

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

**January 17, 2013
9:00 a.m.**

AGENDA

I. CALL TO ORDER/ROLL CALL

II. APPROVAL OF MINUTES

- A. Regular Meeting Minutes, December 20, 2012 (*Pages 1-6*)

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 Reappoint Mr. Melvin Kawahara to the HPHA's Hilo Eviction Board and Mr. Douglas Kaya to the HPHA's Oahu Eviction Board for a Two-Year Term Expiring on January 31, 2014 and March 31, 2014 Respectively (*Pages 7-12*)
- B. Motion: To Authorize the Executive Director to Execute the Choice Neighborhoods Initiatives (CNI) Planning Grant Agreement with the U.S. Department of Housing and Urban Development (HUD) and Any and All Future Documents Related to the CNI Planning Grant (*Pages 13-66*)
-
- C. Motion: To Approve the Timeline for the Hawaii Public Housing Authority's Five Year and Annual Plan; To Authorize the Executive Director to Hold Public Hearings on the Draft PHA Annual Plan for Fiscal Year 2013 – 2014 and Draft Amendments to the PHA 5-Year and Annual Plan for Fiscal Years 2009 – 2014; and To Authorize the Executive Director to Submit the Plan to the U.S. Department of Housing and Urban Development (HUD) (*Pages 67-68*)

V. REPORTS

- A. Executive Director's Report: **(Pages 69-134)**
- Approval of the HPHA's Request to HUD for Waiver of the Conflict of Interest with the ACC
 - Legislative Proposals for the 2013 Submitted to the Office of the Governor
 - Monthly Financial Report for the Period Ended December 2012
 - Request To Establish Finance Task Force to Review Single Audit Findings
 - Procurements and Contracts Executed During December 2012
 - Follow-Up Report on Board Inquiries from the December 2012 Board meeting
 - Updates and Report on Public Housing Occupancy, Rent Collection, Evictions, Maintenance Repairs, and Community Activities

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 135)*

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

- B. For Information: U.S. Department of Housing and Urban Development (HUD) Recovery Plan, Hawaii Public Housing Authority **(Pages 136-141)**

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.

**Pages 1 to 6
Intentionally Left Out
(Unapproved Minutes)**

FOR ACTION

MOTION: To Reappoint Mr. Melvin Kawahara to the HPHA's Hilo Eviction Board and Mr. Douglas Kaya to the HPHA's Oahu Eviction Board for a Two-Year Term Expiring on January 31, 2014 and March 31, 2014 Respectively

I. FACTS

- A. The Oahu and Neighbor Island Eviction Boards are composed of members of the community and are responsible for affording public housing tenants a full and fair due process hearing during lease termination proceedings.
- B. Pursuant to the Hawaii Revised Statutes (HRS) 356D, the Authority is authorized to appoint an eviction board in each county to hear cases referred for eviction. In accordance with HRS 356D, the Eviction Board shall consist of not fewer than three members, one of which shall be a resident of public housing.
- C. Having more than the minimum amount of members appointed to the Oahu and Neighbor Island Eviction Boards will allow the Hearings Office to process the requests for hearings in an efficient and timely manner, and avoid cancellation of hearings for lack of quorum.
- D. Attached is a list of the current eviction board members by county and term appointments.

II. DISCUSSION

- A. Mr. Kawahara is a resident of Hilo, Hawaii and a retired Social Worker. Mr. Kawahara previously worked for the Judiciary, State of Hawaii in the Adult Client Services Department and his experience continues to be a valuable asset to the Board. Mr. Kawahara has expressed a willingness to serve as a member of the Hilo Eviction Board for an additional two-year term.
- B. Mr. Kaya is a resident of Oahu, Hawaii and currently a professor of Speech at the Leeward Community College. He has served on the eviction board since 2005, is a valuable asset and has expressed a willingness to serve as a member of the Oahu Eviction Board for an additional two-year term.

