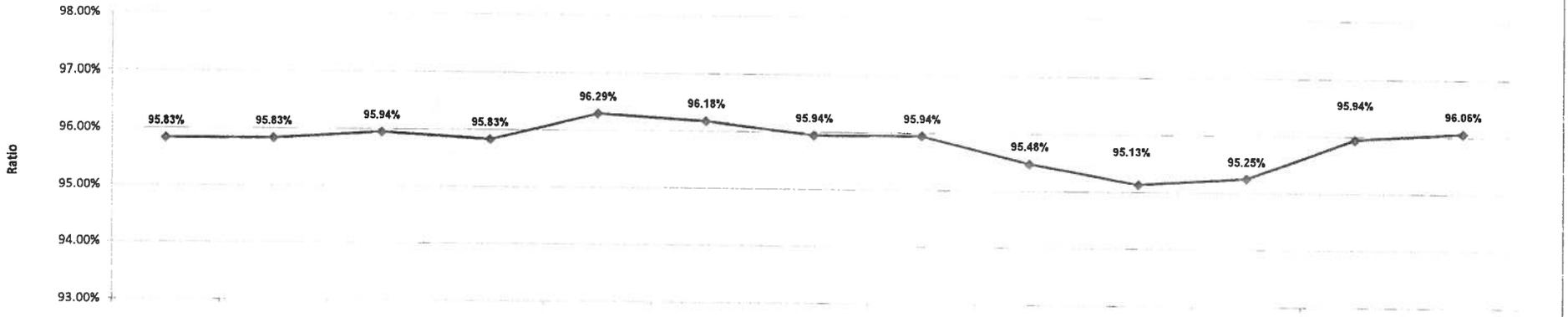
Occupancy from August 2011 to August 2012

| | Aug-11 | | | Sep-11 | | | Oct-11 | | | Nov-11 | | | Dec-11 | | | Jan-12 | | |
|--------------|-------------|------------|---------------|-------------|------------|---------------|-------------|------------|---------------|-------------|------------|---------------|-------------|------------|---------------|-------------|------------|---------------|
| | Total Units | Occ Units | Ratio |
| Hawaii | 56 | 45 | 80.36% | 56 | 47 | 83.93% | 56 | 47 | 83.93% | 56 | 47 | 83.93% | 56 | 49 | 87.50% | 56 | 49 | 87.50% |
| Kauai | 26 | 24 | 92.31% | 26 | 23 | 88.46% | 26 | 23 | 88.46% | 26 | 23 | 88.46% | 26 | 23 | 88.46% | 26 | 23 | 88.46% |
| Maui | 32 | 24 | 75.00% | 32 | 24 | 75.00% | 32 | 23 | 71.88% | 32 | 24 | 75.00% | 32 | 25 | 78.13% | 32 | 24 | 75.00% |
| Oahu | 749 | 734 | 98.00% | 749 | 733 | 97.86% | 749 | 735 | 98.13% | 749 | 733 | 97.86% | 749 | 734 | 98.00% | 749 | 734 | 98.00% |
| Total | 863 | 827 | 95.83% | 863 | 827 | 95.83% | 863 | 828 | 95.94% | 863 | 827 | 95.83% | 863 | 831 | 96.29% | 863 | 830 | 96.18% |

| Cumulative (12 Months) | |
|------------------------|--------|
| 08/11 - 08/12 | |
| Units | 11,219 |
| Tenants | 10,750 |
| Ratio | 95.82% |

| | Feb-12 | | | Mar-12 | | | Apr-12 | | | May-12 | | | Jun-12 | | | Jul-12 | | | Aug-12 | | |
|--------------|-------------|------------|---------------|-------------|------------|---------------|-------------|------------|---------------|-------------|------------|---------------|-------------|------------|---------------|-------------|------------|---------------|-------------|------------|---------------|
| | Total Units | Occ Units | Ratio |
| Hawaii | 56 | 48 | 85.71% | 56 | 46 | 82.14% | 56 | 42 | 75.00% | 56 | 43 | 76.79% | 56 | 44 | 78.57% | 56 | 46 | 82.14% | 56 | 48 | 85.71% |
| Kauai | 26 | 23 | 88.46% | 26 | 23 | 88.46% | 26 | 24 | 92.31% | 26 | 24 | 92.31% | 26 | 24 | 92.31% | 26 | 24 | 92.31% | 26 | 24 | 92.31% |
| Maui | 32 | 27 | 84.38% | 32 | 26 | 81.25% | 32 | 28 | 87.50% | 32 | 29 | 90.63% | 32 | 29 | 90.63% | 32 | 29 | 90.63% | 32 | 29 | 90.63% |
| Oahu | 749 | 730 | 97.46% | 749 | 733 | 97.86% | 749 | 730 | 97.46% | 749 | 725 | 96.80% | 749 | 725 | 96.80% | 749 | 729 | 97.33% | 749 | 728 | 97.20% |
| Total | 863 | 828 | 95.94% | 863 | 828 | 95.94% | 863 | 824 | 95.48% | 863 | 821 | 95.13% | 863 | 822 | 95.25% | 863 | 828 | 95.94% | 863 | 829 | 96.06% |

Occupancy Rate



VMS Data Collection Report

From 1/1/2012
To 8/1/2012
As of 8/31/2012
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

| | Jan-12 | Feb-12 | Mar-12 | Apr-12 | May-12 | Jun-12 | Jul-12 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 1 Year Mainstream | 163 | 159 | 158 | 161 | 174 | | |
| 1 Year Mainstream HAP | \$140,224 | \$137,904 | \$136,889 | \$142,252 | \$147,027 | | |
| Homeownership | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| Homeownership HAP | \$11,262 | \$11,357 | \$11,381 | \$11,428 | \$11,720 | \$11,794 | \$11,812 |
| Disabled | | | | | 5 | 175 | 168 |
| Disabled HAP | | | | | \$4,052 | \$144,725 | \$144,703 |
| Portable Vouchers Paid | 27 | 27 | 28 | 26 | 28 | 32 | 32 |
| Portable Voucher HAP | \$20,692 | \$20,996 | \$21,299 | \$22,067 | \$20,204 | \$22,669 | \$23,651 |
| Tenant Protection | 147 | 145 | 145 | 147 | 143 | 143 | 146 |
| HAP Tenant Protection | \$273,405 | \$266,165 | \$261,213 | \$272,089 | \$258,208 | \$260,992 | \$269,016 |
| Month | | | | | | | |
| Veteran's Affair Supported Housing (VASH) Voucher | 126 | 136 | 145 | 153 | 157 | 164 | 166 |
| Veteran's Affair Supported Housing (VASH) HAP | \$86,641 | \$95,067 | \$102,540 | \$120,894 | \$112,869 | \$116,075 | \$126,413 |
| All Other Vouchers | 1,409 | 1,403 | 1,396 | 1,382 | 1,396 | 1,403 | 1,385 |
| HAP All Other Vouchers | \$1,357,671 | \$1,344,383 | \$1,340,013 | \$1,362,344 | \$1,352,355 | \$1,409,869 | \$1,556,840 |
| FSS Escrow Deposits | \$4,685 | \$5,029 | \$5,564 | \$6,716 | \$6,256 | \$7,086 | \$7,051 |
| All Voucher HAP Expenses After the First of Month | \$8,200 | \$4,425 | \$7,791 | \$6,164 | \$5,012 | \$5,875 | \$12,030 |
| Total Vouchers | 1,883 | 1,881 | 1,883 | 1,880 | 1,914 | 1,928 | 1,908 |
| HAP Total | \$1,902,780 | \$1,885,326 | \$1,886,690 | \$1,943,954 | \$1,917,703 | \$1,979,085 | \$2,151,516 |
| Number of Vouchers Under Leased (HAP Contract) on the New vouchers issued but not under HAP contracts as of the | 1,873 | 1,881 | 1,886 | 1,862 | 1,917 | 1,927 | 1,917 |
| Portability - In | 45 | 38 | 20 | 31 | 22 | 73 | 106 |
| Portability - In | 17 | 20 | 24 | 16 | 1 | 1 | |
| Number of Vouchers Covered by Project-Based AHAPs and Fraud Recovery - Amount | \$18,904 | \$22,921 | \$21,299 | \$17,122 | \$2,046 | \$2,046 | |
| Booked this Month | 455 | 455 | 455 | 455 | 455 | 455 | 455 |
| Interest or other income earned this month from the investment of HAP funds and FSS Escrow Forfeitures | \$525 | \$1,092 | \$375 | \$497 | \$193 | \$385 | \$74 |
| Number of Hard-to-House Families Leased | \$24 | \$14 | \$18 | \$16 | \$13 | \$15 | \$14 |
| FSS Coordinator | | \$121 | \$372 | \$65 | \$1,094 | \$7,068 | |
| FSS Coordinator Expenses Not Covered by FSS Grant | 16 | 13 | 23 | 16 | 9 | 18 | 13 |
| Administrative Expense | \$5,255 | \$5,252 | \$5,252 | \$5,252 | \$5,252 | \$5,252 | \$5,256 |
| Audit | \$12,995 | \$10,248 | \$10,211 | \$12,250 | \$28,445 | \$16,355 | \$12,744 |
| Net Restricted Assets (NRA) as of the Last Day of the Unrestricted Net Assets (UNA) as of the Last Day of the Cash/Investment as of the Last Day of the Month - | \$141,119 | \$136,082 | \$131,331 | \$196,773 | \$126,335 | \$106,886 | \$150,381 |
| | | | \$5,625 | \$5,625 | | | \$5,226 |
| | \$1,515,332 | \$2,067,681 | \$1,066,302 | \$1,182,578 | \$1,291,046 | \$2,466,131 | \$2,100,517 |
| | \$2,372,830 | \$2,373,945 | \$2,244,023 | \$2,167,182 | \$2,450,564 | \$2,013,919 | \$2,304,760 |
| | \$3,864,082 | \$3,819,271 | \$3,307,920 | \$3,472,948 | \$3,961,980 | \$3,562,617 | \$3,700,633 |

HEARINGS OFFICE-STATEWIDE FEDERAL EVICTION REFERRALS-August 2012

| MONTH | REFERRALS | | | RESULT OF EVICTION REFERRAL | | | | | Completed |
|---------|-----------|---------------------|-------|-----------------------------|-----------------|-------------|---------|-----------|-----------|
| | Total | REASON FOR REFERRAL | | Evict | Evict with Cond | 10-day Cure | Dismiss | Continued | |
| | | Rent | Other | | | | | | |
| 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 | 139 | 109 | 30 | 58 | 39 | 1 | 3 | 38 | 101 |

January 2011 - August 2012

| MONTH | REFERRALS | | | RESULT OF EVICTION REFERRAL | | | | | Completed |
|---------------|------------|---------------------|-----------|-----------------------------|-----------------|-------------|----------|-----------|------------|
| | Total | REASON FOR REFERRAL | | Evict | Evict with Cond | 10-day Cure | Dismiss | Continued | |
| | | Rent | Other | | | | | | |
| 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 |
| April 11 | 18 | 16 | 2 | 6 | 9 | 0 | 0 | 3 | 15 |
| May 11 | 10 | 10 | 0 | 2 | 6 | 0 | 0 | 2 | 8 |
| June 11 | 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 | 7 |
| Sept 11 | 9 | 8 | 1 | 2 | 5 | 0 | 0 | 2 | 7 |
| Oct 11 | 7 | 7 | 0 | 3 | 3 | 0 | 0 | 1 | 6 |
| Nov 11 | 16 | 13 | 3 | 6 | 4 | 0 | 0 | 6 | 10 |
| Dec 11 | 3 | 1 | 2 | 2 | 1 | 0 | 0 | 0 | 3 |
| Jan 12 | 7 | 5 | 2 | 3 | 2 | 0 | 1 | 1 | 6 |
| Feb 12 | 14 | 11 | 3 | 4 | 5 | 0 | 0 | 5 | 9 |
| Mar 12 | 10 | 10 | 0 | 5 | 1 | 0 | 0 | 4 | 6 |
| Apr 12 | 9 | 6 | 3 | 5 | 3 | 0 | 1 | 0 | 9 |
| May 12 | 10 | 10 | 0 | 2 | 3 | 1 | 0 | 4 | 6 |
| June 12 | 5 | 2 | 3 | 3 | 1 | 0 | 0 | 1 | 4 |
| July 12 | 16 | 15 | 1 | 6 | 6 | 0 | 0 | 4 | 12 |
| Aug 12 | 17 | 10 | 7 | 12 | 1 | 0 | 0 | 4 | 13 |
| TOTALS | 216 | 175 | 41 | 90 | 71 | 1 | 3 | 51 | 165 |

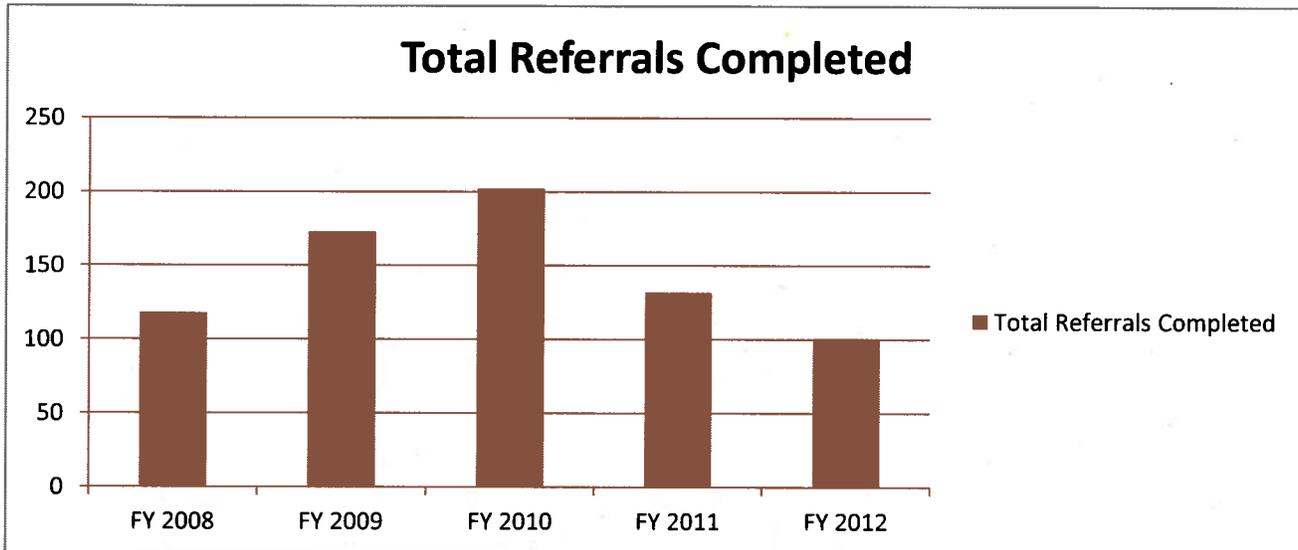
**Total # of Cases Heard for the Month of August 2012: 17
(Oahu & Neighbor Islands)**

| Decisions Rendered: | Rent Violations | Other Violations |
|---------------------|-----------------|------------------|
| Eviction | 7 | 5 |
| Evict w/cond | 1 | 0 |
| 10-day cure | 0 | 0 |
| Dismissal | 0 | 0 |
| Continued | 2 | 2 |
| Total | 10 | 7 |

