

FOR ACTION

MOTION: To Adopt Resolution No. 45 Authorizing the Executive Director to Execute Loan Documents for a Capital Funds Loan in an Amount Up to Three Million Nine Hundred Thousand Dollars and to Execute any and all Contracts and Required Legal Documents Related to the Mixed Finance Redevelopment Project at Kuhio Park Terrace And Kuhio Homes

I. FACTS

A. See attached Resolution 45 and attachments

III. RECOMMENDATION:

That the HPHA Board of Directors adopt Resolution no. 45 authorizing the Executive Director to execute loan documents for a capital funds loan in an amount up to three million nine hundred thousand dollars and to execute any and all contracts and required legal documents related to the mixed finance redevelopment project at Kuhio Park Terrace and Kuhio Homes

Prepared by: Taryn T. Chikamori TC

Adopted:

Travis O. Thompson
Chair

RESOLUTION NO. 45

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE LOAN DOCUMENTS FOR A CAPITAL FUNDS LOAN IN AN AMOUNT UP TO THREE MILLION NINE HUNDRED THOUSAND DOLLARS AND TO EXECUTE ANY AND ALL CONTRACTS AND REQUIRED LEGAL DOCUMENTS RELATED TO THE MIXED FINANCE REDEVELOPMENT PROJECT AT KUHIO PARK TERRACE AND KUHIO HOMES

WHEREAS, on August 20, 2009, the Hawaii Public Housing Authority (HPHA) Board of Directors approved the selection of The Michaels Development Company I, L.P., (“Michaels”) to undertake a mixed finance redevelopment project at the Kuhio Park Terrace and Kuhio Homes (KPT/KH); and

WHEREAS, on November 22, 2010, the HPHA Board of Directors authorized the Executive Director to execute any and all contracts and required legal documents related to the mixed finance redevelopment project at the KPT/KH Redevelopment; and

WHEREAS on December 16, 2010, the HPHA Board of Directors authorized the Executive Director to proceed with the Ground Lease and the Disposition Application to HUD for the disposition of KPT/KH Redevelopment and to further negotiate all documents in connection with such closing; and

WHEREAS, the first phase of the KPT/KH Redevelopment shall be the Kuhio Park Terrace Towers and shall consist of the rehabilitation of the existing units at the two towers at KPT/KH into 555 low income housing units, 347 of which will remain public housing units, 150 will become project based voucher units, and 58 shall be low income housing tax credit only units (the “Development”); and

WHEREAS, the HPHA prepared submissions to the U.S. Department of Housing and Urban Development (HUD) in order to proceed with the Development with Michaels and on April 7, 2011 HPHA received a conditional HUD approval to proceed to financial closing and to execute all evidentiary documents, as listed in Attachment 1 hereto (the “HUD Evidentiary Documents”); and

WHEREAS, since the execution of the prior resolutions, the Executive Director has determined that it is necessary to also loan up to \$3,900,000 in Capital Funds to KPT Towers 1, LLC, the owner entity of the first phase of the KPT/KH Redevelopment and an affiliate of Michaels, to complete work on the elevators, dry standpipes, trash chutes and environmental remediation, as more particularly described in that certain Capital Funds Loan Agreement to be executed between HPHA and KPT Towers 1, LLC (the “Capital Funds Loan”); and

WHEREAS, HPHA now seeks this resolution to approve the Capital Funds Loan and to ratify its earlier resolution granting the Executive Director the authority to execute any and all contracts

and required legal documents related to the mixed finance closing of the Kuhio Park Terrace Towers project.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority as follows:

1. The HUD Evidentiary Documents referenced herein, and attached hereto, are hereby approved subject to review and approval of HPHA counsel; and all revisions to said HUD Evidentiary Documents as requested by HUD or as may be necessary to correct errors or to reflect final refinements of the transaction, are hereby agreed and approved; except, however, that to the extent the HUD Evidentiary Documents are revised beyond pro forma and deal-specific modifications and in a manner inconsistent with this resolution, they are to be re-submitted to the Board of Directors.
2. The Executive Director is further authorized to enter into that certain Capital Funds Loan and loan up to \$3,900,000 to KPT Towers 1, LLC as set forth in the Capital Fund Loan Documents indentified in Attachment 1.
3. The Executive Director is further authorized to execute a HAP Contract for 150 project based vouchers at the Development.
4. The Executive Director and/or her designees are hereby authorized to negotiate and execute any and all other documents and take any other actions in her judgment deemed necessary or desirable to implement the foregoing Resolutions and any and to execute all other documents or take any other actions that are in her judgment deemed necessary or desirable to effectuate the redevelopment and/or financing of the Project. The execution and delivery of such documents and performance of such actions by the Executive Director and/or her designees shall be conclusive evidence of approval by HPHA.
5. Any action by any person or persons designated and authorized so to act by the Board of Directors under this Resolution to do and perform, or cause to be done and performed, in name and on behalf of HPHA, in furtherance of the purposes hereunder is hereby approved, ratified and confirmed.
6. Resolution 33 enacted on November 18, 2010 and Resolution 38 enacted on December 16, 2010 are hereby ratified and confirmed in their entirety, except as further refined and clarified in this Resolution.