III. RECOMMENDATION

That Mr. Kawahara be reappointed to the Hilo Eviction Board and Mr. Kaya be reappointed to the Oahu Eviction Board for an additional Two-Year term expiring on January 31, 2014 and March 31, 2014 respectively.

Attachments:

- A. List of Eviction Board Members and Term Appointments
- B. Resume for Melvin Kawahara
- C. Resume for Douglas Kaya

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

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

David Gierlach, Chairperson

Attachment A

**EVICTION BOARD MEMBERS
HAWAII PUBLIC HOUSING AUTHORITY
Initial Appointment/Current Expiration Dates**

Board Member	Initial Appointment Date	Current Expiration Date	Years Served as of July 2011
Oahu A:			
Douglas Kaya	03/17/05	03/31/13	6
Radiant Chase	01/25/02	07/31/13	8
Stanley Young	07/15/10	07/15/14	1
Jane Moana Gray*	06/21/07	06/30/13	4
Oahu B:			
Jane Moana Gray*	08/31/79	07/31/13	32
Earl Mente	12/19/97	07/31/13	14
Joyce Nakamura	02/20/98	07/31/13	14
Oahu C:			
Solomon Kuresa*	05/16/97	07/31/13	14
Sylvianne Young	12/19/97	07/31/13	14
Wayne Fujikane	05/10/05	07/31/13	6
Sylvia Wilmeth	11/18/10	11/31/14	2
Hilo:			
Jane Moana Gray**	06/21/07	06/30/13	4
James DeMello	01/22/98	07/31/13	13
Eleanor Garcia*	07/17/03	07/31/13	8
George DeMello*	09/20/07	07/31/13	4
Melvin Kawahara	01/15/09	01/31/13	2
Keith Biho	02/18/10	02/28/14	1
Kauai:			
Jane Moana Gray**	06/21/07	06/30/13	4
Gary Mackler	12/17/98	08/31/13	13
Ludvina Takahashi	06/14/01	08/31/13	10
Arde Long-Yamashita*	02/31/08	02/31/14	3
Kona:			
Jane Moana Gray**	06/21/07	06/30/13	4
Ross Oue	05/15/92	07/31/13	19
Arleila Andrade	09/15/10	09/31/14	2
Elaine Watai	05/09/11	05/31/14	1
Eleanor Sheridan*	08/16/12	08/31/14	New Member
Maui:			
Jane Moana Gray**	06/21/07	06/30/13	4
Mark Nishino	01/19/95	08/31/13	15
Robert G. Hill	03/01/08	02/28/14	3

* Resident Member

** Floating Resident Member (Attends hearing when quorum needed)

Revised 11/26/12

**Pages 10 to 12
Intentionally left Out
(Confidential Information)**

FOR ACTION

MOTION: To Authorize the Executive Director to Execute the Choice Neighborhoods Initiatives (CNI) Planning Grant Agreement with the U.S. Department of Housing and Urban Development and Any and All Future Documents Related to the CNI Planning Grant

I. FACTS

- A. In 2012, the Hawaii Public Housing Authority partnered with the Michaels Development Company (MDC) to apply for the U.S. Department of Housing and Urban Development's (HUD) Choice Neighborhoods Initiative (CNI) Planning Grant. The Michaels Development Company is considered the lead applicant, and HPHA is considered a co-applicant for this grant.
- B. The CNI Planning Grant is used by stakeholders interested in developing a comprehensive neighborhood revitalization plan for a selected neighborhood. HUD made approximately \$5 million available in FY2012 funds for CNI planning grants, anticipating the award of 17-20 grants of up to \$300,000 each.
- C. The purpose of the Choice Neighborhoods planning grant program is to support the development of a "Transformation Plan" that seeks to transform neighborhoods by revitalizing severely distressed public and/or assisted housing and leveraging other public and private assets.
- D. A CNI planning grant is required for the HPHA to apply for a CNI implementation grant in the future.