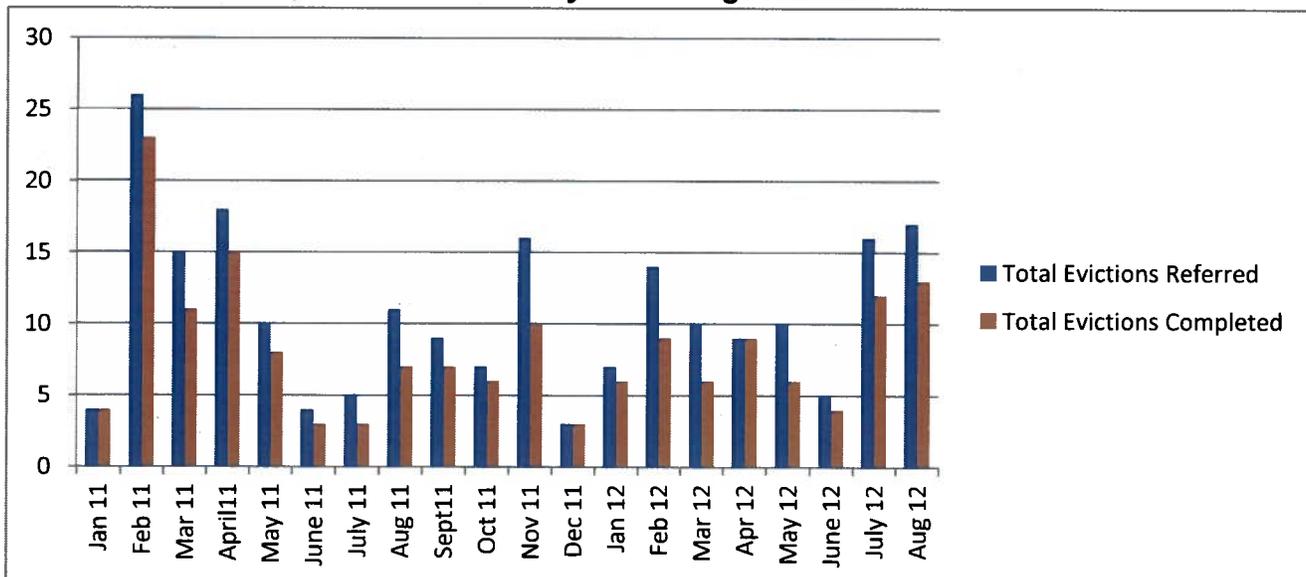
Delinquent balances for rent cases ordered evicted for month of August 2012: 17

| | | |
|--------------|--------------|-----------------|
| AMP 30 | Puuwai Momi | \$5,873 |
| AMP 32 | Mayor Wright | \$9,477 |
| AMP 44 | West Oahu | \$28,315 |
| AMP 49 | Oahu | \$5,358 |
| Total | | \$49,023 |

Fiscal Years 2008-2012



January 2011 - August 2012



HAWAII PUBLIC HOUSING AUTHORITY
Board Report – July 2012

AGENCY TOTAL – Variance Analysis based on any increase or (decrease) of 10+% with the month of July 2012 being the basis for the variances. All revenues and expenses items are subject to audit adjustments.

INCOME STATEMENT

A. REVENUES:

Total revenues for the month of July decreased by \$(507)k or (6)%, due primarily to decreases in HUD Operating Subsidies of \$(272)k or (4%), the COCC Fee Income made up of Management, Accounting, Bookkeeping and Front line Service Fees increased \$33k or 10%, increase in Rental Income of \$57k or 4%, Other Income reflected decreases in Ongoing Administrative Fees Earned and Operating Transfers Out.

The decrease in the HUD Operating Subsidy reflect a decrease of \$(67)k or (3%) for the Housing Choice Voucher Program; a decrease of \$(33)k or (2%) for the Project Based Contract Administration; \$(106)k decrease for The Veterans Affairs Supportive Housing and a \$(66)k or (3%) decrease for the Federal Low Rent Program.

The increase in the Rental Income was primarily from the Federal Low Rent Program reflecting renovated units coming on line.

B. EXPENSES:

Administrative:

Administrative Expenses reflected a decrease of \$804k or 48% due to decreases in Administrative salaries and benefits; Private Management Contract Salaries and Benefits due to budgeted hiring occurring in future months and other budgeted expenses occurring in future periods.

Asset Management Fees:

Asset management fees will be booked at year-end when developments profitability can be determined..

Management and Bookkeeping Fees:

Management and Bookkeeping fees together showed a modest increase due units coming on line which increase the number of rentable units..

Housing Assistance Payments(HAP):

A slight decrease of 2% in relation to the decrease in HUD Subsidy.

Tenant Services:

Reflect payments to Bremerton for PBCA Services.

Utilities:

Variance is caused by late billing by HECO.

Maintenance:

Budgeted Maintenance expenditures were below Budget but will occur in future periods.

Protective Services:

Budgeted expenditures will occur in future periods.

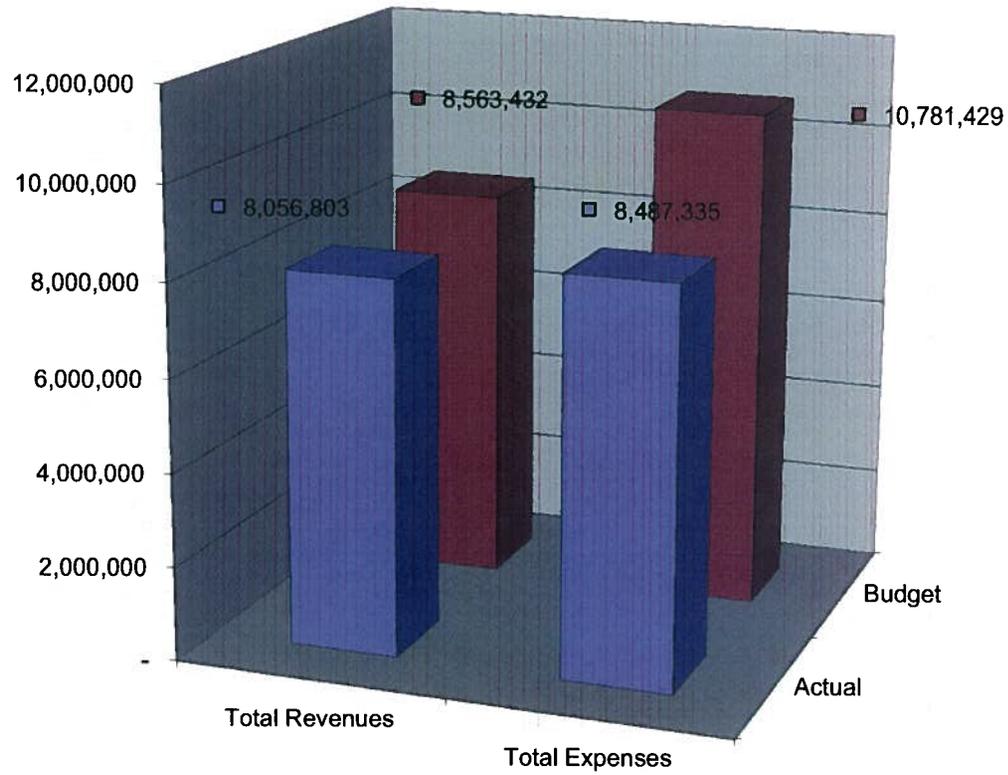
General Expenses:

Primarily due to true up of depreciation expenses.

OVERVIEW – Current Fiscal Year:

Most Developments have cash balances on hand for current budgeted expenditures.

HPHA JULY 31, 2012 Actual VS Budget



| | Total Revenues | Total Expenses |
|--------|----------------|----------------|
| Actual | 8,056,803 | 8,487,335 |
| Budget | 8,563,432 | 10,781,429 |

**HAWAII PUBLIC HOUSING AUTHORITY
AGENCY TOTAL
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

| MONTH OF JULY, 2012 | | | | | YEAR TO DATE ENDING JULY 31, 2012 | | | | | | |
|--------------------------|-----------------------|----------------------------|-------------|-----------------------------|-----------------------------------|-----------------------|----------------------------|-------------|-------------------|----------------------------|---------------|
| <u>Actual</u> | <u>Budget</u> | <u>Variance Amount</u> | <u>%</u> | | <u>Actual</u> | <u>Budget</u> | <u>Variance Amount</u> | <u>%</u> | <u>Prior Year</u> | <u>Variance Amount</u> | <u>%</u> |
| REVENUES | | | | | | | | | | | |
| 1,475,098 | 1,418,475 | \$ 56,623 | 4% | Dwelling Rental Income | 1,475,098 | 1,418,475 | \$ 56,623 | 4% | 1,526,933 | \$ (51,835) | -3% |
| 6,006,129 | 6,278,415 | (272,286) | -4% | HUD Operating Subsidies | 6,006,129 | 6,278,415 | (272,286) | -4% | 5,429,161 | 576,968 | 11% |
| 355,411 | 321,978 | 33,433 | 10% | COCC Fee Income | 355,411 | 321,978 | 33,433 | 10% | 352,960 | 2,451 | 1% |
| - | - | - | 0% | General Fund | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Grant Income | - | - | - | 0% | - | - | 0% |
| 220,165 | 544,564 | (324,399) | -60% | Other Income | 220,165 | 544,564 | (324,399) | -60% | 191,189 | 28,976 | 15% |
| 8,056,803 | 8,563,432 | (506,629) | -6% | Total Revenues | 8,056,803 | 8,563,432 | (506,629) | -6% | 7,500,243 | 556,559 | 7% |
| EXPENSES | | | | | | | | | | | |
| 858,600 | 1,662,904 | 804,304 | 48% | Administrative | 858,600 | 1,662,904 | 804,304 | 48% | 497,694 | (360,906) | -73% |
| - | 13,315 | 13,315 | 100% | Asset Management Fees | - | 13,315 | 13,315 | 100% | - | - | 0% |
| 298,059 | 267,728 | (30,331) | -11% | Management Fees | 298,059 | 267,728 | (30,331) | -11% | 298,250 | 192 | 0% |
| 52,096 | 54,740 | 2,644 | 5% | Bookkeeping Fees | 52,096 | 54,740 | 2,644 | 5% | 54,710 | 2,614 | 5% |
| 4,096,273 | 4,178,029 | 81,756 | 2% | Housing Assistance Payments | 4,096,273 | 4,178,029 | 81,756 | 2% | 3,675,256 | (421,017) | -11% |
| 78,149 | 99,390 | 21,241 | 21% | Tenant Services | 78,149 | 99,390 | 21,241 | 21% | 2,550 | (75,599) | -2965% |
| 751,020 | 1,112,805 | 361,785 | 33% | Utilities | 751,020 | 1,112,805 | 361,785 | 33% | 999,696 | 248,676 | 25% |
| 941,980 | 2,048,440 | 1,106,460 | 54% | Maintenance | 941,980 | 2,048,440 | 1,106,460 | 54% | 771,050 | (170,930) | -22% |
| 109,826 | 224,744 | 114,918 | 51% | Protective Services | 109,826 | 224,744 | 114,918 | 51% | 56,792 | (53,034) | -93% |
| 68,121 | 77,928 | 9,807 | 13% | Insurance | 68,121 | 77,928 | 9,807 | 13% | 88,014 | 19,893 | 23% |
| 1,233,211 | 1,041,406 | (191,805) | -18% | General Expenses | 1,233,211 | 1,041,406 | (191,805) | -18% | 1,041,525 | (191,686) | -18% |
| 8,487,335 | 10,781,429 | 2,294,094 | 21% | Total Expenses | 8,487,335 | 10,781,429 | 2,294,094 | 21% | 7,485,537 | (1,001,798) | -13% |
| \$ (430,532) | \$ (2,217,997) | \$ 1,787,465 | 81% | Net Income(Loss) | \$ (430,532) | \$ (2,217,997) | \$ 1,787,465 | 81% | \$ 14,706 | \$ (445,238) | -3028% |
| CASH BASIS: | | | | | | | | | | | |
| \$ (430,532) | \$ (2,217,997) | \$ 1,787,465 | 81% | Net Income(loss) per Above | \$ (430,532) | \$ (2,217,997) | \$ 1,787,465 | 81% | \$ 14,706 | \$ (445,238) | -3028% |
| Add back non cash items: | | | | | | | | | | | |
| 1,044,505 | 957,170 | (87,335) | -9% | Depreciation Expense | 1,044,505 | 957,170 | (87,335) | -9% | 942,310 | 102,195 | 11% |
| 48,601 | 25,433 | (23,168) | -91% | Bad Debt Expense | 48,601 | 25,433 | (23,168) | -91% | 2,972 | 45,629 | 1535% |
| \$ 662,574 | \$ (1,235,394) | \$ 1,676,962 | 136% | TOTAL CASH BASIS | \$ 662,574 | \$ (1,235,394) | \$ 1,676,962 | 136% | \$ 959,989 | \$ (297,414) | -31% |

**CONSOLIDATED BALANCE SHEET
HAWAII PUBLIC HOUSING AUTHORITY
FUND FROM 130 TO 150, 007, 020, 024, 181, 265, 318, 337, 400
FOR PERIOD ENDING JULY 31, 2012
AGENCY TOTAL**

| | | <u>JULY</u> | <u>JUNE</u> | <u>Increase (Decrease)</u> |
|--|----------------------|---------------------------|---------------------------|--------------------------------|
| ASSETS: | | | | |
| Cash | | 61,682,928 | 62,223,449 | (540,521) |
| Receivables: | | | | |
| Accrued Interest | 646,349 | | | |
| Tenant Receivables | 1,996,838 | | | |
| Other | 2,919,354 | | | |
| Less Allowance for Doubtful Accounts | <u>(1,546,297)</u> | 4,016,243 | 3,343,181 | 673,063 |
| Total receivables | | | | |
| Prepaid Expenses | | 1,970,170 | 1,952,173 | 17,997 |
| Inventories | | 929,319 | 931,346 | (2,027) |
| Interprogram Due From | | 15,642,165 | 15,182,488 | 459,677 |
| Interprogram Due To | | (400) | (400) | - |
| Total Current Assets | | <u>84,240,426</u> | <u>83,632,237</u> | <u>608,189</u> |
| Property, Plant & Equipment: | | | | |
| Land | 21,451,327 | | | |
| Buildings | 516,037,164 | | | |
| Furniture & Equipment | 5,996,629 | | | |
| Motor Vehicles | 1,355,056 | | | |
| Construction in Progress | 34,908,612 | | | |
| Less: Accumulated Depreciation | <u>(315,392,136)</u> | 264,356,652 | 265,452,487 | (1,095,834) |
| Notes, Loans & Mortgage Receivable-Non Current | | 46,928,157 | 46,928,157 | - |
| | | - | - | - |
| | | - | - | - |
| Total Assets | | <u>395,525,235</u> | <u>396,012,881</u> | <u>(487,646)</u> |

**CONSOLIDATED BALANCE SHEET
HAWAII PUBLIC HOUSING AUTHORITY
FUND FROM 130 TO 150, 007, 020, 024, 181, 265, 318, 337, 400
FOR PERIOD ENDING JULY 31, 2012
AGENCY TOTAL**

| | <u>JULY</u> | <u>JUNE</u> | <u>Increase (Decrease)</u> |
|--|--------------------|--------------------|--------------------------------|
| LIABILITIES AND EQUITY: | | | |
| Accounts Payable | 1,043,682 | 1,647,210 | (603,528) |
| Accrued Expenses | 391,325 | 391,324 | 1 |
| Accrued Salaries & Wages | 639,379 | 880,238 | (240,860) |
| Accrued Vacation | 898,765 | 1,252,748 | (353,983) |
| Tenant Security Deposits | 804,646 | 801,313 | 3,333 |
| | 46,627,992 | 46,389,369 | 238,623 |
| | 8,339,522 | 8,407,191 | (67,669) |
| Total Current Liabilities | 58,745,311 | 59,769,393 | (1,024,082) |
| Accrued Pension and OPEB Liability | 10,592,808 | 10,592,808 | - |
| Accrued Compensated Absences - Non Current | 2,100,977 | 2,995,543 | (894,566) |
| Accrued Expenses | 128,151 | 128,149 | 2 |
| Net Assets: | | | |
| Restricted Net Assets | 2,844,517 | 2,844,517 | - |
| Unrestricted Net Assets | 321,544,004 | 320,952,930 | 591,074 |
| Net Income Year to Date | (430,532) | (1,270,459) | 839,927 |
| Total Equity | 323,957,988 | 322,526,988 | 1,431,001 |
| Total Liabilities & Equity | 395,525,235 | 396,012,881 | (487,646) |