The UNDERSIGNED, hereby certifies that the foregoing resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on May 5, 2011 in Honolulu, Hawaii.

Travis O. Thompson, Chairperson

ATTACHMENT 1

HUD Evidentiary Documents

REQUIRED EVIDENTIARY MATERIALS

- I. MIXED FINANCE DOCUMENTS
 - Mixed Finance ACC Amendment (including Attachment 1)
 - A. Participating Parties
 - B. Description of Overall Activities
 - C. Unit Breakdown: Funding & Bedroom Type
 - D. Development Schedule
 - E. Required Evidentiaries
 - F. Budget
 - G. Public/Private Funding Ratio and Draw-Down Schedule
 - H. Program Income Certification
 - Release of Declarations of Trust
 - Declaration of Restrictive Covenants
 - Regulatory and Operating Agreement
 - Certification and Assurances
 - Section 35(f) Certification
 - Non-Disturbance and Attornment Agreement
 - Certification of No or Non-Substantive Changes to HUD and Supporting Certifications
- II. REAL ESTATE/TITLE DOCUMENTS
 - Survey
 - Ground Lease
 - Memorandum of Ground Lease
 - Bill of Sale
 - Authority's Lender Title Policy/Pro-Forma
- III. GOVERNMENT APPROVALS
 - Developer Certificate re: Permits and Approvals
- IV. SELLER LOAN DOCUMENTS
 - Acquisition Agreement
 - Seller Note
 - Leasehold Mortgage and Security Agreement (Seller Loan and HPHA Capital Fund Loan)
 - Assignment of Development Documents (Seller Loan and HPHA Capital Fund Loan)
 - Performance and Completion Guaranty (Seller Loan and HPHA Capital Fund Loan)
- V. HPHA PUBLIC HOUSING CAPITAL FUND LOAN DOCUMENTS
 - Loan Agreement
 - Promissory Note
 - Memorandum of Understanding
- VI. BOND LOAN DOCUMENTS
 - Regulatory Agreement and Declaration of Restrictive Covenants

- Financing Agreement
- Trust Indenture
- Reimbursement and Security Agreement
- Intercreditor Agreement
- Bond Purchase Agreement
- Assignment of Security Instrument
- First Multifamily Leasehold Mortgage
- Second Multifamily Leasehold Mortgage
- Option Subordination Agreement
- Subordination Agreement
- VII. OWNER ENTITY DOCUMENTS
 - Articles of Organization
 - Amended and Restated Operating Agreement
 - LIHTC Declaration of Restrictive Covenants
 - Right of First Refusal/Purchase Option
 - Development Services Agreement
- VIII. OPINIONS/CERTIFICATIONS
 - HPHA's Counsel Opinion
 - HPHA's HUD Counsel Opinion
 - Developer's Local Counsel Opinion
 - Developer's HUD Counsel Opinion
 - Developer's Corporate Counsel
- IX. OTHER DOCUMENTS
 - Management Agreement
 - HAP Contract

RESOLUTION NO. 33

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE ANY AND ALL CONTRACTS AND REQUIRED LEGAL DOCUMENTS RELATED TO THE MIXED FINANCE REDEVELOPMENT PROJECT AT KUHIO PARK TERRACE AND KUHIO HOMES

WHEREAS, on August 20, 2009, the Hawaii Public Housing Authority (HPHA) Board of Directors approved the selection of the Michaels Development Company to undertake a mixed finance redevelopment project at the Kuhio Park Terrace and Kuhio Homes (KPT/KH); and

WHEREAS, the HPHA must prepare a submission to the U.S. Department of Housing and Urban Development (HUD) in order to proceed with the redevelopment at KPT/KH with Michaels Development Company; and