II. DISCUSSION

- A. The HPHA intends to utilize funds made available through this NOFA to support the development of a Transformation Plan for the neighborhood surrounding and including the Towers at Kuhio Park and Kuhio Homes in Kalihi-Palama.
- B. HPHA, EJP Consulting, and MDC, through partnerships with other public and private agencies, non-profit and for-profit organizations, and individuals, will utilize planning grant funds to leverage significant

neighborhood assets to revitalize the neighborhood through strategic, financially sustainable investments.

- C. The planning grant will be used to develop a Transformation Plan, which will then support the HPHA's future application for a Choice Neighborhoods Initiative Implementation Grant.
- D. On December 13, 2012, MDC was informed that Hawaii was selected as a grantee under the CNI planning grant. Attached are the related grant agreement documents that need to be executed by MDC and HPHA.
- E. Any future agreements related to the CNI planning grant will be submitted to the Department of the Attorney General for review and approval. Operational matters, such as quarterly reporting requirements, will not require AG review, but will be submitted to the Board of Directors as an update. The HPHA will engage specialized legal counsel from Reno & Cavanaugh as necessary.
- F. In addition to the grant agreement, the HPHA will need to submit to HUD a copy of its Standards of Conduct.

III. RECOMMENDATION

To Authorize the Executive Director to Execute the Choice Neighborhoods Initiatives (CNI) Planning Grant with the U.S. Department of Housing and Urban Development and Any and All Future Documents Related to the CNI Planning Grant

Attachment A: Transmittal of FY 2012 Choice Neighborhoods Planning Grant Agreement

Attachment B: Assistance Award/Amendment

Attachment C: FY 2012 Choice Neighborhoods Planning Grant Agreement

Attachment D: For-Profit Subgrantee and Contractor Certification and Assurances

Attachment E: Non-Profit Subgrantee Certification and Assurances

Prepared by: Barbara E. Arashiro, Executive Assistant



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

David Gierlach
Chairperson



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

OFFICE OF PUBLIC AND INDIAN HOUSING

DEC 18 2012

Ms. Ava Goldman
Senior Vice President
The Michaels Development Company I, L.P.
3 East Stow Road, Suite 100
Marlton, NJ 08053-3188

SUBJECT: Transmittal of FY2012 Choice Neighborhoods Planning Grant Agreement

Dear Ms. Goldman:

Once again, congratulations on your selection to receive a FY2012 Choice Neighborhoods Planning Grant funding award. Your proposal is one of the best that embodies the goals of the Choice Neighborhoods program and shows your capacity to create a Transformation Plan to transform your selected neighborhood. This letter transmits your FY2012 Choice Neighborhoods Planning Grant Agreement.

The Office of Public Housing Investments (OPHI) and the Office of Multifamily Housing (Multifamily) will jointly administer your grant. Your Team Coordinator will be your primary HUD contact person as you implement your Choice Neighborhoods grant and will be available to answer any questions you may have. By now, your Team Coordinator has contacted you. The main OPHI telephone number is (202) 401-8812 and the fax number is (202) 401-2370 (these are not toll-free numbers). OPHI is located at the following address:

U.S. Department of Housing and Urban Development
Office of Public Housing Investments
451 Seventh Street SW, Room 4130
Washington, DC 20410

The selection of your organization for a Choice Neighborhoods grant does not necessarily mean endorsement of each detail of the plan proposed in your application. The OPHI and Multifamily staff will be working with you in the coming months to ensure that your Transformation Plan is fully developed, maximally effective, and legally and financially sound.

Grant Agreement

Enclosed is one copy of your FY2012 Choice Neighborhoods Planning Grant Agreement. This document memorializes the agreements made between you and your Co-Applicant(s) (if any), as the Grantees, and HUD, and incorporates all documents relating to the grant, including the FY2012 Notice of Funding Availability (NOFA), your application, and all subsequent documents. Please do the following:

1. Obtain a Board Resolution authorizing the Lead Grantee's Executive Director/executive officer to sign all three HUD-1044s, Assistance Award/Amendment.
2. The Executive Director/executive officer of the Lead Grantee signs and dates each of the three HUD-1044 forms ("Award Assistance/Amendment") in block 19 of the form. The 1044 serves as the coversheet to the Grant Agreement.