**HAWAII PUBLIC HOUSING AUTHORITY
HOUSING CHOICE VOUCHER PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

| MONTH OF JULY, 2012 | | | | |
|---------------------|------------------|----------------------------|------------|--|
| <u>Actual</u> | <u>Budget</u> | <u>Variance Amount</u> | <u>%</u> | |
| \$ - | \$ - | \$ - | 0% | |
| 1,901,346 | 1,968,605 | (67,259) | -3% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| 152,114 | 152,504 | (390) | 0% | |
| 2,053,460 | 2,121,109 | (67,649) | -3% | |
| 111,496 | 178,903 | 67,407 | 38% | |
| - | - | - | 0% | |
| 22,488 | 22,452 | (36) | 0% | |
| 14,055 | 14,032 | (23) | 0% | |
| 1,806,896 | 1,797,820 | (9,076) | -1% | |
| - | 115 | 115 | 100% | |
| - | 2,924 | 2,924 | 100% | |
| 18,793 | 22,005 | 3,212 | 15% | |
| - | 35 | 35 | 100% | |
| 321 | 1,332 | 1,011 | 76% | |
| 938 | 15,233 | 14,295 | 94% | |
| 1,974,987 | 2,054,851 | 79,864 | 4% | |
| \$ 78,474 | \$ 66,258 | \$ 12,216 | 18% | |

| | | | | |
|------------------|------------------|------------------|------------|--|
| \$ 78,474 | \$ 66,258 | \$ 12,216 | 18% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| \$ 78,474 | \$ 66,258 | \$ 12,216 | 18% | |

| YEAR TO DATE ENDING JULY 31, 2012 | | | | | | | | | |
|-----------------------------------|------------------|----------------------------|------------|-------------------|----------------------------|-------------|--|--|--|
| <u>Actual</u> | <u>Budget</u> | <u>Variance Amount</u> | <u>%</u> | <u>Prior Year</u> | <u>Variance Amount</u> | <u>%</u> | | | |
| REVENUES | | | | | | | | | |
| \$ - | \$ - | \$ - | 0% | \$ - | \$ - | 0% | | | |
| 1,901,346 | 1,968,605 | (67,259) | -3% | 1,822,371 | 78,975 | 4% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| 152,114 | 152,504 | (390) | 0% | 131,579 | 20,536 | 16% | | | |
| 2,053,460 | 2,121,109 | (67,649) | -3% | 1,953,950 | 99,511 | 5% | | | |
| EXPENSES | | | | | | | | | |
| 111,496 | 178,903 | 67,407 | 38% | 49,131 | (62,365) | -127% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| 22,488 | 22,452 | (36) | 0% | 20,700 | (1,788) | -9% | | | |
| 14,055 | 14,032 | (23) | 0% | 12,938 | (1,118) | -9% | | | |
| 1,806,896 | 1,797,820 | (9,076) | -1% | 1,557,722 | (249,174) | -16% | | | |
| - | 115 | 115 | 100% | - | - | 0% | | | |
| - | 2,924 | 2,924 | 100% | 23 | 23 | 100% | | | |
| 18,793 | 22,005 | 3,212 | 15% | (1,635) | (20,428) | -1249% | | | |
| - | 35 | 35 | 100% | 4,735 | 4,735 | 100% | | | |
| 321 | 1,332 | 1,011 | 76% | 328 | 7 | 2% | | | |
| 938 | 15,233 | 14,295 | 94% | (2,142) | (3,080) | -144% | | | |
| 1,974,987 | 2,054,851 | 79,864 | 4% | 1,641,799 | (333,188) | -20% | | | |
| \$ 78,474 | \$ 66,258 | \$ 12,216 | 18% | \$ 312,151 | \$ (233,677) | -75% | | | |

| CASH BASIS: | | | | | | | | | |
|--------------------|------------------|------------------|------------|-------------------|---------------------|-------------|--|--|--|
| \$ 78,474 | \$ 66,258 | \$ 12,216 | 18% | \$ 312,151 | \$ (233,677) | -75% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| \$ 78,474 | \$ 66,258 | \$ 12,216 | 18% | \$ 312,151 | \$ (233,677) | -75% | | | |

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**HAWAII PUBLIC HOUSING AUTHORITY
REPAIRS & MAINTENANCE GENERAL FUND
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

| MONTH OF JULY, 2012 | | | | YEAR TO DATE ENDING JULY 31, 2012 | | | | | | |
|---------------------|-------------|---------------------|-----------|-----------------------------------|-------------|---------------------|-----------|-------------------|---------------------|--------------|
| Actual | Budget | Variance Amount | % | Actual | Budget | Variance Amount | % | Prior Year | Variance Amount | % |
| REVENUES | | | | | | | | | | |
| \$ - | \$ - | \$ - | 0% | \$ - | \$ - | \$ - | 0% | \$ - | \$ - | 0% |
| - | - | - | 0% | | | | 0% | | | 0% |
| - | - | - | 0% | | | | 0% | | | 0% |
| (216,482) | - | (216,482) | 0% | (216,482) | - | (216,482) | 0% | 348,457 | (564,939) | -162% |
| - | - | - | 0% | | | | 0% | | | 0% |
| - | - | - | 0% | | | | 0% | | | 0% |
| (216,482) | - | (216,482) | 0% | (216,482) | - | (216,482) | 0% | 348,457 | (564,939) | -162% |
| EXPENSES | | | | | | | | | | |
| 1,570 | - | (1,570) | 0% | 1,570 | - | (1,570) | 0% | 6,855 | 5,285 | 77% |
| - | - | - | 0% | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | - | - | - | 0% | 113,036 | 113,036 | 100% |
| - | - | - | 0% | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | 2,892 | - | (2,892) | 0% | - | (2,892) | 0% |
| 2,892 | - | (2,892) | 0% | - | - | - | 0% | - | - | 0% |
| 4,462 | - | (4,462) | 0% | 4,462 | - | (4,462) | 0% | 119,891 | 115,429 | 96% |
| \$ (220,944) | \$ - | \$ (220,944) | 0% | \$ (220,944) | \$ - | \$ (220,944) | 0% | \$ 228,565 | \$ (449,510) | 0% |
| CASH BASIS: | | | | | | | | | | |
| \$ (220,944) | \$ - | \$ (220,944) | 0% | \$ (220,944) | \$ - | \$ (220,944) | 0% | \$ 228,565 | \$ (449,510) | 0% |
| - | - | - | 0% | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | - | - | - | 0% | - | - | 0% |
| \$ (220,944) | \$ - | \$ (220,944) | 0% | \$ (220,944) | \$ - | \$ (220,944) | 0% | \$ 228,565 | \$ (449,510) | 0% |

**STATE RENT SUPPLEMENT PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

| MONTH OF JULY, 2012 | | | | | YEAR TO DATE ENDING JULY 31, 2012 | | | | | | |
|---------------------|-----------------|--------------------|--------------|-----------------------------|-----------------------------------|-----------------|--------------------|--------------|--------------------|--------------------|------------|
| Actual | Budget | Variance Amount | % | | Actual | Budget | Variance Amount | % | Prior Year | Variance Amount | % |
| REVENUES | | | | | REVENUES | | | | | | |
| \$ - | \$ - | \$ - | 0% | Dwelling Rental Income | \$ - | \$ - | \$ - | 0% | \$ - | \$ - | 0% |
| - | - | - | 0% | HUD Operating Subsidies | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | COCC Fee Income | - | - | - | 0% | - | - | 0% |
| - | 69,525 | (69,525) | -100% | General Fund | - | 69,525 | (69,525) | -100% | - | - | 0% |
| - | - | - | 0% | Grant Income | - | - | - | 0% | - | - | 0% |
| - | 2,500 | (2,500) | -100% | Other Income | - | 2,500 | (2,500) | -100% | - | - | 0% |
| - | 72,025 | (72,025) | -100% | Total Revenues | - | 72,025 | (72,025) | -100% | - | - | 0% |
| EXPENSES | | | | | EXPENSES | | | | | | |
| 6,709 | 8,082 | 1,373 | 17% | Administrative | 6,709 | 8,082 | 1,373 | 17% | 5,316 | (1,393) | -26% |
| - | - | - | 0% | Asset Management Fees | - | - | - | 0% | - | - | 0% |
| 708 | 800 | 92 | 12% | Management Fees | 708 | 800 | 92 | 12% | 834 | 126 | 15% |
| 444 | 500 | 56 | 11% | Bookkeeping Fees | 444 | 500 | 56 | 11% | 523 | 79 | 15% |
| - | 54,000 | 54,000 | 100% | Housing Assistance Payments | - | 54,000 | 54,000 | 100% | 56,194 | 56,194 | 100% |
| - | - | - | 0% | Tenant Services | - | - | - | 0% | - | - | 0% |
| - | 735 | 735 | 100% | Utilities | - | 735 | 735 | 100% | 6 | 6 | 100% |
| - | - | - | 0% | Maintenance | - | - | - | 0% | 18 | 18 | 100% |
| - | - | - | 0% | Protective Services | - | - | - | 0% | - | - | 0% |
| 22 | 24 | 2 | 7% | Insurance | 22 | 24 | 2 | 7% | 23 | 0.43 | 2% |
| - | - | - | 0% | General Expenses | - | - | - | 0% | 115 | 115 | 100% |
| 7,883 | 64,141 | 56,258 | 88% | Total Expenses | 7,883 | 64,141 | 56,258 | 88% | 63,028 | 55,145 | 87% |
| \$ (7,883) | \$ 7,884 | \$ (15,767) | -200% | Net Income(Loss) | \$ (7,883) | \$ 7,884 | \$ (15,767) | -200% | \$ (63,028) | \$ 55,145 | 87% |
| CASH BASIS: | | | | | CASH BASIS: | | | | | | |
| \$ (7,883) | \$ 7,884 | \$ (15,767) | -200% | Net Income(loss) per Above | \$ (7,883) | \$ 7,884 | \$ (15,767) | -200% | \$ (63,028) | \$ 55,145 | 87% |
| - | - | - | 0% | Add back non cash items: | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Depreciation Expense | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Bad Debt Expense | - | - | - | 0% | - | - | 0% |
| \$ (7,883) | \$ 7,884 | \$ (15,767) | -200% | TOTAL CASH BASIS | \$ (7,883) | \$ 7,884 | \$ (15,767) | -200% | \$ (63,028) | \$ 55,145 | 87% |

State Rent Operating Subsidies is funded on a Quarterly Basis.

**PROJECT BASED CONTRACT ADMINISTRATION
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

| <u>MONTH OF JULY, 2012</u> | | | | <u>YEAR TO DATE ENDING JULY 31, 2012</u> | | | | | | | |
|----------------------------|------------------|------------------------|-------------|--|------------------|------------------|------------------------|-------------|-------------------|------------------------|------------|
| <u>Actual</u> | <u>Budget</u> | <u>Variance Amount</u> | <u>%</u> | | <u>Actual</u> | <u>Budget</u> | <u>Variance Amount</u> | <u>%</u> | <u>Prior Year</u> | <u>Variance Amount</u> | <u>%</u> |
| | | | | REVENUES | | | | | | | |
| \$ - | \$ - | \$ - | 0% | Dwelling Rental Income | \$ - | \$ - | \$ - | 0% | \$ - | \$ - | 0% |
| 2,166,574 | 2,200,000 | (33,426) | -2% | HUD Operating Subsidies | 2,166,574 | 2,200,000 | (33,426) | -2% | 2,061,226 | 105,348 | 5% |
| - | - | - | 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% |
| 97,662 | 112,680 | (15,018) | -13% | Other Income | 97,662 | 112,680 | (15,018) | -13% | 10 | 97,652 | 976520% |
| 2,264,236 | 2,312,680 | (48,444) | -2% | Total Revenues | 2,264,236 | 2,312,680 | (48,444) | -2% | 2,061,236 | 203,000 | 10% |
| | | | | EXPENSES | | | | | | | |
| 3,553 | 17,260 | 13,707 | 79% | Administrative | 3,553 | 17,260 | 13,707 | 79% | - | 3,553 | 0% |
| - | - | - | 0% | Asset Management Fees | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Management Fees | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Bookkeeping Fees | - | - | - | 0% | - | - | 0% |
| 2,166,574 | 2,133,960 | (32,614) | -2% | Housing Assistance Payments | 2,166,574 | 2,133,960 | (32,614) | -2% | 2,061,226 | 105,348 | 5% |
| 78,117 | 87,600 | 9,483 | 11% | Tenant Services | 78,117 | 87,600 | 9,483 | 11% | - | 78,117 | 0% |
| - | - | - | 0% | Utilities | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Maintenance | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Protective Services | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Insurance | - | - | - | 0% | - | - | 0% |
| 1,106 | 710 | (396) | -56% | General Expenses | 1,106 | 710 | (396) | -56% | - | (1,106) | 0% |
| 2,249,350 | 2,239,530 | (9,820) | 0% | Total Expenses | 2,249,350 | 2,239,530 | (9,820) | 0% | 2,061,226 | 185,912 | 9% |
| \$ 14,886 | \$ 73,150 | \$ (58,264) | -80% | Net Income(Loss) | \$ 14,886 | \$ 73,150 | \$ (58,264) | -80% | \$ 10 | \$ 388,912 | 0% |
| | | | | CASH BASIS: | | | | | | | |
| \$ 14,886 | \$ 73,150 | \$ (58,264) | -80% | Net Income(loss) per Above | \$ 14,886 | \$ 73,150 | \$ (58,264) | -80% | \$ 10 | \$ 388,912 | 0% |
| - | - | - | 0% | Add back non cash items: | | | | | | | |
| - | - | - | 0% | Depreciation Expense | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Bad Debt Expense | - | - | - | 0% | - | - | 0% |
| \$ 14,886 | \$ 73,150 | \$ (58,264) | -80% | TOTAL CASH BASIS | \$ 14,886 | \$ 73,150 | \$ (58,264) | -80% | \$ 10 | \$ 388,912 | 0% |