WHEREAS, the redevelopment partnership is subject to vol. 24 CFR 941, Subpart F and requires approval by HUD Headquarters, Washington D.C.; and

WHEREAS, the HPHA's project will be subject to a Mixed-Finance Amendment to the Consolidated Annual Contributions Contract (ACC), signed by the HPHA and HUD and various other evidentiary documents; and

WHEREAS, the HPHA, in the best interests of the State of Hawaii, has hired specialized legal counsel to review all contracts and legal documents in conjunction with the State's Attorney General; and

WHEREAS, the HPHA agrees to comply with all requirements and submittals for eligible activities and reporting for the redevelopment project at KPT/KH, and

WHEREAS, the Executive Director agrees to regularly report on all activities and key milestones to the HPHA Board of Directors;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority hereby authorize the Executive Director to execute any and all contracts and required legal documents related to the mixed finance redevelopment project at Kuhio Park Terrace and Kuhio Homes.

The UNDERSIGNED, hereby certifies that the foregoing resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on November 18, 2010 in Honolulu, Hawaii.



Travis O. Thompson, Chairperson

RESOLUTION NO. 38

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION AUTHORIZING THE DISPOSITION OF PROPERTY VIA GROUND LEASE AND SELLER FINANCING, PROVISION OF OPERATING SUBSIDY RELATED TO THE MIXED FINANCE REDEVELOPMENT PROJECT AT KUHIO PARK TERRACE TOWERS, AND AMENDMENT OF THE ANNUAL PLAN TO CLARIFY THE DEVELOPMENT PLANS

WHEREAS, on August 20, 2009, the Hawaii Public Housing Authority (“HPHA”) Board of Directors approved the selection of Michaels Development Company I, LP, and its joint venture partner, the Vitus Group (collectively, the “Developer”) through a competitive RFP process to undertake mixed finance redevelopment projects at the Kuhio Park Terrace and Kuhio Homes (“KPT/KH Redevelopment”) and to obtain the necessary financing to do so; and

WHEREAS, on November 22, 2010, the HPHA Board of Directors authorized the Executive Director to execute any and all contracts and required legal documents related to the mixed finance redevelopment project at the KPT/KH Redevelopment; and

WHEREAS, the HPHA Board of Directors has determined that it is in the best interest of HPHA to commence the rehabilitation of the Kuhio Park Terrace Towers, now composed of 572 public housing units, into a 555 unit development, all of which will be low income housing tax credit (LIHTC) units, and 349 of which will also be Public Housing units, with the following types of units: forty-five (45) one-bedroom, three hundred and fifteen (315) two-bedroom, and one hundred and ninety-five (195) three-bedroom flats (the “Project”); and

WHEREAS, in connection with the Project, the HPHA Board of Directors has determined that it is desirable for HPHA to dispose of the land on which Project will be rehabilitated (the “Property”) through a ground lease and to sell the improvements on the Property to the Tenant (as defined below) at the price of \$46,704,000.00; and

WHEREAS, the HPHA Board of Directors has further determined that it is desirable for HPHA, with the approval of the Secretary of the United States Department of Housing and Urban Development (HUD), to release the Property from the terms and conditions created by the Declaration(s) of Trust pertaining to the Property and enter into a new Declaration of Restrictive Covenants in favor of HUD for “operating subsidy only” transactions under the mixed finance regulations at 24 CFR 941 Part F; and

WHEREAS, the HPHA Board of Directors has further determined that it is desirable for HPHA to provide operating subsidy to the 349 public housing units pursuant to a Regulatory and Operating Agreement; and

WHEREAS, the HPHA Board of Directors has determined that it is advantageous to adopt a non-significant amendment and modification, as attached hereto as Exhibit A, to the 2010-2011 HPHA Annual Plan in order to clarify HPHA's intention and plans with respect to the KPT/KH Redevelopment. Counsel has informed the Board of Directors that the amendment is not within HPHA's definition of a "significant amendment or modification" and therefore is not required to be held out for public notice and comment.