3. The Executive Director/executive officer for both the Lead Grantee and any Co-Grantee(s) (if any) must sign the signature page in the Grant Agreement document (see Article XXII). The signatures of the Executive Director/executive officer of the Lead Grantee and the Executive Director/executive officer of any Co-Grantee(s) should be provided on the same signature page (not separate signature pages).
4. Return the signed Grant Agreement, including the 1044s, a copy of the Board Resolution, and a copy of the Lead Grantee's and any Co-Grantee's code(s) of conduct to Ms. Leigh van Rij, (202) 402-5788, at the address provided earlier in this letter by no later than **Thursday, January 31, 2013**.

Once the Grant Agreement, copy of the Board Resolution, and copy of the code(s) of conduct are received by HUD, the Assistant Secretary for Public and Indian Housing will sign and date the final signature block on the signature page of the Grant Agreement (Article XXII), which will be the effective date of the Grant Agreement. The original will be kept by the Department and an executed copy will be returned to you to keep in your records and administer accordingly.

Choice Neighborhoods Guidance

Your Choice Neighborhoods Team Coordinator will be your primary source of guidance and information about your Planning Grant. In addition, on the Choice Neighborhoods web site (www.hud.gov/cn) HUD will be posting information about accessing LOCCS and valuable information on mixed finance development, procurement, and other technical areas. I urge you to familiarize yourself with the website and take advantage of the information posted there.

Drawdown of Funds

Once your Grant Agreement has been executed, you may request HUD to approve the release of funds. This will be accomplished through the approval of your Choice Neighborhoods budget. In accordance with the Grant Agreement, eligible costs for reimbursement include those incurred between the written notification of grant award and execution of your Grant Agreement. The official written notification date of your grant award is October 11, 2012, the date of your award letter. While submission of a budget is not required until January 31, 2013, if you would like to draw down funds before that, you may submit your Budget and Program Schedule in advance of that deadline. You must use the Choice Neighborhoods Planning Grants Budget form, Parts I and II (the Budget form). Part II must include a detailed description of the uses of the funds.

Once you have completed your budget, sign and date it and submit it to your Team Coordinator for review. When the budget request is approved, your Team Coordinator will return a signed copy to you for your files and will have the approved funds spread in LOCCS. At that point, they will be available for drawdown.

Authorization in LOCCS

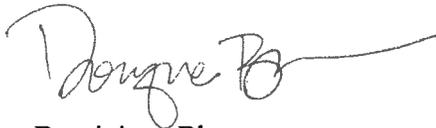
In order to access grant funds, at least two staff members must be authorized for Choice Neighborhoods in LOCCS, HUD's grant payment system. Banking information also must be submitted to HUD. If you are not familiar with LOCCS, please refer to "Grantee Financial Instructions" which is posted on the Choice Neighborhoods website and which provides detailed information about LOCCS access, banking information, and completion of the Choice Neighborhoods voucher.

Expenditure of FY2012 Choice Neighborhoods Funds

FY2012 Choice Neighborhoods grants are subject to the requirements established under 31 U.S.C. § 1552. In accordance with this statute, **all FY2012 funds must be expended by September 30, 2019. However, the Planning Grant Agreement term is two years and funds are expected to be fully expended shortly after the end of the Planning Grant term.** Any funds that are not expended will be cancelled and recaptured by the Treasury and thereafter will not be available for obligation or expenditure for any purpose. Given the statutory requirement, Grantees are asked to comply with their Program Schedule, developed in accordance with the time periods for implementation established in the Grant Agreement, and as approved by HUD.