**CENTRAL OFFICE COST CENTER
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

| MONTH OF JULY, 2012 | | | |
|---------------------|---------------------|------------------------|-------------|
| <u>Actual</u> | <u>Budget</u> | <u>Variance Amount</u> | <u>%</u> |
| - | - | \$ - | 0% |
| - | - | - | 0% |
| 296,956 | 242,355 | 54,601 | 23% |
| 53,199 | 36,060 | 17,139 | 48% |
| - | 13,315 | (13,315) | -100% |
| - | - | - | 0% |
| - | 25,000 | (25,000) | -100% |
| - | - | - | 0% |
| - | - | - | 0% |
| - | - | - | 0% |
| - | - | - | 0% |
| 6,306 | 87,500 | (81,194) | -93% |
| 356,461 | 404,230 | (47,769) | -12% |
| 434,274 | 668,512 | 234,238 | 35% |
| - | - | - | 0% |
| - | - | - | 0% |
| - | - | - | 0% |
| - | - | - | 0% |
| - | 1,250 | 1,250 | 100% |
| 7,001 | 10,285 | 3,284 | 32% |
| 98,493 | 197,151 | 98,658 | 50% |
| - | 355 | 355 | 100% |
| 1,730 | 3,622 | 1,892 | 52% |
| 40,181 | 12,961 | (27,220) | -210% |
| 581,678 | 894,136 | 312,458 | 35% |
| \$ (225,217) | \$ (489,906) | \$ 264,689 | 54% |
| \$ (225,217) | \$ (489,906) | \$ 264,689 | 54% |
| 832 | 667 | 165 | 25% |
| - | - | - | 0% |
| \$ (224,385) | \$ (489,239) | \$ 264,854 | 54% |

| YEAR TO DATE ENDING JULY 31, 2012 | | | | | | | | | |
|-----------------------------------|---------------------|------------------------|-------------|-------------------|------------------------|-------------|--|--|--|
| <u>Actual</u> | <u>Budget</u> | <u>Variance Amount</u> | <u>%</u> | <u>Prior Year</u> | <u>Variance Amount</u> | <u>%</u> | | | |
| REVENUES | | | | | | | | | |
| - | - | \$ - | 0% | - | \$ - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| 296,956 | 242,355 | 54,601 | 23% | 298,250 | (1,294) | 0% | | | |
| 53,199 | 36,060 | 17,139 | 48% | 54,710 | (1,511) | -3% | | | |
| - | 13,315 | (13,315) | -100% | - | - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| - | 25,000 | (25,000) | -100% | - | - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| 6,306 | 87,500 | (81,194) | -93% | 7,588 | (1,282) | -17% | | | |
| 356,461 | 404,230 | (47,769) | -12% | 360,549 | (4,087) | -1% | | | |
| EXPENSES | | | | | | | | | |
| 434,274 | 668,512 | 234,238 | 35% | 222,875 | 211,399 | 95% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| - | 1,250 | 1,250 | 100% | - | - | 0% | | | |
| 7,001 | 10,285 | 3,284 | 32% | 442 | (6,559) | -1484% | | | |
| 98,493 | 197,151 | 98,658 | 50% | 49,840 | (48,653) | -98% | | | |
| - | 355 | 355 | 100% | - | - | 0% | | | |
| 1,730 | 3,622 | 1,892 | 52% | 1,757 | 28 | 2% | | | |
| 40,181 | 12,961 | (27,220) | -210% | 34,973 | (5,208) | -15% | | | |
| 581,678 | 894,136 | 312,458 | 35% | 309,887 | 151,006 | 49% | | | |
| \$ (225,217) | \$ (489,906) | \$ 264,689 | 54% | \$ 50,662 | \$ 146,919 | 290% | | | |
| \$ (225,217) | \$ (489,906) | \$ 264,689 | 54% | \$ 50,662 | \$ 146,919 | 290% | | | |
| 832 | 667 | 165 | 25% | - | 832 | 0% | | | |
| - | - | - | 0% | - | - | 0% | | | |
| \$ (224,385) | \$ (489,239) | \$ 264,854 | 54% | \$ 50,662 | \$ 147,751 | 292% | | | |

**STATE ELDERLY PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

| MONTH OF JULY, 2012 | | | | |
|---------------------|----------------|-----------------|------------|--|
| <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | | |
| | | <u>Amount</u> | <u>%</u> | |
| \$ 166,050 | \$ 163,542 | \$ 2,508 | 2% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| - | - | - | 0% | |
| 116,004 | 4,465 | 111,539 | 2498% | |
| 282,054 | 168,007 | 114,047 | 68% | |

| | | | | |
|------------------|---------------------|-------------------|-------------|--|
| 3,470 | 73,787 | 70,317 | 95% | |
| - | - | - | 0% | |
| 33,066 | 3,282 | (29,784) | -907% | |
| 4,275 | 4,298 | 23 | 1% | |
| - | - | - | 0% | |
| - | 325 | 325 | 100% | |
| 22,504 | 108,760 | 86,256 | 79% | |
| 8,462 | 254,629 | 246,167 | 97% | |
| 43 | 4,000 | 3,957 | 99% | |
| 7,097 | 7,310 | 213 | 3% | |
| 116,702 | 115,157 | (1,545) | -1% | |
| 195,619 | 571,548 | 375,929 | 66% | |
| \$ 86,435 | \$ (403,541) | \$ 489,976 | 121% | |

| CASH BASIS: | | | | |
|-------------------|---------------------|-------------------|-------------|--|
| \$ 86,435 | \$ (403,541) | \$ 489,976 | 121% | |
| 116,702 | 115,157 | (1,545) | -1% | |
| - | - | - | 0% | |
| \$ 203,137 | \$ (288,384) | \$ 488,431 | 169% | |

| YEAR TO DATE ENDING JULY 31, 2012 | | | | | | | | | | |
|-----------------------------------|----------------|-----------------|------------|-----------------------------|-------------------|-----------------|------------|--|--|--|
| <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | | | <u>Prior Year</u> | <u>Variance</u> | | | | |
| | | <u>Amount</u> | <u>%</u> | | | <u>Amount</u> | <u>%</u> | | | |
| REVENUES | | | | | | | | | | |
| \$ 166,050 | \$ 163,542 | \$ 2,508 | 2% | Dwelling Rental Income | \$ 164,984 | \$ 1,066 | 1% | | | |
| - | - | - | 0% | HUD Operating Subsidies | - | - | 0% | | | |
| - | - | - | 0% | Management Fees | - | - | 0% | | | |
| - | - | - | 0% | Bookeeping Fees | - | - | 0% | | | |
| - | - | - | 0% | Asset Management Fees | - | - | 0% | | | |
| - | - | - | 0% | Capital Fund Admin Fee | - | - | 0% | | | |
| - | - | - | 0% | CMSS Front Line Service Fee | - | - | 0% | | | |
| - | - | - | 0% | ARRA Funds Admin Fee | - | - | 0% | | | |
| - | - | - | 0% | COCC Fee Income | - | - | 0% | | | |
| - | - | - | 0% | General Fund | - | - | 0% | | | |
| - | - | - | 0% | Grant Income | - | - | 0% | | | |
| 116,004 | 4,465 | 111,539 | 2498% | Other Income | 2,246 | 113,758 | 5065% | | | |
| 282,054 | 168,007 | 114,047 | 68% | Total Revenues | 167,230 | 114,824 | 69% | | | |

| | | | | | | | | | | |
|------------------|---------------------|-------------------|-------------|-----------------------------|---------------------|-------------------|-------------|--|--|--|
| EXPENSES | | | | | | | | | | |
| 3,470 | 73,787 | 70,317 | 95% | Administrative | 13,898 | (10,428) | -75% | | | |
| - | - | - | 0% | Asset Management Fees | - | - | 0% | | | |
| 33,066 | 3,282 | (29,784) | -907% | Management Fees | 33,124 | (58) | 0% | | | |
| 4,275 | 4,298 | 23 | 1% | Bookkeeping Fees | 4,283 | (8) | 0% | | | |
| - | - | - | 0% | Housing Assistance Payments | - | - | 0% | | | |
| - | 325 | 325 | 100% | Tenant Services | - | - | 0% | | | |
| 22,504 | 108,760 | 86,256 | 79% | Utilities | 85,831 | 63,327 | 74% | | | |
| 8,462 | 254,629 | 246,167 | 97% | Maintenance | 67,796 | 59,334 | 88% | | | |
| 43 | 4,000 | 3,957 | 99% | Protective Services | - | (43) | 0% | | | |
| 7,097 | 7,310 | 213 | 3% | Insurance | 10,232 | 3,135 | 31% | | | |
| 116,702 | 115,157 | (1,545) | -1% | General Expenses | 115,172 | (1,530) | -1% | | | |
| 195,619 | 571,548 | 375,929 | 66% | Total Expenses | 330,336 | 113,729 | 34% | | | |
| \$ 86,435 | \$ (403,541) | \$ 489,976 | 121% | Net Income(Loss) | \$ (163,106) | \$ 228,553 | 140% | | | |

| CASH BASIS: | | | | | | | | | | |
|-------------------|---------------------|-------------------|-------------|----------------------------|--------------------|-------------------|-------------|--|--|--|
| \$ 86,435 | \$ (403,541) | \$ 489,976 | 121% | Net Income(loss) per Above | \$ (163,106) | \$ 228,553 | 140% | | | |
| 116,702 | 115,157 | (1,545) | -1% | Add back non cash items: | | | | | | |
| - | - | - | 0% | Depreciation Expense | 115,172 | 1,530 | 1% | | | |
| - | - | - | 0% | Bad Debt Expense | - | - | 0% | | | |
| \$ 203,137 | \$ (288,384) | \$ 488,431 | 169% | TOTAL CASH BASIS | \$ (47,934) | \$ 230,083 | 480% | | | |

**STATE LOW RENT
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

| <u>MONTH OF JULY, 2012</u> | | | | <u>YEAR TO DATE ENDING JULY 31, 2012</u> | | | | | | | |
|----------------------------|---------------------|----------------------------|-------------|--|--------------------|---------------------|----------------------------|-------------|--------------------|----------------------------|-------------|
| <u>Actual</u> | <u>Budget</u> | <u>Variance Amount</u> | <u>%</u> | | <u>Actual</u> | <u>Budget</u> | <u>Variance Amount</u> | <u>%</u> | <u>Prior Year</u> | <u>Variance Amount</u> | <u>%</u> |
| | | | | REVENUES | | | | | | | |
| 85,907 | 96,420 | \$ (10,513) | -11% | Dwelling Rental Income | 85,907 | 96,420 | \$ (10,513) | -11% | 88,513 | \$ (2,606) | -3% |
| - | - | - | 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% |
| 14,535 | 830 | 13,705 | 1651% | Other Income | 14,535 | 830 | 13,705 | 1651% | 1,334 | 13,201 | 990% |
| 100,442 | 97,250 | 3,192 | 3% | Total Revenues | 100,442 | 97,250 | 3,192 | 3% | 89,847 | 10,595 | 12% |
| | | | | EXPENSES | | | | | | | |
| 19,928 | 38,268 | 18,340 | 48% | Administrative | 19,928 | 38,268 | 18,340 | 48% | 9,318 | 10,610 | 114% |
| - | 548 | 548 | 100% | Asset Management Fees | - | 548 | 548 | 100% | - | - | 0% |
| 14,967 | - | (14,967) | 0% | Management Fees | 14,967 | - | (14,967) | 0% | 15,025 | (58) | 0% |
| 1,935 | - | (1,935) | 0% | Bookkeeping Fees | 1,935 | - | (1,935) | 0% | 1,943 | (8) | 0% |
| - | - | - | 0% | Housing Assistance Payments | - | - | - | 0% | - | - | 0% |
| - | 106 | 106 | 100% | Tenant Services | - | 106 | 106 | 100% | - | - | 0% |
| 58,945 | 76,483 | 17,538 | 23% | Utilities | 58,945 | 76,483 | 17,538 | 23% | 61,560 | 2,615 | 4% |
| 44,835 | 57,634 | 12,799 | 22% | Maintenance | 44,835 | 57,634 | 12,799 | 22% | 20,867 | (23,968) | -115% |
| - | - | - | 0% | Protective Services | - | - | - | 0% | - | - | 0% |
| 2,529 | 2,856 | 327 | 11% | Insurance | 2,529 | 2,856 | 327 | 11% | 2,525 | (4) | 0% |
| 56,400 | 27,675 | (28,725) | -104% | General Expenses | 56,400 | 27,675 | (28,725) | -104% | 39,879 | (16,521) | -41% |
| 199,539 | 203,570 | 4,031 | 2% | Total Expenses | 199,539 | 203,570 | 4,031 | 2% | 151,116 | (27,333) | -18% |
| \$ (99,097) | \$ (106,320) | \$ (839) | -1% | Net Income(Loss) | \$ (99,097) | \$ (106,320) | \$ (839) | -1% | \$ (61,269) | \$ (16,738) | -27% |
| | | | | CASH BASIS: | | | | | | | |
| \$ (99,097) | \$ (106,320) | \$ (839) | -1% | Net Income(loss) per Above | \$ (99,097) | \$ (106,320) | \$ (839) | -1% | \$ (61,269) | \$ (16,738) | -27% |
| | | | | Add back non cash items: | | | | | | | |
| 48,829 | 26,930 | (21,899) | -81% | Depreciation Expense | 48,829 | 26,930 | (21,899) | -81% | 39,592 | 9,237 | 23% |
| 7,571 | 100 | (7,471) | -7471% | Bad Debt Expense | 7,571 | 100 | (7,471) | -7471% | 287 | 7,285 | 2539% |
| \$ (42,697) | \$ (79,290) | \$ (30,209) | -38% | TOTAL CASH BASIS | \$ (42,697) | \$ (79,290) | \$ (30,209) | -38% | \$ (21,390) | \$ (217) | -1% |

**HAWAII PUBLIC HOUSING AUTHORITY
VETERANS AFFAIRS SUPPORTIVE HOUSING
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

| MONTH OF JULY, 2012 | | | | YEAR TO DATE ENDING JULY 31, 2012 | | | | | | | |
|---------------------|-------------------|---------------------|--------------|-----------------------------------|--------------------|-------------------|---------------------|--------------|-------------|--------------------|-----------|
| Actual | Budget | Variance Amount | % | | Actual | Budget | Variance Amount | % | Prior Year | Variance Amount | % |
| | | | | REVENUES | | | | | | | |
| \$ - | \$ - | \$ - | 0% | Dwelling Rental Income | \$ - | \$ - | \$ - | 0% | \$ - | \$ - | 0% |
| 91,117 | 196,804 | (105,687) | -54% | HUD Operating Subsidies | 91,117 | 196,804 | (105,687) | -54% | - | 91,117 | 0% |
| - | - | - | 0% | COCC Fee Income | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | General Fund | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Grant Income | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Other Income | - | - | - | 0% | - | - | 0% |
| 91,117 | 196,804 | (105,687) | -54% | Total Revenues | 91,117 | 196,804 | (105,687) | -54% | - | 91,117 | 0% |
| | | | | EXPENSES | | | | | | | |
| - | - | - | 0% | Administrative | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Asset Management Fees | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Management Fees | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Bookkeeping Fees | - | - | - | 0% | - | - | 0% |
| 122,803 | - | (122,803) | 0% | Housing Assistance Payments | 122,803 | - | (122,803) | 0% | - | (122,803) | 0% |
| - | - | - | 0% | Tenant Services | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Utilities | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Maintenance | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Protective Services | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Insurance | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | General Expenses | - | - | - | 0% | - | - | 0% |
| 122,803 | - | (122,803) | 0% | Total Expenses | 122,803 | - | (122,803) | 0% | - | (122,803) | 0% |
| \$ (31,686) | \$ 196,804 | \$ (228,490) | -116% | Net Income(Loss) | \$ (31,686) | \$ 196,804 | \$ (228,490) | -116% | \$ - | \$ (31,686) | 0% |
| | | | | CASH BASIS: | | | | | | | |
| \$ (31,686) | \$ 196,804 | \$ (228,490) | -116% | Net Income(loss) per Above | \$ (31,686) | \$ 196,804 | \$ (228,490) | -116% | \$ - | \$ (31,686) | 0% |
| - | - | - | 0% | Add back non cash items: | | | | | | | |
| - | - | - | 0% | Depreciation Expense | - | - | - | 0% | - | - | 0% |
| - | - | - | 0% | Bad Debt Expense | - | - | - | 0% | - | - | 0% |
| \$ (31,686) | \$ 196,804 | \$ (228,490) | -116% | TOTAL CASH BASIS | \$ (31,686) | \$ 196,804 | \$ (228,490) | -116% | \$ - | \$ (31,686) | 0% |