NOW, THEREFORE, BE IT RESOLVED BY THE HPHA BOARD OF DIRECTORS, AS FOLLOWS:

1. The Executive Director of HPHA (the "Executive Director") and/or her designees shall, with the approval of HUD, negotiate and enter into a ground lease for a term of not more than 65 years, with an option to renew the ground lease for an additional 10 years with KPT Towers 1, LLC (the "Tenant"), the managing member of which is an affiliate of Michaels Development Company, pursuant to which HPHA will agree to lease to the Tenant the Property and sell to Tenant the improvements located on the Property at the price of \$46,704,000.00, upon which the Tenant shall rehabilitate the Project in accordance with plans and specifications approved by HPHA, which Tenant will, in turn, lease to individual qualifying tenants in accordance with the ground lease; and

2. The Executive Director of HPHA, and/or her designees shall submit a disposition application to the Special Application Center that covers the dispositions related the Project, including the two residential buildings and the three ancillary buildings used for community space and on-site supportive services; and

3. The Executive Director and/or her designees, with the approval of HUD, is hereby authorized to execute a deed of partial release of declarations of trust for the Property that releases and discharges the Project from the effect and terms and provisions created by the Declaration(s) of Trust encumbering such Project with the approval from a duly authorized officer of HUD; and

4. The Executive Director shall, with the approval of the Secretary of the United States Department of Housing and Urban Development (HUD), enter into a new Declaration of Restrictive Covenants in favor of HUD for "operating subsidy only" transactions under the mixed finance regulations at 24 CFR 941 Part; and

5. The Executive Director shall cause to be prepared such documents as are necessary to provide to the Tenant a take-back seller's note and mortgage in the amount of \$43,541,057.00 for the cost of acquisition of the Property from HPHA on terms and conditions to be fully agreed upon by the Executive Director; and

6. The Executive Director is hereby authorized to enter into a regulatory and operating agreement with the Tenant to provide operating subsidy to the public housing units of the Project; and

7. The amendment to the Annual Plan with respect to the KPT/KH Redevelopment attached at Exhibit A is hereby approved and shall become part of the 2010-2011 HPHA Annual

Plan. Such amendment shall also be part of the 2011-2012 HPHA Annual Plan and shall be held out for public notice and comment as such.

8. The Executive Director and/or her designees are hereby authorized to negotiate and execute any and all other documents and take any other actions in her judgment deemed necessary or desirable to implement the foregoing Resolutions and any and to execute all other documents or take any other actions that are in her judgment deemed necessary or desirable to effectuate the redevelopment and/or financing of the Project. The execution and delivery of such documents and performance of such actions by the Executive Director and/or her designees shall be conclusive evidence of approval by HPHA.

9. Any action by any person or persons designated and authorized so to act by the Board of Directors under this Resolution to do and perform, or cause to be done and performed, in name and on behalf of HPHA, in furtherance of the purposes hereunder is hereby approved, ratified and confirmed.

The UNDERSIGNED, hereby certifies that the foregoing resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on December 16, 2010 in Honolulu, Hawaii.



Travis O. Thompson, Chairperson

Exhibit A

Amendment to Hawaii Public Housing Authority Annual Plan Fiscal Year 2010-2011

Section 7.0, HOPE VI or Mixed Finance Modernization or Development, is amended to add the following paragraph:

“As part of the KPT revitalization, HPHA plans to undertake the rehabilitation of the Kuhio Park Terrace Towers ("the Towers"), a portion of an existing public housing community at 1475 Linapuni Street in Honolulu, Hawaii, through a mixed-finance transaction that will include the ground lease of the land underlying the Towers and the sale of the Towers improvements to an affiliate of the developer. Upon the completion of rehabilitation, the Towers, now composed of 572 Public Housing Units, will consist of 555 low income housing tax credit (LIHTC) units, and 349 of which will also be public housing units. The unit mix will include forty-five (45) one-bedroom, three hundred and fifteen (315) two-bedroom, and one hundred and ninety-five (195) three-bedroom flats. The Towers will utilize a site-based waiting list, which will provide a first preference for returning residents and a second preference for tenants that are working or providing community service, subject to health and age considerations. HPHA will apply to HUD for 223 replacement vouchers.”

May 5, 2011

FOR ACTION

MOTION: To Adopt Board Resolution No. 47 approve the Public Housing Assessment System (PHAS) Management Operations Certification for the Fiscal Year Ended June 30, 2010

I. FACTS

- A. 24 CFR Part 902 sets forth the regulations for the U.S. Department of Housing and Urban Development (HUD) to assess the management performance of public housing agencies (PHA) under the Public Housing Assessment System (PHAS).
- B. The PHAS score for FY 2009-2010 is comprised of assessments in four major operational areas – physical, financial, management and resident satisfaction. (The PHAS for FY 2010-2011 was revised by HUD to remove the resident satisfaction indicator and it was replaced with capital fund.)
- C. The PHAS rule 24 CFR Part 902 Subpart F PHAS Scoring 902.60 Data Collection (d) (1) requires that The Management Operations Certification be approved by Board resolution, and signed and attested to by the Executive Director.