Again, congratulations. Applications for this Choice Neighborhoods grant were extremely competitive, and you should be proud of your accomplishment. Please extend my congratulations to your entire team. We look forward to working jointly with you and your partners in carrying out the transformation of severely distressed public and assisted housing, and we thank you for your participation in the Choice Neighborhoods Initiative.

Sincerely,

A handwritten signature in black ink, appearing to read "Dominique Blom", with a long horizontal flourish extending to the right.

Dominique Blom
Deputy Assistant Secretary
Office of Public Housing Investments

Assistance Award/Amendment

**U.S. Department of Housing
and Urban Development**
Office of Administration

1. Assistance Instrument <input type="checkbox"/> Cooperative Agreement <input checked="" type="checkbox"/> Grant		2. Type of Action <input checked="" type="checkbox"/> Award <input type="checkbox"/> Amendment	
3. Instrument Number HI9C513C ^{NS} CG 112	4. Amendment Number	5. Effective Date of this Action	6. Control Number
7. Name and Address of Recipient The Michaels Development Company I, L.P. 3 East Stow Road, Suite 100 Marlton, NJ 08053-3188		8. HUD Administering Office Office of Public Housing Investments Public and Indian Housing	
10. Recipient Project Manager		8a. Name of Administrator Dominique Blom	8b. Telephone Number 202-401-8812
11. Assistance Arrangement <input checked="" type="checkbox"/> Cost Reimbursement <input type="checkbox"/> Cost Sharing <input type="checkbox"/> Fixed Price		12. Payment Method <input type="checkbox"/> Treasury Check Reimbursement <input type="checkbox"/> Advance Check <input checked="" type="checkbox"/> Automated Clearinghouse	
13. HUD Payment Office		9. HUD Government Technical Representative	
14. Assistance Amount		15. HUD Accounting and Appropriation Data	
Previous HUD Amount	\$	15a. Appropriation Number	15b. Reservation number
HUD Amount this action	\$300,000	Amount Previously Obligated	\$
Total HUD Amount	\$300,000	Obligation by this action	\$300,000
Recipient Amount	\$	Total Obligation	\$300,000
Total Instrument Amount	\$300,000		

16. Description

FY 2012 Choice Neighborhoods Planning Grant

Public and/or Assisted Housing Site(s): KPT lowrises and Kuhio Homes

Neighborhood: Kuhio Park

Located In: Honolulu, HI

17. <input checked="" type="checkbox"/> Recipient is required to sign and return three (3) copies of this document to the HUD Administering Office		18. <input type="checkbox"/> Recipient is not required to sign this document.	
19. Recipient (By Name) John O'Donnell		20. HUD (By Name) Sandra B. Henriquez	
Signature & Title Executive Vice President	Date (mm/dd/yyyy)	Signature & Title Assistant Secretary	Date (mm/dd/yyyy) 11/05/2012

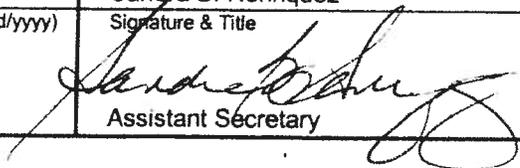
form HUD-1644 (8/90)
ref. Handbook 2210.17

Assistance Award/Amendment

**U.S. Department of Housing
and Urban Development
Office of Administration**

1. Assistance Instrument <input type="checkbox"/> Cooperative Agreement <input checked="" type="checkbox"/> Grant		2. Type of Action <input checked="" type="checkbox"/> Award <input type="checkbox"/> Amendment	
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12. Payment Method <input type="checkbox"/> Treasury Check Reimbursement <input type="checkbox"/> Advance Check <input checked="" type="checkbox"/> Automated Clearinghouse		13. HUD Payment Office	
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HUD Amount this action	\$300,000	Amount Previously Obligated	\$
Total HUD Amount	\$300,000	Obligation by this action	\$300,000
Recipient Amount	\$	Total Obligation	\$300,000
Total Instrument Amount	\$300,000		