**FEDERAL LOW RENT PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

| MONTH OF JULY, 2012 | | | |
|---------------------|-----------------------|---------------------|-------------|
| Actual | Budget | Variance Amount | % |
| 1,221,902 | 1,154,830 | \$ 67,072 | 6% |
| 1,847,092 | 1,913,006 | (65,914) | -3% |
| - | - | - | 0% |
| - | - | - | 0% |
| 120,255 | 78,579 | 41,676 | 53% |
| 33,910 | 44,912 | (11,002) | -24% |
| 3,223,160 | 3,191,327 | 31,833 | 1% |
| 277,600 | 678,091 | 400,491 | 59% |
| - | 13,015 | 13,015 | 100% |
| 226,830 | 241,195 | 14,365 | 6% |
| 31,388 | 35,910 | 4,523 | 13% |
| - | - | - | 0% |
| 32 | 9,746 | 9,714 | 100% |
| 685,074 | 913,618 | 228,544 | 25% |
| 790,190 | 1,511,533 | 721,343 | 48% |
| 109,783 | 220,353 | 110,570 | 50% |
| 56,444 | 62,784 | 6,340 | 10% |
| 1,014,992 | 876,939 | (138,053) | -16% |
| 3,192,333 | 4,563,184 | 1,370,851 | 30% |
| \$ 30,827 | \$ (1,371,857) | \$ 1,402,684 | 102% |
| \$ 30,827 | \$ (1,371,857) | \$ 1,402,684 | 102% |
| 878,142 | 814,414 | (63,728) | -8% |
| 41,030 | 25,333 | (15,697) | -62% |
| \$ 949,999 | \$ (532,110) | \$ 1,482,109 | 279% |

| YEAR TO DATE ENDING JULY 31, 2012 | | | | | | | | | | |
|-----------------------------------|-----------------------|---------------------|-------------|--------------------|--------------------|-------------|--|--|--|--|
| Actual | Budget | Variance Amount | % | Prior Year | Variance Amount | % | | | | |
| REVENUES | | | | | | | | | | |
| 1,221,902 | 1,154,830 | \$ 67,072 | 6% | 1,273,436 | \$ (51,534) | -4% | | | | |
| 1,847,092 | 1,913,006 | (65,914) | -3% | 1,557,812 | 289,279 | 19% | | | | |
| - | - | - | 0% | - | - | 0% | | | | |
| - | - | - | 0% | - | - | 0% | | | | |
| 120,255 | 78,579 | 41,676 | 53% | - | 120,255 | 0% | | | | |
| 33,910 | 44,912 | (11,002) | -24% | 36,184 | (2,274) | -6% | | | | |
| 3,223,160 | 3,191,327 | 31,833 | 1% | 2,867,432 | 355,728 | 12% | | | | |
| EXPENSES | | | | | | | | | | |
| 277,600 | 678,091 | 400,491 | 59% | 197,155 | (80,445) | -41% | | | | |
| - | 13,015 | 13,015 | 100% | - | - | 0% | | | | |
| 226,830 | 241,195 | 14,365 | 6% | 228,568 | 1,738 | 1% | | | | |
| 31,388 | 35,910 | 4,523 | 13% | 35,025 | 3,638 | 10% | | | | |
| - | - | - | 0% | - | - | 0% | | | | |
| 32 | 9,746 | 9,714 | 100% | 2,550 | 2,518 | 99% | | | | |
| 685,074 | 913,618 | 228,544 | 25% | 851,744 | 166,670 | 20% | | | | |
| 790,190 | 1,511,533 | 721,343 | 48% | 629,519 | (160,671) | -26% | | | | |
| 109,783 | 220,353 | 110,570 | 50% | 56,792 | (52,991) | -93% | | | | |
| 56,444 | 62,784 | 6,340 | 10% | 73,148 | 16,704 | 23% | | | | |
| 1,014,992 | 876,939 | (138,053) | -16% | 853,643 | (161,349) | -19% | | | | |
| 3,192,333 | 4,563,184 | 1,370,851 | 30% | 2,928,144 | (264,189) | -9% | | | | |
| \$ 30,827 | \$ (1,371,857) | \$ 1,402,684 | 102% | \$ (60,712) | \$ 91,539 | 151% | | | | |
| CASH BASIS: | | | | | | | | | | |
| \$ 30,827 | \$ (1,371,857) | \$ 1,402,684 | 102% | \$ (60,712) | \$ 91,539 | 151% | | | | |
| Add back non cash items: | | | | | | | | | | |
| 878,142 | 814,414 | (63,728) | -8% | 786,877 | 91,265 | 12% | | | | |
| 41,030 | 25,333 | (15,697) | (41,030) | 2,686 | (38,344) | -1428% | | | | |
| \$ 949,999 | \$ (532,110) | \$ 1,482,109 | 279% | \$ 728,851 | \$ 144,460 | 20% | | | | |

**HAWAII PUBLIC HOUSING AUTHORITY
FEDERAL LOW RENT PROGRAM BY AMPS
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012
(Amounts in Full Dollars)**

MONTH OF JULY, 2012

| <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | |
|---------------------|---------------------|------------------|-----------|
| | | <u>Amount</u> | <u>%</u> |
| \$ 272,291 | \$ 301,428 | \$ (29,137) | -10% |
| 276,881 | 297,096 | (20,215) | -7% |
| 331,040 | 306,530 | 24,510 | 8% |
| 251,679 | 251,409 | 270 | 0% |
| 376,642 | 352,181 | 24,461 | 7% |
| 399,225 | 345,458 | 53,767 | 16% |
| 165,471 | 149,036 | 16,435 | 11% |
| 175,051 | 191,247 | (16,196) | -8% |
| 121,831 | 116,088 | 5,743 | 5% |
| 191,973 | 193,753 | (1,780) | -1% |
| 116,268 | 124,650 | (8,382) | -7% |
| 171,281 | 172,691 | (1,410) | -1% |
| 157,939 | 152,426 | 5,513 | 4% |
| 51,751 | 61,703 | (9,952) | -16% |
| 82,458 | 84,236 | (1,778) | -2% |
| 81,378 | 92,026 | (10,648) | -12% |
| \$ 3,223,160 | \$ 3,191,958 | \$ 31,202 | 1% |

YEAR TO DATE ENDING JULY 31, 2012

| <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | | <u>Prior Year</u> | <u>Variance</u> | |
|---------------------|---------------------|-----------------|-----------|---------------------|-----------------|------------|
| | | <u>Amount</u> | <u>%</u> | | <u>Amount</u> | <u>%</u> |
| \$ 272,291 | \$ 301,428 | \$ (29,137) | -10% | \$ 237,838 | \$ 34,453 | 14% |
| 276,881 | 297,096 | (20,215) | -7% | 214,369 | 62,512 | 29% |
| 331,040 | 306,530 | 24,510 | 8% | 256,547 | 74,493 | 29% |
| 251,679 | 251,409 | 270 | 0% | 194,533 | 57,146 | 29% |
| 376,642 | 352,181 | 24,461 | 7% | 302,152 | 74,490 | 25% |
| 399,225 | 345,458 | 53,767 | 16% | 326,136 | 73,089 | 22% |
| 165,471 | 149,036 | 16,435 | 11% | 148,269 | 17,202 | 12% |
| 175,051 | 191,247 | (16,196) | -8% | 192,842 | (17,792) | -9% |
| 121,831 | 116,088 | 5,743 | 5% | 99,819 | 22,012 | 22% |
| 191,973 | 193,753 | (1,780) | -1% | 340,409 | (148,436) | -44% |
| 116,268 | 124,650 | (8,382) | -7% | 104,571 | 11,697 | 11% |
| 171,281 | 172,691 | (1,410) | -1% | 146,202 | 25,079 | 17% |
| 157,939 | 152,426 | 5,513 | 4% | 110,816 | 47,123 | 43% |
| 51,751 | 61,703 | (9,952) | -16% | 47,162 | 4,590 | 10% |
| 82,458 | 84,236 | (1,778) | -2% | 75,082 | 7,376 | 10% |
| 81,378 | 92,026 | (10,648) | -12% | 70,685 | 10,693 | 15% |
| \$ 3,223,160 | \$ 3,191,958 | 31,202 | 1% | \$ 2,867,432 | 355,728 | 12% |

ACCRUAL BASIS

Asset Management Project - 30
Asset Management Project - 31
Asset Management Project - 32
Asset Management Project - 33
Asset Management Project - 34
Asset Management Project - 35
Asset Management Project - 37
Asset Management Project - 38
Asset Management Project - 39
Asset Management Project - 40
Asset Management Project - 43
Asset Management Project - 44
Asset Management Project - 45
Asset Management Project - 46
Asset Management Project - 49
Asset Management Project - 50
Total Revenues

NET INCOME(LOSS)

| | | | |
|------------------|-----------------------|---------------------|-------------|
| \$ (84,447) | \$ (162,271) | \$ 77,824 | 48% |
| (58,580) | (112,509) | 53,929 | 48% |
| 94,441 | (140,366) | 234,807 | 167% |
| 21,342 | (206,389) | 227,731 | 110% |
| 58,049 | (30,992) | 89,041 | 287% |
| 43,928 | (76,244) | 120,172 | 158% |
| (104,024) | (161,293) | 57,269 | 36% |
| 53,003 | (33,400) | 86,403 | 259% |
| (31,745) | (73,509) | 41,764 | 57% |
| 76,140 | (12,362) | 88,502 | 716% |
| (22,658) | (36,902) | 14,244 | 39% |
| (24,246) | (87,851) | 63,605 | 72% |
| (7,496) | (71,180) | 63,684 | 89% |
| 4,114 | (41,550) | 45,664 | 110% |
| (16,034) | (73,176) | 57,142 | 78% |
| 29,040 | (51,863) | 80,903 | 156% |
| \$ 30,827 | \$ (1,371,857) | \$ 1,402,684 | 102% |

Asset Management Project - 30
Asset Management Project - 31
Asset Management Project - 32
Asset Management Project - 33
Asset Management Project - 34
Asset Management Project - 35
Asset Management Project - 37
Asset Management Project - 38
Asset Management Project - 39
Asset Management Project - 40
Asset Management Project - 43
Asset Management Project - 44
Asset Management Project - 45
Asset Management Project - 46
Asset Management Project - 49
Asset Management Project - 50
Total Net Income(Loss)

| | | | | | | |
|------------------|-----------------------|---------------------|-------------|--------------------|------------------|-------------|
| \$ (84,447) | (162,271) | \$ 77,824 | 48% | (89,107) | \$ 4,660 | 5% |
| (58,580) | (112,509) | 53,929 | 48% | (50,467) | (8,113) | -16% |
| 94,441 | (140,366) | 234,807 | 167% | 80,394 | 14,047 | 17% |
| 21,342 | (206,389) | 227,731 | 110% | 4,735 | 16,607 | 351% |
| 58,049 | (30,992) | 89,041 | 287% | 56,959 | 1,090 | 2% |
| 43,928 | (76,244) | 120,172 | 158% | 51,110 | (7,182) | -14% |
| (104,024) | (161,293) | 57,269 | 36% | (80,558) | (23,466) | -29% |
| 53,003 | (33,400) | 86,403 | 259% | 29,718 | 23,285 | 78% |
| (31,745) | (73,509) | 41,764 | 57% | (28,265) | (3,480) | -12% |
| 76,140 | (12,362) | 88,502 | 716% | 140,940 | (64,800) | -46% |
| (22,658) | (36,902) | 14,244 | 39% | (120,191) | 97,533 | 81% |
| (24,246) | (87,851) | 63,605 | 72% | (44,031) | 19,785 | 45% |
| (7,496) | (71,180) | 63,684 | 89% | (31,575) | 24,079 | 76% |
| 4,114 | (41,550) | 45,664 | 110% | 3,689 | 425 | 12% |
| (16,034) | (73,176) | 57,142 | 78% | (10,540) | (5,494) | -52% |
| 29,040 | (51,863) | 80,903 | 156% | 26,476 | 2,564 | 10% |
| \$ 30,827 | \$ (1,371,857) | \$ 1,402,684 | 102% | \$ (60,712) | \$ 91,539 | 151% |

**HAWAII PUBLIC HOUSING AUTHORITY
FEDERAL LOW RENT PROGRAM BY AMPS
ACTUAL VS BUDGET COMPARISON
FOR THE ONE MONTH ENDING JULY 31, 2012**

MONTH OF JULY, 2012

(Amounts in Full Dollars)

YEAR TO DATE ENDING JULY 31, 2012

| CASH BASIS | | | | CASH BASIS | | | | CASH BASIS | | | |
|-------------------------|---------------------|---------------------|-------------|-------------------------------|---------------------|---------------------|---------------------|-------------------|---------------------|-------------------|------------|
| | | | | | | | | | | | |
| <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | | <u>Prior Year</u> | <u>Variance</u> | | |
| | | <u>Amount</u> | <u>%</u> | | | <u>Amount</u> | <u>%</u> | | <u>Amount</u> | <u>%</u> | |
| REVENUES | | | | | | | | | | | |
| \$ 272,291 | \$ 301,428 | \$ (29,137) | -10% | Asset Management Project - 30 | \$ 272,291 | \$ 301,428 | \$ (29,137) | -10% | \$ 237,838 | \$ 34,453 | 14% |
| 276,881 | 297,096 | (20,215) | -7% | Asset Management Project - 31 | 276,881 | 297,096 | (20,215) | -7% | 214,369 | 62,512 | 29% |
| 331,040 | 306,530 | 24,510 | 8% | Asset Management Project - 32 | 331,040 | 306,530 | 24,510 | 8% | 256,547 | 74,493 | 29% |
| 251,679 | 251,409 | 270 | 0% | Asset Management Project - 33 | 251,679 | 251,409 | 270 | 0% | 194,533 | 57,146 | 29% |
| 376,642 | 352,181 | 24,461 | 7% | Asset Management Project - 34 | 376,642 | 352,181 | 24,461 | 7% | 302,152 | 74,490 | 25% |
| 399,225 | 345,458 | 53,767 | 16% | Asset Management Project - 35 | 399,225 | 345,458 | 53,767 | 16% | 326,136 | 73,089 | 22% |
| 165,471 | 149,036 | 16,435 | 11% | Asset Management Project - 37 | 165,471 | 149,036 | 16,435 | 11% | 148,269 | 17,202 | 12% |
| 175,051 | 191,247 | (16,196) | -8% | Asset Management Project - 38 | 175,051 | 191,247 | (16,196) | -8% | 192,842 | (17,792) | -9% |
| 121,831 | 116,088 | 5,743 | 5% | Asset Management Project - 39 | 121,831 | 116,088 | 5,743 | 5% | 99,819 | 22,012 | 22% |
| 191,973 | 193,753 | (1,780) | -1% | Asset Management Project - 40 | 191,973 | 193,753 | (1,780) | -1% | 340,409 | (148,436) | -44% |
| 116,268 | 124,650 | (8,382) | -7% | Asset Management Project - 43 | 116,268 | 124,650 | (8,382) | -7% | 104,571 | 11,697 | 11% |
| 171,281 | 172,691 | (1,410) | -1% | Asset Management Project - 44 | 171,281 | 172,691 | (1,410) | -1% | 146,202 | 25,079 | 17% |
| 157,939 | 152,426 | 5,513 | 4% | Asset Management Project - 45 | 157,939 | 152,426 | 5,513 | 4% | 110,816 | 47,123 | 43% |
| 51,751 | 61,703 | (9,952) | -16% | Asset Management Project - 46 | 51,751 | 61,703 | (9,952) | -16% | 47,162 | 4,590 | 10% |
| 82,458 | 84,236 | (1,778) | -2% | Asset Management Project - 49 | 82,458 | 84,236 | (1,778) | -2% | 75,082 | 7,376 | 10% |
| 81,378 | 92,026 | (10,648) | -12% | Asset Management Project - 50 | 81,378 | 92,026 | (10,648) | -12% | 70,685 | 10,693 | 15% |
| \$ 3,223,160 | \$ 3,191,958 | \$ 31,202 | 1% | Total Revenues | \$ 3,223,160 | \$ 3,191,958 | 31,202 | 1% | \$ 2,867,432 | \$ 355,728 | 12% |
| NET INCOME(LOSS) | | | | | | | | | | | |
| 17,666 | (61,448) | \$ 79,114 | 129% | Asset Management Project - 30 | 17,666 | (61,448) | 79,114 | 129% | 12,005 | 5,661 | 47% |
| 104,765 | 38,800 | 65,965 | 170% | Asset Management Project - 31 | 104,765 | 38,800 | 65,965 | 170% | 59,884 | 44,881 | 75% |
| 115,370 | (126,383) | 241,753 | 191% | Asset Management Project - 32 | 115,370 | (126,383) | 241,753 | 191% | 94,524 | 20,846 | 22% |
| 81,508 | (154,115) | 235,623 | 153% | Asset Management Project - 33 | 81,508 | (154,115) | 235,623 | 153% | 57,306 | 24,202 | 42% |
| 99,540 | 3,290 | 96,250 | 2926% | Asset Management Project - 34 | 99,540 | 3,290 | 96,250 | 2926% | 91,310 | 8,230 | 9% |
| 84,976 | (37,412) | 122,388 | 327% | Asset Management Project - 35 | 84,976 | (37,412) | 122,388 | 327% | 95,653 | (10,677) | -11% |
| 49,934 | (37,831) | 87,765 | 232% | Asset Management Project - 37 | 49,934 | (37,831) | 87,765 | 232% | 46,046 | 3,888 | 8% |
| 81,020 | (9,104) | 90,124 | 990% | Asset Management Project - 38 | 81,020 | (9,104) | 90,124 | 990% | 54,529 | 26,492 | 49% |
| (8,659) | (62,948) | 54,289 | 86% | Asset Management Project - 39 | (8,659) | (62,948) | 54,289 | 86% | (13,783) | 5,124 | 37% |
| 75,591 | (11,638) | 87,229 | 750% | Asset Management Project - 40 | 75,591 | (11,638) | 87,229 | 750% | 142,235 | (66,644) | -47% |
| 38,584 | 6,583 | 32,001 | 486% | Asset Management Project - 43 | 38,584 | 6,583 | 32,001 | 486% | (76,496) | 115,080 | 150% |
| 65,652 | (824) | 66,476 | 8067% | Asset Management Project - 44 | 65,652 | (824) | 66,476 | 8067% | 43,161 | 22,491 | 52% |
| 55,846 | (6,800) | 62,646 | 921% | Asset Management Project - 45 | 55,846 | (6,800) | 62,646 | 921% | 32,886 | 22,960 | 70% |
| 32,110 | (19,242) | 51,352 | 267% | Asset Management Project - 46 | 32,110 | (19,242) | 51,352 | 267% | 31,846 | 264 | 1% |
| 25,734 | (27,663) | 53,397 | 193% | Asset Management Project - 49 | 25,734 | (27,663) | 53,397 | 193% | 30,188 | (4,454) | -15% |
| 30,362 | (50,706) | 81,068 | 160% | Asset Management Project - 50 | 30,362 | (50,706) | 81,068 | 160% | 27,558 | 2,804 | 10% |
| \$ 949,999 | \$ (557,441) | \$ 1,507,440 | 270% | Total Net Income(Loss) | \$ 949,999 | \$ (557,441) | \$ 1,507,440 | 270% | \$ 728,851 | \$ 221,148 | 30% |