II. DISCUSSION

- A. Using the Management Operations Certification, PHAs nationwide provide HUD with detailed information describing their management operations. This annual submission is transmitted electronically to REAC where it is reviewed and scored. The results are combined with scores from the physical, financial and resident satisfaction assessments to provide HUD with a complete picture of a PHA's overall condition.
- B. PHA's must submit annual Management Operations Certification (MASS) within 60 days after its Fiscal Year End. The FY 2009-2010 report was due to HUD on August 30, 2010. HPHA received a HUD waiver for the submission of the MASS certification for FY 2009 in July 2010. (See attached letter from HUD.) This caused some confusion for HPHA staff who mistook the waiver for the 2010 submission.

- C. The Management Assessment System (MASS) certification is being submitted for fiscal year ending June 30, 2010 as a substandard performer with a score of 22.1 points out of a possible 30 points which equals 73.6%. A 73.6% would be categorized as a standard performer in the management operations subsystem.
- D. Submission of the HPHA's Management Operations Certification (MASS) at this time may still cause the HPHA to earn a score of late presumptive failure or may be subject to penalty points.

The following is a breakdown of the points that HPHA anticipates:

Management Sub-Indicator	MASS Max points	2010 Projected Score
Vacant Unit Turnaround	4	0
Capital Fund		
Unexpended Funds Over Three Federal Fiscal Years Old	1	1
Timeliness of Fund Obligation	2	2
Adequacy of Contract Administration	1	1
Quality of the Physical Work	2	2
Adequacy of Budget Controls	1	1
Work Orders		
Emergency Work Orders	2	0
Non-Emergency Work Orders	2	2
Annual Inspection of Dwelling Units and Systems		
Annual Inspection of Dwelling Units	2	1.7
Annual Inspection of Systems Including Common Areas and Non-Dwelling Space	2	1.4
Security		
Tracking and Reporting Crime-Related Problems	1	1
Screening of Applicants	1	1
Lease Enforcement	1	1
Drug Prevention and/or Crime Reduction Program Goals	1	Excluded
Economic Self-Sufficiency	7	7
TOTAL	30	22.1

- E. Attached is a copy of the certification for the sub-indicators to be submitted to HUD and the accompanying Board Resolution.
- F. It should be noted that the current on line draft of the MASS submission incorrectly has HPHA reporting that 12 of 22 goals were met under the economic self-sufficiency sub-indicator. The correct entry should have been 12 of 12 goals were met, thereby earning the HPHA the full 7 points for the sub-indicator.

III. RECOMMENDATION:

That the HPHA Board of Directors Adopt Board Resolution No. 47 approve the Public Housing Assessment System (PHAS) Management Operations Certification for the Fiscal Year Ended June 30, 2010

Prepared by: Stephanie Fo, PMMSB Chief 

Adopted:

Travis O. Thompson
Chair

RESOLUTION NO. 47

HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

WHEREAS, the Board of Directors of the Hawaii Public Housing Authority, in compliance with the U.S. Department of Housing and Urban Development (HUD) management performance requirements for Fiscal Year 2009-2010, has reviewed the Public Housing Assessment System (PHAS) Management Operations Certification herein attached; and

WHEREAS, the PHAS provides policies and procedures for HUD's use in identifying Public Housing Agency management capabilities and deficiencies; and

BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority hereby approve the PHAS Management Operations Certification for FY ending June 30, 2010.

The UNDERSIGNED, hereby certifies that the foregoing Resolution was duly adopted by the Board of Directors of the Hawaii Public Housing Authority on April 21, 2011.