16. Description
FY 2012 Choice Neighborhoods Planning Grant
Public and/or Assisted Housing Site(s): KPT lowrises and Kuhio Homes
Neighborhood: Kuhio Park
Located In: Honolulu, HI

17. <input checked="" type="checkbox"/> Recipient is required to sign and return three (3) copies of this document to the HUD Administering Office		18. <input type="checkbox"/> Recipient is not required to sign this document.	
19. Recipient (By Name) John O'Donnell		20. HUD (By Name) Sandra B. Henriquez	
Signature & Title	Date (mm/dd/yyyy)	Signature & Title	Date (mm/dd/yyyy)
Executive Vice President		 Assistant Secretary	11/05/2012

Assistance Award/Amendment

**U.S. Department of Housing
and Urban Development
Office of Administration**

1. Assistance Instrument <input type="checkbox"/> Cooperative Agreement <input checked="" type="checkbox"/> Grant		2. Type of Action <input checked="" type="checkbox"/> Award <input type="checkbox"/> Amendment	
3. Instrument Number HI9C513C06112 f	4. Amendment Number	5. Effective Date of this Action	6. Control Number
7. Name and Address of Recipient The Michaels Development Company I, L.P. 3 East Stow Road, Suite 100 Marlton, NJ 08053-3188		8. HUD Administering Office Office of Public Housing Investments Public and Indian Housing	
10. Recipient Project Manager		8a. Name of Administrator Dominique Blom	8b. Telephone Number 202-401-8812
11. Assistance Arrangement <input checked="" type="checkbox"/> Cost Reimbursement <input type="checkbox"/> Cost Sharing <input type="checkbox"/> Fixed Price		12. Payment Method <input type="checkbox"/> Treasury Check Reimbursement <input type="checkbox"/> Advance Check <input checked="" type="checkbox"/> Automated Clearinghouse	
14. Assistance Amount		13. HUD Payment Office	
15. HUD Accounting and Appropriation Data		9. HUD Government Technical Representative	
Previous HUD Amount \$		15a. Appropriation Number	
HUD Amount this action \$300,000		15b. Reservation number	
Total HUD Amount \$300,000		Amount Previously Obligated \$	
Recipient Amount \$		Obligation by this action \$300,000	
Total Instrument Amount \$300,000		Total Obligation \$300,000	

16. Description
FY 2012 Choice Neighborhoods Planning Grant
Public and/or Assisted Housing Site(s): KPT lowrises and Kuhio Homes
Neighborhood: Kuhio Park
Located In: Honolulu, HI

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19. Recipient (By Name) John O'Donnell		20. HUD (By Name) Sandra B. Henriquez	
Signature & Title	Date (mm/dd/yyyy)	Signature & Title	Date (mm/dd/yyyy)
Executive Vice President		Assistant Secretary	11/05/2012

FY2012 Choice Neighborhoods Planning Grant Agreement

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**FY2012 Choice Neighborhoods
PLANNING GRANT AGREEMENT**

This grant agreement (“Grant Agreement”) is made by and between the United States Department of Housing and Urban Development (“HUD”) and the Lead and Co-Applicant(s) (“Grantee”). The Grantee received a Choice Neighborhoods Planning Grant from fiscal year 2012 funds, for the creation of a Transformation Plan that is the subject of this Grant Agreement (“Transformation Plan”) and that is identified on the fund obligation document (Form HUD-1044).

While the Planning Grant is awarded to the Grantee, only the Lead Applicant identified in the Grantee’s Choice Neighborhoods Application (“Lead Grantee”) will have access to draw down funds in LOCCS. HUD agrees, subject to the terms of this Grant Agreement, to provide grant funds to the Lead Grantee, in the total amount listed on the 1044, for the activities described in the Transformation Plan as defined in Article III.