**Construction Management Branch
Status Report for Vacant Units Type C
August 31, 2012**

Completed Activities

- **Kahekili Terrace (1837-A2, A4, B2, B3, B4, B5, 2035-C8)**
- **Kuhio Park Terrace Lowrise (Unit 1568, Unit 1570, Unit 1584)**
- **Kuhio Homes (Unit 6F)**
- **Noelani I (Unit B103)**
- **Noelani II (Unit 1, Unit 4)**
- **Hale Hookipa (Unit G-2)**

Planned Activities

- **Group A – 10 Vacant Units on Oahu**
 - Mayor Wright Homes - 5 units (24C, 24E, 24F, 26E, 26F) – 80% completed. Contractor requested for an extension until 9/29/12 for Unit 24D (unforeseen plumbing issues) due to long lead time for fixtures. Estimated completion date 9/29/12.
 - Palolo Valley Homes – 1 unit (7E) – 99% completed. Estimated completion 8/31/12, final walk through at 1:30pm.
- **Group A – 6 Additional Vacant Units on Maui** to be added to Group A contract to replace KPT units – Proposal received 7/23/12, HPHA to negotiate.
 - David Malo Circle – 2 units (725C, 745A)
 - Piilani Homes – 1 unit (1028-F5)
 - Makani Kai Hale – 3 units (24, 34, 43)
- **Group B – 32 Vacant Units on Oahu**
 - Kauiokalani - 4 units (101, 201, 301, 303)
 - Waimaha Sunflower – 3 units (B128, B220, B320)
 - Maili – 2 units (19, 24) Demolition started 7/30/12, mold found in units, contractor is preparing a change order proposal for testing, abatement and air quality control.
 - Nanakuli Homes - 4 units (01, 02, 06, 34) Demolition started 8/6/12
 - Kupuna Home O Waialua – 2 units (17, 18)
 - Wahiawa Terrace – 17 units (1-1, 1-2, 1-8, 2-1, 2-2, 3-3, 4-4, 4-5, 5-5, 5-8, 6-4, 6-5, 6-7, 7-1, 7-2, 8-5, 8-7)
 - Permit- pending DPP approval.
 - Under the roofing contract – interior ceilings in units will not be addressed at Wahiawa Terrace. This must be addressed in Vacant Unit renovation contract.
 - Contractor to start demolition at Kauiokalani .
- **Additional Vacant Units (11 units) – Department of Accounting and General Services (DAGS).**
 - Puuwai Momi – 5 units (8C, 8D, 27A, 27B, 5G)
 - Construction started 7/4/12
 - 73% complete. Estimated completion 9/28/12.
 - Wahiawa Terrace – 6 units (3-1, 3-7, 5-1, 5-3, 5-4, 7-6)
 - Construction to begin after Puuwai Momi is completed end of September 2012.

- **Additional Vacant Units (10 units) – Awaiting consultant contract or assign to DAGS**
 - Palolo Homes – 1 unit (8F)
 - Waipahu – 1 unit (5)
 - Nanakuli Homes – 2 units (5, 8)
 - Kauioakalani – 1 unit (304) – reroofing in design phase for all buildings
 - Maili II – 2 units (9, 13)
 - KPT – 1 Unit (1470A)
 - Waimaha Sunflower – 2 units (A308, G301)

- **Kalakaua Homes Modernization and ADA Compliance (6 units)**
 - 6 vacant units (211, 212, 213, B102, F102, G101)
 - Construction in progress.
 - Estimated completion date 9/30/12.
 - HUD approved vacant units to be re-classed as Undergoing Modernization
 - Units B102, F102, and G101 construction is complete on these units, but they are being used for tenant relocation during the ADA construction project.

- **Hale Hoolulu, Kalaheo Homes, Hale Nana Kai O Kea Modernization & ADA Compliance (4 units)**
 - Bid packet is being finalized. Permit is being routed. Estimated bid date 11/16/12 due to additional work required, pending permit approval.
 - Hale Ho'olulu – 1 unit (B1)
 - Kalaheo – 3 units (1B, 4A, 4B)

- **Hale Ho'onanea Modernization and ADA (4 units)**
 - Hale Ho'onanea – 4 units (9L, 13L, 14L, 14R)
 - ADA project in design with Richard Matsunaga, 60% complete.

- **5 Vacant Units at Paoakalani**
 - 5 vacant units (424, 525, 627, 727, 1527)
 - Bids was originally posted in HePS on 6/2012.
 - Bid: were non-responsive.
 - Bid opened 8/7/12, working on contract award.

- **3 Vacant Units at Kapaa**
 - 3 units (3R, 14L, 17L. Unit 3L is occupied, but will need repair due to damage caused by 3R).
 - HPHA drafted scope of work & sent for internal approval on July 31, 2012.

- **1 Vacant Units on Hawaii**
 - Ke Kumu Ekolu – 1 unit (B2202)
 - HPHA is working on preparing the bid documents.
 - Estimated bid date: 8/27/12.

Issues/Concerns:

- Group A Vacant Units Oahu: Unforseen plumbing issues at Mayor Wright Homes at Unit 24D, lead time to receive fixtures is 4-6 weeks. Contractor requested extension to 9/29/12 for this unit. Contractor is in liquidated damages.

VACANT UNITS TYPE C STATEWIDE 8-31-12

| Island | AMP | HPHA No. | Project | No. of Units | Unit Numbers | Category | Construction Contract Award | Estimated Completion | HUD Letter Sent | HUD Approval | Status/Comments |
|--------|-----|----------|-----------------------|--------------|----------------------------|----------|-----------------------------|----------------------|-----------------|--------------|--|
| Oahu | 32 | 1003 | Mayor Wright Homes | 5 | 24C, 24E, 24F, 26E, 26F | Grp A | 9/8/11 | 9/29/12 | 2/9/12 | No | Mitsunaga & Associates - Consultant, KSC Construction - under construction. Contractor in liquidated damages. |
| Oahu | 50 | 1008 | Palolo Valley Homes | 1 | 8F | Design | | | | | Awaiting consultant contract. |
| Oahu | 40 | 1010 | Kuhio Park Terrace | 4 | 1518D, 1520D, 1530D, 1532D | Demo | | | | | Demo (Vacant HUD approved Demo DISPO) |
| Oahu | 44 | 1035 | Nanakuli Homes | 2 | 5, 8 | Design | | | | | Awaiting consultant contract. |
| Oahu | 44 | 1035 | Nanakuli Homes | 4 | 01, 02, 06, 34 | Grp B | 9/12/11 | 11/30/12 | 2/9/12 | No | GYA Architects, General Contractor: Society Contracting sent notice to proceed 7/2/12, demo work to begin at Maili & abatement at Waialua, permit still pending DPP. |
| Oahu | 44 | 1091 | Kauioakalani | 1 | 304 | Design | | | n/a | No | Awaiting consultant contract. |
| Oahu | 44 | 1091 | Kauioakalani | 4 | 101, 201, 303, 301 | Grp B | 9/12/11 | 10/31/12 | 2/9/12 | No | notice to proceed 7/2/12, demo work to begin at Maili & abatement at Waialua, permit still pending Department of Planning & Permitting. |
| Oahu | 44 | 1108 | Maili II | 2 | 9, 13 | Design | | | | | Awaiting consultant contract. |
| Oahu | 44 | 1108 | Maili II | 2 | 19, 24 | Grp B | 9/12/11 | 8/17/2012 (Pending) | 2/9/12 | No | GYA Architects, General Contractor: Society Contracting sent notice to proceed 7/2/12, demo work to began 7/30/12 mold was found, contractor will need to do testing and possible abatement, originally estimated completion 8/17/12, but pending mold |
| Oahu | 44 | 1057 | Waimaha-Sunflower | 3 | B128, B220, B320 | Grp B | 9/12/11 | 1/31/13 | 2/9/12 | No | GYA Architects, General Contractor: Society Contracting sent notice to proceed 7/2/12, demo work to begin at Maili & abatement at Waialua, permit still pending DPP. |
| Oahu | 44 | 1057 | Waimaha-Sunflower | 2 | A308, G301 | Design | | | | | Awaiting consultant contract. |
| Oahu | 45 | 1072 | Ho'okipa - Kahalu'u | 2 | G-102, G-202 | Design | | | | | ADA design contract being negotiated. |
| Oahu | 49 | 1050 | Kupuna Home O Waialua | 2 | 17, 18 | Grp B | 9/12/11 | 8/31/12 | 2/9/12 | No | GYA Architects, General Contractor: Society Contracting sent notice to proceed 7/2/12, demo work to begin at Maili & abatement at Waialua, permit still pending DPP. |

| Island | AMP | HPHA No. | Project | No. of Units | Unit Numbers | Category | Construction Contract Award | Estimated Completion | HUD Letter Sent | HUD Approval | Status/Comments |
|--------|-----|----------|---------------------|--------------|--|--------------|-----------------------------|----------------------|-----------------|--------------|--|
| Oahu | 49 | 1015 | Wahiawa Terrace | 17 | 1-1, 1-2, 1-8, 2-1, 2-2, 3-3, 4-4, 4-5, 5-5, 5-8, 6-4, 6-5, 6-7, 7-1, 7-2, 8-5, 8-7 | Grp B | 9/12/11 | 1/31/13 | 2/9/12 | Yes | GYA Architects, General Contractor: Society Contracting sent notice to proceed 7/2/12, demo work to begin at Maili & abatement at Waialua, permit still pending DPP. |
| Oahu | 49 | 1015 | Wahiawa Terrace | 1 | 5-3 | DAGS | | | | | Phase II of Department of Accounting and General Services construction. |
| Oahu | 49 | 1015 | Wahiawa Terrace | 4 | 3-1, 3-7, 5-1, 5-4 | DAGS | | | | | Phase II of Department of Accounting and General Services construction. |
| Oahu | 49 | 1015 | Wahiawa Terrace | 1 | 7-6 | DAGS | | | | | Phase II of Department of Accounting and General Services construction. |
| Oahu | 31 | 1005 | Kalihi Valley Homes | 9 | 24-227A, B, C, D, E, F, G, H, J | Mod. | 8/18/09 | 12/30/12 | 3/6/12 | No | GYA Architects, General Contractor: Rainforest G - wall completed RFG mobilizing. |
| Oahu | 31 | 1005 | Kalihi Valley Homes | 5 | 20D, E, G, J, 21F | Design | | | N/A | N/A | Contract in negotiation. |
| Oahu | 31 | 1005 | Kalihi Valley Homes | 2 | 16C, D | construction | 5/17/12 | 12/15/12 | N/A | N/A | 8/14/12 precon, 8/17/12 NTP. |
| Oahu | 31 | 1005 | Kalihi Valley Homes | 20 | 30J, 32C, 34E, 36C, 36D, 36E, 37C, 39A, 41C, 41D, 41E, 42J, 43D, 43E, 43G, 43H, 43J, 44F, 44G, 44J | Design | | | N/A | N/A | Contract in negotiation. |
| Oahu | 45 | 1090 | Kauhale O'hana | 1 | 201 | Design | | | | | Modernization, to be scoped, awaiting consultant proposal. |
| Oahu | 34 | 1062 | Kalakaua Homes | 6 | 211, 212, 213, B102, F102, G101 | Mod. | 5/16/11 | 9/30/12 | 3/6/12 | Yes | Construction in progress. Units B102, F102, G101 are complete, but used for relocation during the ADA construction project. |
| Oahu | 30 | 1026 | Puuwai Momi | 2 | 8C, 8D | DAGS | | | | | Phase I of Department of Accounting and General Services construction. Construction in progress. |
| Oahu | 30 | 1026 | Puuwai Momi | 3 | 27A, 27B, 5G | DAGS | | | | | Phase I of Department of Accounting and General Services construction. Construction in progress. |
| Oahu | 30 | 1038 | Waipahu | 1 | 5 | Deisgn | | | | | Awaiting consultant contract. |
| Oahu | 34 | 1036 | Paoakalani | 5 | 424, 525, 627, 727, 1527 | HPHA dsgn | | | | | Bid opened on 8/7/12. Working on contract award. |

| Island | AMP | HPHA No. | Project | No. of Units | Unit Numbers | Category | Construction Contract Award | Estimated Completion | HUD Letter Sent | HUD Approval | Status/Comments |
|--------|-----|----------|-------------------|--------------|-------------------|---------------|-----------------------------|----------------------|-----------------|--------------|--|
| Maui | 39 | 1088 | Kahale Mua | 3 | 17, 21C, 24A | Consult Contr | | | | 17 - No | Reike, Sunnland, Kono Architects working on bid documents, tentative bid 10/12. |
| Maui | 39 | 1016 | David Malo Circle | 2 | 725C, 745A | Grp A+ | | | | 725C - No | Project has been scoped, awaiting proposal from consultant. |
| Maui | 39 | 1044 | Piilani Homes | 1 | 1028-F5. | Grp A+ | | | | | Project has been scoped, awaiting proposal from consultant. |
| Maui | 39 | 1092 | Makani Kai Hale | 3 | 24, 34, 43 | Grp A+ | | | | | Project has been scoped, awaiting proposal from consultant. |
| Kauai | 38 | 1018 | Kapaa | 3 | 3R, 14L, 17L | Design | | | | | Modernization, units have been scoped. Inter office memorandum routed July 31, 2012. NOTE: 3L is occupied but will need repair work. |
| Kauai | 38 | 1022 | Kalaheo | 3 | 1B, 4A, 4B | Consult Contr | | | | | Group 70 working on bid documents. Estimated bid date 11/16/2012. |
| Kauai | 38 | 1019 | Hale Ho'olulu | 1 | B1 | Consult Contr | | | | | Group 70 working on bid documents. Estimated bid date 11/16/2012. |
| Kauai | 38 | 1055 | Hale Ho'onanea | 4 | 9L, 13L, 14L, 14R | Consult Contr | | | | | Current ADA project w/ Richard Matsunaga & Associates Architects Inc. |