Travis O. Thompson, Chairperson

**Public Housing Assessment
System (PHAS) Management
Operations Certification**

**U.S. Department of Housing
and Urban Development**
Real Estate Assessment Center

OMB No. 2535-0106
(exp. 5/31/2011)

Public reporting burden for this collection of information is estimated to average 1.8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is collected to implement section 502 of the National Affordable Housing Act of 1990, as amended, which established specific indicators to assess the management performance of public housing agencies (PHAs) in all major areas of management operations. PHAs will complete the PHAS Certification form HUD-50072 and electronically submit it to HUD. If a PHA does not have this capability in-house, the PHA should consider utilizing local resources, such as the library or another local government entity that has Internet access. In the event local resources are not available, a PHA may go to the nearest HUD Public Housing program office and assistance will be given to the PHA to transmit this PHAS certification. The information is used by HUD as a component of PHAS to assess all major areas of PHA's management operations, designate PHAs as troubled and PHAs troubled with respect to the program for assistance from the Capital Fund under Section 9, enter into a Memorandum of Agreement (MOA) with troubled PHAs and PHAs troubled with respect to the program for assistance from the Capital Fund under Section 9, and report annually to Congress on the status of troubled PHAs and PHAs troubled with respect to the program for assistance from the Capital Fund under Section 9. This information is required for HUD to fulfill statutory requirements of the 1990 Act. The information collected does not lend itself to confidentiality.

Instructions: A PHA/AME's electronic responses to this certification must be the PHA/AME's actual data; e.g., prior to any adjustments to the indicators. Round percentages to the nearest two decimal points.

PHA/AME Name	For FY Ending	Submission Date
Hawaii Public Housing Authority	06/30/10	

Project name(s) if AME

The management functions for the following sub-indicator (s) have been assumed by an RMC, and the RMC certification will be completed and submitted to HUD (enter sub-indicator numbers or N/A):

Sub-Indicator #1: Vacant Unit Turnaround Time

V12400	Total number of turnaround days.	135184
V12500	Total number of vacancy days exempted for Capital Fund.	54204
V12600	Total number of vacancy days exempted for other reasons.	15032
V12700	Total number of vacant units turned around and lease in effect in the PHA's immediate past fiscal year.	577
V12800	Average number of calendar days units were in down time.	51.00
V12900	Average number of calendar days units were in make ready time.	39.00
V13000	Average number of calendar days units were in lease up time.	20.00
V13100	Average unit turnaround days.	114.29

Sub-Indicator #2: Capital Fund

CF10000	Do you have any open Capital Fund programs (e.g., CGP, Hope VI,) (Y/N)? Open = any program that does not have a pre-audit end date or that received a pre-audit end date during the fiscal year being assessed. Component #1 and #2 (please circle yes or no)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Component #1: Unexpended Funds Over Three Federal Fiscal Years (FFYs) Old

CF10050	Total funds authorized over 3 FFYs old that do not have a pre-audit end date or that received a pre-audit end date during the fiscal year being assessed.	\$ 0.00
CF10100	Total funds expended over 3 FFYs old that do not have a pre-audit end date or that received a pre-audit end date during the fiscal year being assessed.	\$ 0.00
CF10200	Unexpended funds to be recaptured.	\$ 0.00
CF10300	Unexpended funds approved by HUD over 3 FFYs old.	\$ 0.00
CF10400	Unexpended funds with time extensions due to reasons outside of PHA control.	\$ 0.00
CF10500	Adjusted total unexpended funds.	\$ 0.00

Component #2: Timeliness of Fund Obligation

CF11100	Total funds authorized for grants older than 2 FFYs old.	\$ 0.00
CF11200	Total funds obligated over 2 FFYs old.	\$ 0.00
CF11300	Unobligated funds approved by HUD over 2 FFYs old.	\$ 0.00
CF11400	Unobligated funds with time extensions due to reasons outside of PHA control.	\$ 0.00
CF11500	Adjusted total unobligated funds.	\$ 0.00

Component #3: Adequacy of Contract Administration

CF11700	The date of the last HUD/Army Corps of Engineers on-site inspection and/or audit related to contract administration (include A-133 Audit).	09/10/2002
CF11800	The number of findings related to contract administration.	1
CF11900	The number of findings related to contract administration that have been corrected by the PHA.	0
CF12000	The number of findings related to contract administration that the PHA is in the process of correcting.	1

Component #4: Quality of the Physical Work

CF12200	The date of the last HUD/Army Corps of Engineers on-site inspection related to the quality of physical work.	09/10/2002
CF12300	The number of findings related to the quality of physical work.	0
CF12400	The number of findings related to the quality of physical work that have been corrected by the PHA.	0
CF12500	The number of finding related to the quality of physical work that the PHA is in the process of correcting.	0