The assistance that is the subject of this Grant Agreement is authorized by, and required to be used in accordance with, Section 24 of the U.S. Housing Act of 1937, the Consolidated and Further Continuing Appropriations Act, 2012 (Public Law 112-55, 125 Stat. 552, approved November 18, 2011) (“2012 HUD Appropriations Act”), (collectively the “Choice Neighborhoods Authorization”). The 2012 HUD Appropriations Act appropriates \$120 million for the Choice Neighborhoods program.

The form HUD-1044 and the Exhibits are incorporated into and subject to the terms of this Grant Agreement.

HUD and the Grantee hereby agree to be bound by the following terms and conditions of this Grant Agreement:

ARTICLE I. Choice Neighborhoods Requirements

The Grantee agrees to conduct all activities to be assisted with funds provided under this Grant Agreement in accordance with the following requirements, as such requirements now exist or as they may hereafter be amended (hereafter collectively referred to as the “Choice Neighborhoods Requirements”):

- (A) the U.S. Housing Act of 1937 (the “1937 Act”) as applicable, including the HOPE VI Authorization, and all implementing regulations;
- (B) the 2012 HUD Appropriations Act, (Public Law 112-55, 125 Stat. 552, approved November, 18, 2011);
- (C) the Fiscal Year (FY) 2012 NOFA for the Choice Neighborhoods Initiative Planning Grants published via Grants.gov on February 29, 2012 (the “Choice Neighborhoods NOFA”) and NOFA Policy Requirements and General Section (“General Section”) to HUD’s FY2012 NOFAs for Discretionary Programs, published via www.grants.gov on September 19, 2011 incorporated therein.
- (D) 31 U.S.C. § 1552. In accordance with this statute, all FY2012 Choice Neighborhoods funds must be expended by September 30, 2019. Any funds that are not expended by that date will be cancelled and recaptured by the Treasury, and thereafter will not be available for obligation or expenditure for any purpose. **However, in accordance with the Choice Neighborhoods NOFA, the term of a Planning Grant is two years and all funds should be expended shortly after the end of the Planning Grant term.**
- (E) In accordance with section 24(e)(2)(D) of the 1937 Act, Grantees must involve affected residents of the targeted public and/or assisted housing at the beginning and during the planning process. Grantees are required to involve the affected public and/or assisted housing residents in the planning process and implementation of your Transformation Plan. This involvement must be continuous from the beginning of the planning process through the implementation and management of the grant. In addition to the statutory requirement, unless HUD indicates otherwise in writing, Grantees will be expected to undertake resident and community involvement in a manner and method at least as comprehensive as that described in your grant application.
- (F) all executive orders applicable to the activities being conducted with funds provided under this Grant Agreement;
- (G) the terms and requirements of this Grant Agreement, and any amendments or addenda thereto;
- (H) all other applicable Federal requirements, including, without limitation, those set forth in Appendix A; and

- (I) all regulations, handbooks, notices, and policies applicable to the activities being conducted with funds provided under this Grant Agreement;

ARTICLE II. Program Overview

- (A) **Goals of the Choice Neighborhoods Program.** The Choice Neighborhoods Program employs a comprehensive approach to neighborhood transformation. The program will transform neighborhoods of concentrated poverty into mixed-income neighborhoods of long-term viability by revitalizing severely distressed public and/or assisted housing; improving access to economic opportunities; and investing and leveraging investments in well-functioning services, effective schools and education programs, public assets, public transportation, and improved access to jobs. Choice Neighborhoods will ensure that current residents benefit from this transformation by preserving affordable housing in the neighborhood or providing the choice to move to affordable housing in another neighborhood of opportunity. The purpose of this grant is to create a Transformation Plan that furthers the goals of the Choice Neighborhoods Program. The core goals of Choice Neighborhoods are:

- 1. Housing:** Transform distressed public and assisted housing into energy efficient, mixed-income housing that is physically and financially viable over the long-term;
- 2. People:** Support positive outcomes for families who live in the target development(s) and the surrounding neighborhood, particularly outcomes related to residents' health, safety, employment, mobility, and education; and
- 3. Neighborhood:** Transform neighborhoods of poverty into viable, mixed-income and sustainable neighborhoods with access to well-functioning services, high quality public schools and education programs, high quality early learning programs and services, public assets, public transportation, and improved access to jobs.