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| Island | AMP | HPHA No. | Project | No. of Units | Unit Numbers | Category | Construction Contract Award | Estimated Completion | HUD Letter Sent | HUD Approval | Status/Comments |
|--------|-----|----------|--------------------|--------------|--|---------------|-----------------------------|----------------------|-----------------|--------------|---|
| Hawaii | 46 | 1097 | Ke Kumu Ekolu | 1 | B2202 | Design | | | | | In-house design, working on design documents. Estimated bid date 9/27/12. |
| Hawaii | 37 | 1045 | Pahala | 2 | 3F, 5A | Consult Contr | | | | | Design contract executed. |
| Hawaii | 37 | 1051 | Hale Aloha O Puna | 4 | 7A, 7C, 8B, 9A | Consult Contr | | | | 7-C No | Design contract executed. |
| Hawaii | 37 | 1029 | Pomaikai | 8 | 925D, E, F, 935A, D, E, F, H | Consult Contr | | | | | Design contract executed. |
| Hawaii | 37 | 1004 | Lanakila Homes I | 30 | 13A-D, 14A-D, 15A-D, 16A-D, 17A, C, D, 18A-D, 19A, 19B, 19D, 20A-D | Relo | | | | | Building 1-20 completed. AMP is making buildings 12-20 rent ready. |
| Hawaii | 37 | 1004 | Lanakila Homes II | 6 | 59L-R, 61L-R, 62L-R | Consult Contr | | | | | Buildings 59, 61, & 62 un-demoed, need to schedule for mod. |
| Hawaii | 37 | 1004 | Lanakila Homes II | 36 | 55L, 55R - 75L, 75R | Demo | | | | | Scheduled for Renovation, need to un-demo with HUD. |
| Hawaii | 37 | 1014 | Lanakila Homes III | 20 | 106L, 106R, 107L, 107R, 108L, 108R, 109L, 109R, 110L, 110R, 111L, 111R, 112L, 112R, 113L, 113R, 114L, 114R, 115L, 115R | Demo | | | | | Scheduled for Renovation, need to un-demo with HUD. |

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Total Verified Type C Vacant Units by County:

Oahu 107
 Maui 9
 Kauai 11
 Hawaii 21

148

Total Group A Under Construction Contract (Group A): 5
 Total Group B Under Construction Contract (Group B): 32
 Total Kahekili Terrace Under Const.Contract (HPHA): 0
 Total Units Under Modernization Const.Contracts (Mod): 15
 Total Units Under Construction (Construction): 2
 Total Units Under Construction with DAGS (DAGS) 11
Total Vacant Units Under Construction Contract: 65

Total Under Design Contracts (Consult Contr) 31
 Total Group A to be added to Design Contract (Group A+): 6
 Total Mod awaiting Consultant Contract (Design) 41
 Total In-house design (HPHA Design) 5
Total Being Added to Consultant Contract: 83

Total Form A's to be verified by CMB: 0
 Total Missing Form A: 0
Total Needing to be Verified: 0

Total Units Approved for Demo: 60
Total Units Relocation Hold: 30

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CONSTRUCTION MANAGEMENT BRANCH
Status Report
Large Capacity Cesspool Conversions (LCCC) Statewide
September 4, 2012

Completed Activities

- Kealakehe connected to the County sewer line on July 2, 2012 and Hale Hauoli connected on July 16, 2012.
- The contractor has backfilled the cesspools at Kealakehe and Hale Hauoli, and the consultant is coordinating the completion report documentation.

Planned Activities

- The filing of the required permits with the Department of Health and reporting to the Environmental Protection Agency (EPA) for Kealakehe and Hale Hauoli are the only remaining outstanding issues in the Environmental Protection Agency Consent Agreement/Formal Order (CA/FO). HPHA will obtain the formal documentation and submit to EPA.
- Remaining items outstanding at Kalaheo and Hale Hoolulu on Kauai (Group 1 cesspools) are the operation and maintenance manuals and the maintenance schedule recommendations from the contractor.
- On-going - 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 cost-sharing of maintenance and repair of the sewer lateral shared by the two agencies but located on the La'ilani property on the Big Island (owned by the HHFDC). A draft of the MOA was sent for the Attorney General's review on August 21, 2012.
- On-going - The Attorney General's office has been 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). A letter was sent to the DOE on July 30, 2012 for their signature/confirmation of the transfer. The draft package, regarding the request of cancellation of the executive orders, was sent for the Attorney General's review on August 22, 2012.
- Draft of "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. Additional properties not part of the Consent Agreement/Final Order (CA/FO) will be added: Kauhale O Hanakahi and Punahale Homes. The estimated bid date is October 26, 2012.

Trends/Issues

Risks

- **Group 2** cesspools had a March 2009 deadline. The Environmental Protection Agency (EPA) has been notified that Kealakehe and Hale Hau'oli on the Big Island have finally connected to the County sewer lines and are now being backfilled. HPHA is well beyond the March 2009 deadline. However, David Albright, head of the EPA regional office in San Francisco, indicated that penalizing Hawai'i Public Housing Authority (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.

STATUS REPORT ON LARGE CAPACITY CESSPOOL CONVERSIONS, HPHA

(prepared 9/04/2012)

| Group 2--All @ Big Island | | # CP: | Status as of September 2012 | CD* |
|---------------------------|--|---------------------------|--|-------|
| 1 | KAIMALINO TMK 3-7-4-017-029 | Kailua-Kona 6 | IWS-ATO Nos. 42659, 42660, 42661,42662,42663 dated 12/6/10 on file Out of the 6 cesspools, 5 converted to seepage pits and 1 was backfilled and abandoned. The renewal permit for the seepage pits DOH UIC Permit--UH 1706 was approved 8/31/2011 | 10/09 |
| 2 | KEALAKEHE HOUSING TMK 3-7-4-017-058 | Kailua-Kona 17 | Connected on July 2, 2012, 17 cesspools backfilled. Cesspool Abandonment Permit UH-2781 & written confirmation from County needs to be submitted to the Environmental Protection Agency for their record. An MOA with HHFDC is being developed since Kealakehe's sewer line runs thru HHFDC property. | 12/12 |
| 3 | LA'ILANI | Kailua-Kona 66 | HHFDC | NA |
| 4 | HAWAII MONTESSORI | Kailua-Kona 2 | HHFDC | NA |
| 5 | JACK HALL | Kailua-Kona 13 | HHFDC | NA |
| Total | | 104 CP-- Cesspools | CD*-Completion date of Contractor's Scope of Work | |

| Group 1 @ Big Island | | # CP: | Status as of September 2012 | CD* |
|----------------------|--|--|--|-------|
| 6 | NOELANI 1 TMK 3-6-5-009-025 | Kamuela 3 | IWS ATO # 41011, 41013, 40114 dated 9/22/10 on file; DOH UIC Permit No. UH-2887 for wells 1 through 3 approved 12/19/11 | 6/08 |
| 7 | NOELANI II TMK 3-6-5-009-026 | Kamuela 7 | IWS ATO #41996 to 42000 (5 septic tanks) dated 9/22/10 on file. DOH UIC Permit No. UH-2888 for wells 1 through 6 approved 12/22/11. Backfilling permit submitted July 12, 2012 for 6th abandoned cesspool. 1-5 submitted previously approved as 41996, 41997, 41998, 41999 and 42000. | 6/08 |
| 8 | HALE ALOHA O PUNA (E) TMK 3-1-6-143-035 | Keeau 6 | IWS ATO# 42856, 42860, 42861, 42862, 42863, 42864 & 42865 dated 8/4/10 on file UIC #2825 for backfilling accepted on 11/18/2010; UIC UH-2826 for 3 pits approved 12/8/10 | 12/09 |
| 9 | HALE HOOKIPA (E) TMK 3-8-1-002-049 | Kealakekua 10 | IWS ATO #43220, 43221,43222, & 43223 on file;UIC permit UH-2888 approved 12/22/2011. 6 LCCs abandoned, outstanding UIC backfill permits approved August 15, 2012 App. No. UH-2838, 4 LCCs converted to seepage pits. | 11/08 |
| 10 | NANI OLU (E) TMK 3-8-002-047,048 | Kealakekua 9 CP | IWS ATO# 43252 to 43260 (9 systems) dated 6/10 on file UIC permit No. UH-2793 for wells 1 thru 9 approved 2/24/2011 | 11/08 |
| 11 | NANI O PUNA TMK 3-1-5-002-02 | Pahoa 4 | HHFDC | 11/09 |
| 12 | HALAULA TC | Kapaau 3 | All done/Initiated process of transferring to DOE; need to resend HPHA letter to DLNR | 01/09 |
| 13 | KA'U TC | Pahala 2 | All done/Initiated process of transferring to DOE; need to resend HPHA letter to DLNR | 01/09 |
| 14 | WAIMEA TC | Kamuela 1 | All done/Initiated process of transferring to DOE; need to resend HPHA letter to DLNR | 6/08 |
| 15 | HONOKAA TC | Honokaa 1 | All done/Initiated process of transferring to DOE; need to resend HPHA letter to DLNR | 11/08 |
| | | 45 UIC -- Underground Injection Control; IWS-- Individual Wastewater System | | |

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STATUS REPORT ON LARGE CAPACITY CESSPOOL CONVERSIONS, HPHA

(prepared 9/04/2012)

Group 1 @ Kauai

CP:

Status as of September 2012

| | | | | | |
|----|--|---------|----|--|------|
| 16 | HALE HO'OLULU (E) TMK: 4-5-2-003-056 | Kilauea | 2 | IWS ATO # 41589, 41590 & 41591 approved on 11/14/11. 2 cesspools were backfilled; UIC-UK 2774 rescinded | 6/12 |
| 17 | KALAHEO TMK: 4-2-3-120-030 | Kalaheo | 5 | IWS ATO 41585, 41586, 41587, 41588 dated 3/8/2011 on file UIC Permit No. UK-2737 for 4 seepage pits approved 6/1/09; annual report submitted 10/15/11 | 6/12 |
| 18 | KEKAHA HA'AHEO TMK: 4-1-3-008-020 & 026 | Kekaha | 72 | IWS ATO # 41598 to 41628 dated 3/2011 for 31 septic tanks on file | 2/12 |

79 (AECOM Pacific Inc. is Consultant of Record for Kauai projects)

Group 1 @ Maui

CP:

Status as of September 2012

| | | | | | |
|----|------------------|------|---|---|-------|
| 19 | HANA 'B' TC | Hana | 1 | All done/Initiated process of transferring to DOE; need to send application to DLNR | 09/09 |
| 20 | WAKIU 'A - E' TC | Hana | 2 | All done/Initiated process of transferring to DOE; need to send application to DLNR | 09/09 |

3 (AECOM Pacific Inc. is Consultant of Record for Maui projects)

Total for Group 1

127

Others originally not identified in CA/FO

Status as of September 2012

| | | | | | |
|---|---|--------------|---|---|-------------|
| a | Lokahi Housing TMK 3-2-4-052-020 | N.A. | 8 | 11 septic tanks (IWS) total; 3 of the 11 need to be replaced; 4 cesspools to be backfilled This is not part of CA/FO; Estimated completion is December 2012. | 01/10 |
| b | Hale Hauoli Housing TMK 3-4-5-010-078 | N.A. 7 CP | 8 | Connected July 16, 2012, 8 cesspools to be backfilled. Cesspool Abandonment Permit UH-2843 & written confirmation from County to be submitted. 1 additional cesspool found (original count was 7), backfilled. | (1) 9/12 |
| c | Pahala Elderly Housing TMK 3-9-6-017-037 | Pahala | 5 | IWS ATO# 18081 to 18085 (5 tanks) approved 12/2009 on file UIC Permit No. UH-2657 for wells 1 through 3; (ask OA for the other 2) | 12/09 |

(1) dry sewer pipes installed 11/08



'12 AUG 31 A10 :20

U.S. Department of Housing and Urban
Development

Honolulu Field Office
500 Ala Moana Boulevard, Suite 3A
Honolulu, Hawaii 96813
<http://www.hud.gov>

August 28, 2012

Mr. Hakim Ouansafi
Executive Director
Hawaii Public Housing Authority
1002 N. School St.
Honolulu, HI 96817

Dear Mr. Ouansafi:

SUBJECT: Approval of Audited Actual Modernization Cost Certificate, HUD-53001
Grant No. HI08S001501-09 ← **ARRA Grant**

The subject Fiscal Year 2009 Recovery Act grant had been financially audited as part of the independent audit report for Fiscal Year (FY) Ending 2011. Based on this information, the Recovery Act grant will be officially closed in the Line of Credit Control System (LOCCS).

Enclosed is a copy of the HUD approved executed Actual Modernization Cost Certificate, form HUD-53001, for your records. This will be the final communication from HUD regarding the closeout of this grant. We thank you for your participation in the program.

Please remember according to record keeping requirements in 24 CFR 85.26: (a) The PHA will maintain full and complete records of the history of each Capital Fund grant [including Capital Fund Recovery Act grants], including, but not limited to, CFP 5-Year Action Plans, procurement, contracts, obligations, and expenditures. (b) The PHA shall retain all documents related to the activities for which the Capital Fund grant was received for 5 years after HUD approves either the actual development or modernization cost certificate, unless a longer period is required by applicable law. (c) HUD and its duly authorized representatives shall have full and free access to all PHA offices, facilities, books, documents, and records, including the right to audit and make copies.

If you have any questions, please call Mei Tong, Financial Analyst at (808) 457-4671.

Sincerely,

Michael S. Flores
Director
Office of Public Housing

Enclosures

Actual Modernization Cost Certificate

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

OMB Approval No 2577-0157 (exp. 01/31/2014)

Comprehensive Improvement Assistance Program (CIAP)
Comprehensive Grant Program (CGP)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0044 and 0157), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Do not send this form to the above address.

This collection of information requires that each Housing Authority (HA) submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the modernization grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by regulation. The information requested does not lend itself to confidentiality.

| | |
|--|--|
| HA Name: Hawaii Public Housing Authority | Modernization Project Number: HI08S001501-09 |
|--|--|

The HA hereby certifies to the Department of Housing and Urban Development as follows:

1. That the total amount of Modernization Cost (herein called the "Actual Modernization Cost") of the Modernization Grant, is as shown below:

| | |
|---|---------------|
| A. Original Funds Approved | \$ 16,245,443 |
| B. Funds Disbursed | \$ 16,245,443 |
| C. Funds Expended (Actual Modernization Cost) | \$ 16,245,443 |
| D. Amount to be Recaptured (A-C) | \$ 0.00 |
| E. Excess of Funds Disbursed (B-C) | \$ 0.00 |

- That all modernization work in connection with the Modernization Grant has been completed;
- That the entire Actual Modernization Cost or liabilities therefor incurred by the HA have been fully paid;
- That there are no undischarged mechanics', laborers', contractors', or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work; and
- That the time in which such liens could be filed has expired.