Component #5: Adequacy of Budget Controls

CF12700	Total amount of Capital Funds expended during the PHA fiscal year being assessed.	\$ 16,782,105.50
CF12800	The amount of Capital Funds expended on approved work items not subject to budget revisions during the PHA fiscal year being assessed.	\$ 16,782,105.50
CF12900	The amount of Capital Funds expended under budget revisions with prior HUD approval during the PHA fiscal year being assessed.	\$ 0.00
CF13000	The amount of Capital Funds expended under budget revisions not requiring prior HUD approval during the PHA fiscal year being assessed.	\$ 0.00

Sub-Indicator #3: Work Orders

Component #1: Emergency Work Orders

W10000	Total number of emergency work orders.	2809
W10100	Total number of emergency work orders completed / abated within 24 hours.	2640
W10200	Percentage of emergency work orders completed / abated within 24 hours.	93.98 %

Component #2: Non-Emergency Work Orders

W10500	Total number of non-emergency work orders.	32138
W10600	Total number of calendar days it took to complete non-emergency work orders.	588782
W10700	Average number of days PHA has reduced the time it takes to complete non-emergency work orders over the past three years.	7.41
W10800	Average completion days.	18.32

Sub-Indicator #4: Annual Inspection of Dwelling Units and Systems

Component #1: Annual Inspection of Dwelling Units

A10000	The total number of ACC units.	5371
A10100	The sum of units exempted where the PHA made two documented attempts to inspect and is enforcing the lease.	0
A10200	Vacant units exempted for Capital Fund.	217
A10300	Vacant units exempted for other reasons.	13
A10400	Total number of units inspected using the Uniform Physical Condition Standards (UPCS).	5138
A10550	Total number of units inspected that did not require repairs.	627
A10600	The number of units where necessary repairs were completed to comply with UPCS either during the inspection, issued work orders for the repairs, or referred the deficiency to the current year's or next year's Capital Fund program.	4511
A10700	Adjusted units available.	5141
A10800	Percent of units inspected by PHA.	99.94 %

Component #2: Annual Inspection of Systems including Common Areas and Non-Dwelling Space

A11100	Total number of projects.	68
A11200	Total number of projects exempted from the inspection of systems.	0
A11300	The total number of projects where all systems were inspected in accordance with the UPCS.	63
A11400	Total number of buildings.	886
A11500	Total number of buildings exempted from the inspection of systems.	0
A11600	The total number of buildings where all systems were inspected in accordance with the UPCS.	788
A11700	The number of buildings and projects where necessary repairs were completed to comply with the UPCS either during the inspection, issued work orders for the repairs, or referred the deficiency to the current year's or next year's Capital Funds program.	860
A11800	Percentage of projects inspected.	92.65 %
A11900	Percentage of buildings inspected.	88.94 %

Sub-Indicator #5: Security

Component#1: Tracking and Reporting Crime-Related Problems

S10000	The date that the Board adopted current policies to track crime and crime-related problems.	01/17/1997
S10100	The date that the PHA implemented the current procedures to track crime and crime-related problems.	11/15/2005
S10200	The date that the PHA implemented a current cooperative system for tracking and reporting crime to local police authorities.	07/01/2002
S10300	The number of crimes that the PHA can document it reported to local police authorities.	227
S10400	Percentage of developments where PHA can document it tracks crime and crime-related problems.	100 %

Component#2: Screening of Applicants

S10500	The date the Board adopted current screening policies that reflect the applicable criteria.	12/16/2004
S10600	The date the PHA implemented current screening procedures that reflect the applicable criteria.	12/16/2004
S10700	PHA can document that current screening procedures result in successfully denying admission to applicants who meet the applicable criteria. (Please circle yes or no)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
S10800	The total number of applicants denied who met the applicable criteria.	67

Component#3: Lease Enforcement

S10900	The date the Board adopted current eviction policies that reflect the applicable criteria.	12/16/2004
S11000	The date the PHA implemented current eviction procedures that reflect the applicable criteria.	12/16/2004
S11100	PHA can document that current eviction screening procedures resulted in the eviction of residents who meet the applicable criteria. (Please circle yes or no)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
S11200	The total number of evictions as a result of the applicable criteria.	19

Component#4: Drug Prevention and/or Crime Reduction Program Goals

S11350	The number of HUD-funded drug prevention and/or crime reduction programs.	0
S11450	The number of non HUD-funded drug prevention and/or crime reduction programs that the PHA requests to be assessed.	0
S11550	The number of documented program goals that are related to drug prevention and/ or crime reduction.	0
S11600	The number of goals the PHA can document it met under the implementation plan(s) for any and all of these programs.	0
S11700	Percentage of goals that the PHA can document it met under implementation plan(s) for any and all of these programs.	0 %

Sub-Indicator #6: Economic Self-Sufficiency

E10000	The number of HUD-funded economic self-sufficiency programs.	2
E10100	The number of non HUD-funded economic self-sufficiency programs that the PHA requests to be assessed.	0
E10200	The number of documented program goals that are related to economic self-sufficiency.	12
E10300	The number of goals the PHA can document it met under the implementation plan(s) for any and all of these programs.	12
E10400	Percentage of goals that the PHA can document it met under implementation plan(s) for any and all of these programs.	100.00 [%]

Adjustments for Physical Condition and/or Neighborhood Environment

Please enter project number and name and indicate which area the adjustment for Physical Condition and/or Neighborhood Environment applies for a project. (Check all that apply)

Project No.	Project Name	Site	Common Areas	Building Exteriors
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please attach additional sheets as necessary for additional projects.

I certify that, as of the submission date, the above sub-indicators, under Public Housing Assessment System indicator #3 Management Operations are true and accurate for the fiscal year indicated. I further certify that, to my present knowledge, there is no evidence to indicate seriously deficient performance that casts doubt on the PHA's capacity to present and protect its public housing developments and operate them in accordance with

Federal law and regulations. Appropriate sanctions for intentional false certification will be imposed, including suspension or debarment of the signatory.

A Board Resolution approving this certification is required. I further certify that Board Resolution number _____ approving this certification was passed on (mm/dd/yyyy) _____.

Executive Director (signature) X	Date (mm/dd/yyyy) X
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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

10 JUL 23 AIO :16

July 16, 2010

ASSISTANT SECRETARY FOR
PUBLIC AND INDIAN HOUSING

RECEIVED
HAWAII PUBLIC
HOUSING AUTHORITY

Ms. Barbara E. Arashiro
Acting Executive Director
Hawaii Public Housing Authority
1002 North School Street
Honolulu, HI 96817

Dear Ms. Arashiro:

The Office of Public and Indian Housing Real Estate Assessment Center has received the Public Housing Assessment System waiver request from the Hawaii Public Housing Authority (HI001), dated February 10, 2010. The Housing Authority (HA) is requesting a waiver of the Transition Year 2 management operations certification requirements under the Management Assessment Subsystem (MASS) for the fiscal year ending (FYE) June 30, 2009.

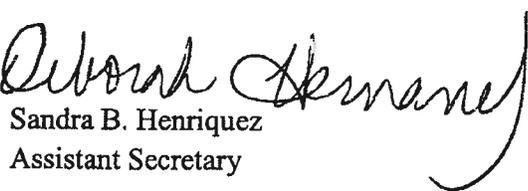
Public Housing Agencies that are converting to asset management, for which submission of the current management operations certification would impose an administrative hardship, may request a waiver for their management operations certification within 30 days from the Federal Register Notice (FR-5322-N-01), dated January 12, 2010.

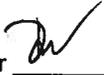
In accordance with the foregoing, the HA has requested a waiver and is working on the conversion to project-based budgeting, accounting and management. In addition, the HA has not had a chief financial management advisor or fiscal officer on board and has not incorporated financial data to its general ledger. The HA is suffering under a state imposed hiring freeze and a 2-day monthly furlough. Trying to gather and verify data needed for certification purposes would impose an administrative burden on the HA.

Pursuant to 24 CFR 5.110, I find that there is good cause to waive, and hereby waive, the management certification requirements contained in 24 CFR 902, Subpart D, for FYE June 30, 2009. The most recent management operations score of record will be carried over to the fiscal year being assessed.

Should you have any questions regarding this matter, please contact Johnson Abraham, Acting Program Manager, Integrated Assessment Subsystem, at (202)475-8583.

Sincerely,

for 
Sandra B. Henriquez
Assistant Secretary

Approved for the Executive Director 

May 5, 2011

FOR DISCUSSION

SUBJECT: Report of Department of the Attorney General regarding compliance issues related to the Annual Contributions Contract (ACC) and the Corrective Action Order dated September 10, 2002 (CAO) between the U.S. Department of Housing and Urban Development and HPHA

I. **FACTS**

A. The Attorney General's Office will be giving an oral report.

II. **DISCUSSION**

A. 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.

Prepared by: Taryn Chikamori, Secretary to the Board 