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

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

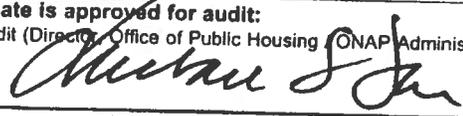
Signature of Executive Director & Date:

X 
Hakim Ouansafi 02/10/2012

For HUD Use Only

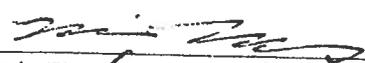
The Cost Certificate is approved for audit:

Approved for Audit (Director, Office of Public Housing / ONAP Administrator)

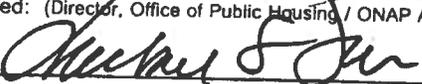
X  Date: 3/6/12

The audited costs agree with the costs shown above:

Verified: (Designated HUD Official)

X  Date: 8/28/12

Approved: (Director, Office of Public Housing / ONAP Administrator)

X  Date: 8/29/12

**Contract and Procurement Office
Monthly Status Report for August 2012**

Accomplishments

Solicitation(s):

- See Board of Directors Monthly Status Report.

Contract(s):

- See Board of Directors Monthly Status Report.

Purchase Orders/pCards/Central Stores Requisitions Processed:

| Type | Aug | Jul | % change | FYTD |
|-----------------------------|-----|-----|----------|------|
| Central Stores Requisitions | 18 | 21 | -14% | 39 |
| Purchase Orders | 143 | 328 | -56% | 471 |
| pCard (Total) | 52 | 24 | 117% | 76 |
| pCard (under \$1,000) | 43 | 16 | 169% | 59 |
| pCard (over \$1,000) | 9 | 8 | 13% | 17 |

Planned Solicitation/Contract Activities September/October 2012

Solicitation(s):

- Issue Invitation-for-Bids for Custodial Services for the HPHA's Central Offices.
- Issue Request-for-Proposals for Property Management and Maintenance Services for the Kuhio Park Terrace Community Resource Center.

Contract(s)

- Award Contract for Professional Energy Performance Contracting Consultant Services.
- Execute Supplemental Contract with The National Center for Housing Management to provide an additional HPHA staff training on accessibility and fair housing laws.
- Execute Supplemental Contract with EMSS to continue to provide printing and mailing services of the HPHA's monthly rent bills.
- Execute Supplemental Contract with Support Services Group to continue to provide refuse collection services for AMP 31, AMP 34, and AMP 40 on the Island of Oahu.

Activities for the Month of September/October 2012

Solicitation(s):

- Solicitations issued under the Construction Management Branch are anticipated to increase due to the effort to encumber/obligate the funds under the Capital Improvement Program and Capital Fund Program.
- Solicitations issued under the Property Management and Maintenance Services Branch are anticipated to decrease as a majority of the recurring services such as security services have been procured.

Contract(s):

- Contracts to be executed under the Construction Management Branch are anticipated to increase due to the effort to encumber/obligate the funds under the Capital Improvement Program and Capital Fund Program.
- Contracts to be executed under the Property Management and Maintenance Services Branch are anticipated to decrease as a majority of the recurring services such as security services have been contracted.

Purchase Orders/pCards/Central Stores Requisitions:

- The number of pCard documents processed is anticipated to remain steady due to the delegation of procurement authority for purchase under \$2,000 to AMP managers and Branch Chiefs.
- The number of purchase orders processed is anticipated to remain steady due to the start of the new fiscal year.
- The number of Central Stores requisitions is anticipated to remain steady due to the start of the new fiscal year.

Issues

Staffing

- Recruit for vacant goods and services contract specialist position.
- Continue to recruit and conduct interviews for vacant construction contract specialist position.
- Continue training for newly hired goods and services contract specialist.
- Continue to train staff on State and Federal procurement subject matter and on contract subject matter.

Potential Risks

Contract(s):

- Failure to issue timely the Request –for-Proposals for property management and maintenance under the Kuhio Park Terrace Community Resource Center may result in an interruption of services and create a health and safety issue.
- Failure to issue timely the Invitation-for-Bids for custodial services for the HPHA's Central Offices may result in an interruption of services and create a health and safety issue.

- Failure to execute timely the Supplemental Contract with Support Services Group to continue refuse collection services for AMP 31, AMP 34, and AMP 40 may result in an interruption of services and create a health and safety issue.

**Contract & Procurement Office
Monthly Status Report for August 2012**

Solicitations Issued in August 2012:

| Solicitation No. | Title | Due Date |
|------------------|---|--------------------|
| IFB PMB-2012-04 | Furnish Security Services for Various Public Housing Properties (Puuwai Momi, Kalihi Valley Homes, Mayor Wright Homes, Kamehameha Homes, Kaahumanu Homes, Kalanihuia, Punchbowl Homes, Makamae) on the Island of Oahu | September 12, 2012 |
| IFB PMB-2012-05 | Furnish and Deliver New Vehicles to the Hawaii Public Housing Authority's Oahu Office and Kauai Management Office | September 19, 2012 |

Contracts Executed in August 2012:

| Contract No. | Contractor & Description | Supp. Amount | Total Amount |
|----------------|--|--------------|----------------|
| CMS 10-20-SC04 | Alan Shintani Inc Provide Additional Labor, Materials, and Equipment and Extension of Time of 185 Calendar Days for Exterior Accessibility Improvements and Interior Renovations at Lanakila Homes (AMP 37) on the Island of Hawaii End Date: November 30, 2012 | \$18,352.00 | \$2,026,174.00 |
| CMS 10-22-SC02 | Group 70 International Provide Additional Design and Consultant Services and Extension of Time of 90 Calendar Days for Site and Dwelling Improvements to Hoolulu, Kalaheo and Hale Nana Kai O Kea (AMP 38) on the Island of Kauai End Date: November 30, 2013 | \$59,367.37 | \$630,367.37 |
| CMS 11-01-SC01 | Marc Ventura, AIA, LLC Provide Additional Design and Consultant Services and Extension of Time of 365 Calendar Days for Site and Dwelling Improvements at Hui O Hanamaulu (AMP 38) on the Island of Kauai End Date: July 17, 2014 | \$104,440.29 | \$231,965.52 |

| Contract No. | Contractor & Description | Supp. Amount | Total Amount |
|----------------|---|--------------|-----------------|
| CMS 11-10-CO01 | All Maintenance & Repair, LLC Provide Additional Labor, Materials, and Equipment and Extension of Time of 14 Calendar Days for Exterior Repairs, Site Improvements, and ADA Accessibility Reroof at Kalakaua Homes (AMP 34) on the Island of Oahu Completion Date: August 14, 2012 | \$53,788.00 | \$2,034,101.36 |
| CMS 11-13-CO03 | KSC Construction Provide Additional Labor, Materials and Equipment and Extension of Time of 9 Business Days for the Renovation of 10 Vacant Units at Mayor Wright Homes (5 units – AMP 32), Kuhio Park Terrace – Low Rise (3 units – AMP 40), Kuhio Homes (1 unit – AMP 40), and Palolo Valley Homes (1 unit – AMP 50), on the Island of Oahu Completion Date: August 13, 2012 | \$23,263.00 | \$877,261.32 |
| CMS 12-01-SC01 | Prometheus Construction Provide Additional Labor, Materials, and Equipment for Rock Wall Repair at Kalihi Valley Homes (AMP 31) on the Island of Oahu Completion Date: September 10, 2012 | \$25,476.37 | \$570,156.37.00 |
| CMS 12-02-SC01 | Central Construction Provide Additional Labor, Materials and Equipment for Renovation of 6 Vacant Units at Noelani I (1 unit – AMP 46), Noelani II (2 units – AMP 46), Ke Kumu Ekolu (2 units – AMP 46) and Hale Hookipa (1 unit - AMP 43) on the Island of Hawaii Completion Date: August 15, 2012 | \$10,885.96 | \$528,724.96 |
| PMB 12-06 | Realty Laua LLC Furnish Property Management, Maintenance, and Resident Services for Kuhio Park Terrace – Low Rise and Kuhio Homes under Asset Management Project 40 on the Island of Oahu End Date: August 31, 2013 | | \$984,980.00 |

| Contract No. | Contractor & Description | Supp. Amount | Total Amount |
|----------------|--|--------------|--------------|
| PMB 12-07 | Realty Laua LLC Furnish Property Management, Maintenance, and Resident Services for Koolau Village, Hookipa Kahaluu, Kaneohe Apartments, Kauhale Ohana, and Waimanalo Homes under Asset Management Project 45 on the Island of Oahu End Date: August 31, 2013 | | \$672,507.00 |
| PMB 12-08 | Island Refuse Inc. Furnish Refuse Collection Services for Kahale Mua – State and Kahalu Mua – Federal under Asset Management Project 39 on the Island of Molokai End Date: August 31, 2013 | | \$30,800.64 |
| PMB 12-05-SC01 | Matt Levi Corporation dba Matt Levi Investigations Continue to Provide Temporary Security Services at Mayor Wright Homes (AMP 32) on the Island of Oahu End Date: August 30, 2012 | \$67,623.01 | \$135,246.02 |

FOR DISCUSSION

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

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to *Kolio, et al v. State of Hawaii, Hawaii Public Housing Authority; Denise Wise In Her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795*

(There are no handout/packet materials for this item.)

Hawaii Public Housing Authority
Summary of Capital Repair/Renovation Projects
Report As Of 8/31/12

FEDERAL BUDGET/OBLIGATION: 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 719 | \$12,526,177 | \$8,582,045 | \$2,416,486 | \$54,497 | \$1,252,617 | \$220,532 | \$12,000,683 | 95.80% | \$525,494 | 4/14/12 | All Contracts Awarded (under obligation/budget result of funge for 718 close). LOCCS created 09-12-09 |
| CFP 720 | \$12,389,235 | \$8,394,705 | \$2,477,847 | \$246,838 | \$1,038,924 | \$237,034 | \$11,586,562 | 93.52% | \$802,673 | 7/14/12 | These funds are available to PHA's. LOCCS created 06-23-10 |
| CFP 721 | \$10,301,898 | \$6,177,254 | \$2,060,380 | \$150,000 | \$1,030,190 | \$884,074 | \$6,988,283 | 67.83% | \$3,313,615 | 7/13/13 | These funds are available to PHA's. LOCCS created 07-13-11 |
| CFP 722 | \$9,454,397 | \$6,364,752 | \$1,890,879 | \$250,000 | \$945,440 | \$3,326 | \$0 | 0.00% | \$9,454,397 | 3/12/14 | Form HUD-53012 Received 6-25-12 CFP ACC #146 Effective Date 3-12-2012 |
| CFP Budget Totals | \$57,285,440 | \$37,912,504 | \$11,368,339 | \$1,137,200 | \$5,528,543 | \$1,344,966 | \$43,189,260 | 75% | \$14,096,180 | | |

FEDERAL EXPENDITURE: Capital Fund Program (CFP) (Operations, Admin, Mgt Improv)

| | Total CFP Appropriation | Expended Construction Activities (BLI 1411-1501) | Expended Operations (BLI 1406) | Expended Management Improvements (BLI 1408) | Expended Administration (BLI 1410) | Expended Contingency (BLI 1502) | Expended to Date Total Funds | % Expended | Balance | Expenditure Deadline | Notes |
|-------------------------------|----------------------------|---|--------------------------------------|--|--|---------------------------------------|------------------------------------|---------------|---------------------|-------------------------|---|
| CFP 719 | \$12,526,177 | \$4,289,719 | \$2,416,486 | \$35,723 | \$1,249,723 | \$0 | \$7,991,652 | 63.80% | \$4,534,525 | 4/14/14 | All Contracts Awarded. LOCCS created 09-12-09 |
| CFP 720 | \$12,389,235 | \$1,370,630 | \$0 | \$13,717 | \$515,095 | \$0 | \$1,899,442 | 15.33% | \$10,489,793 | 7/14/14 | These funds are available 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 available to PHA's. LOCCS created 07-13-11 |
| CFP 722 | \$9,454,397 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.00% | \$9,454,397 | 3/12/16 | Form HUD-53012 Received 6-25-12 CFP ACC #146 Effective Date 3-12-2012 |
| CFP Expenditure Totals | \$57,285,440 | \$14,054,097 | \$4,939,233 | \$485,306 | \$3,026,191 | \$0 | \$22,504,827 | 39.29% | \$34,780,613 | | |

STATE: Capital Improvement Program (CIP)

| | State GO Bond Appropriation | HPHA Budget Design Allot as of 5/8/12 | HPHA Budget Construction Allot as of 5/8/12 | HPHA Budget Plans Allot as of 5/8/12 | HPHA Budget Equipment Allot as of 5/8/12 | B & F Approved Design Allot as of 5/8/12 | B & F Approved Const Allot as of 5/8/12 | B & F Approved Plans Allot as of 5/8/12 | B & F Approved Equip Allot as of 5/8/12 | HPHA Total Budget Allot as of 5/8/12 | HPHA Expended | HPHA % Expended Against Budget Allot. | HPHA Budget Balance of Allot Minus Expended | B&F/DAGS Encumbrance Deadline | Notes |
|-------------------------|--------------------------------|--|--|---|---|--|---|---|---|---|---------------------|--|---|-------------------------------------|---|
| FY 07-08 Elevator | \$4,939,503 | \$673,631 | \$3,918,066 | \$0 | \$0 | \$673,631 | \$3,918,066 | \$0 | \$0 | \$4,591,697 | \$3,624,613 | 78.94% | \$967,084 | 6/30/10 | Allotment Granted - Blanket Encumbrance (1) & (2) & (3) |
| FY 07-08 Lump Sum CIP | \$19,910,000 | \$2,786,206 | \$15,378,793 | \$0 | \$0 | \$2,786,206 | \$15,551,196 | \$0 | \$0 | \$18,164,999 | \$13,554,486 | 74.62% | \$4,610,513 | 6/30/10 | Allotment Granted - Blanket Encumbrance (1) & (2) & (3) |
| FY 08-09 Elevator | \$6,410,000 | \$7,975 | \$4,823,421 | \$0 | \$0 | \$7,975 | \$4,823,421 | \$0 | \$0 | \$4,831,396 | \$1,293,256 | 26.77% | \$3,538,140 | 6/30/10 | Allotment Granted - Blanket Encumbrance (1) & (2) & (3) |
| FY 08-09 Lump Sum CIP | \$10,000,000 | \$2,959,064 | \$426,673 | \$0 | \$0 | \$2,948,033 | \$426,673 | \$0 | \$0 | \$3,385,738 | \$1,872,805 | 55.31% | \$1,512,933 | 6/30/10 | Allotment Granted - Blanket Encumbrance (1) & (2) & (3) |
| FY 09-10 Lump Sum CIP | \$7,913,000 | \$1,743,984 | \$6,155,997 | \$0 | \$0 | \$1,743,984 | \$6,258,660 | \$0 | \$0 | \$7,899,980 | \$5,665,937 | 71.72% | \$2,234,043 | 6/30/12 | Allotment Granted - Blanket Encumbrance (1) |
| FY 10-11 Lump Sum CIP | \$4,500,000 | \$1,429,790 | \$3,070,210 | \$0 | \$0 | \$1,429,790 | \$3,070,210 | \$0 | \$0 | \$4,499,999 | \$1,188,318 | 26.41% | \$3,311,681 | 6/30/12 | Allotment Granted - Blanket Encumbrance (1) |
| FY 11-12 CIP Totals | \$31,120,000 | \$3,770,448 | \$27,349,552 | \$0 | \$0 | \$2,374,000 | \$28,746,000 | \$0 | \$0 | \$31,120,000 | \$0 | 0.00% | \$31,120,000 | 6/30/14 | Pending Allotment |
| FY 12-13 CIP Totals | \$60,222,000 | \$3,706,274 | \$53,100,141 | \$2,963,695 | \$451,890 | \$153,000 | \$60,064,000 | \$4,000 | \$1,000 | \$60,222,000 | \$0 | 0.00% | \$60,222,000 | 6/30/14 | Pending Allotment |
| STATE CIP TOTALS | \$145,014,503 | \$17,077,372 | \$114,222,853 | \$2,963,695 | \$451,890 | \$12,116,619 | 122,858,226 | 4,000 | 1,000 | \$134,715,810 | \$27,199,415 | 20.19% | \$107,516,395 | | |

**K
E
Y**

- 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