- (B) **Expected Results of Coordinated Efforts.**

- (1) Developmental assets that allow residents to attain the skills needed to be successful in all aspects of daily life (educational institutions, early learning centers and health resources);
- (2) Commercial assets associated with production, employment, transactions, and sales (e.g. labor force and retail establishments);
- (3) Recreational assets that create value in a neighborhood beyond work and education (e.g. parks, open space, arts organizations, restaurants, movie theatres, and athletics);

- (4) Physical assets that are associated with the built environment and physical infrastructure (e.g. housing, commercial buildings, roads, sidewalks and bike path); and
- (5) Social assets that establish well-functioning social interactions (e.g. public safety and community engagement).

ARTICLE III. Choice Neighborhoods Transformation Plan

- (A) **General.** The Grantee's Choice Neighborhoods Transformation Plan ("Transformation Plan") consists of a document or documents reviewed and accepted by HUD to govern the transformation of the neighborhood. The Transformation Plan should integrate effective strategies to implement public and/or assisted housing revitalization, the coordination and design of supportive services, including educational opportunities for children, and neighborhood-level planning to improve a range of neighborhood assets. The Transformation Plan should be created as part of a collaborative planning process that involves neighborhood stakeholders and local governmental entities.

The Transformation Plan should translate the three core goals of Choice Neighborhoods – Housing, People and Neighborhood – into a strategy that will direct investments, demonstrate the commitment among a range of public and private partners to address interdependent neighborhood challenges, utilize data to set and monitor progress toward implementation goals, and engage community stakeholders and residents in meaningful decision-making roles.

- (B) **Schedule and Budget.** In preparation for creating a Transformation Plan, Grantees must submit the following to HUD:
 - (1) a Program Schedule identifying tasks and milestones by date;
 - (2) a Choice Neighborhoods Planning Budget, as described in Article IX; and
 - (3) any other information or documentation that is not otherwise required under the Choice Neighborhoods NOFA or this Grant Agreement but that is requested by HUD to supplement or refine information provided in the Choice Neighborhoods Application or to meet any terms or conditions of the Grant Agreement.
- (C) **Time Periods for Implementation.** The Grantee agrees to create its Transformation Plan in accordance with the approved Program Schedule, including but not limited to the following time periods:
 - (1) In accordance with the Choice Neighborhoods NOFA as incorporated by Article I(C) above.

- (2) All items identified in paragraph (B) of this Article must be submitted to HUD by January 31st, 2013. HUD reserves the right to require Grantee to make edits to these items to put them in a form and substance acceptable to HUD.
 - (3) The Grantee must complete planning and deliver their final Transformation Plan to HUD within 24 months from the Grant Award Date.
 - (4) All other required information or submissions as requested by HUD pursuant to paragraph (B)(3) of this Article must be submitted in accordance with the Quarterly Report as described in Article XV, in a form and substance acceptable to HUD.
- (D) Time Extensions. All requests for extensions of the time periods for implementation listed in paragraph (C)(1)-(4) of this Article must be requested by the Grantee in advance of the deadline date. All requests for extensions must be made in writing, and will be reviewed and approved or disapproved by the Deputy Assistant Secretary for the Office of Multifamily Housing Programs, the Assistant Secretary of Public and Indian Housing, and/or the Deputy Assistant Secretary for the Office of Public Housing Investments as applicable.

ARTICLE IV. Transformation Plan Requirements

- (A) Activities under this Grant Agreement include tasks necessary to develop a Transformation Plan, align investments with this plan, and develop the relevant planning and evaluation capacity of the Grantee and its partners. Eligible activities for the Planning Grant include:
- (1) Conduct comprehensive needs assessments to inform the development of the Transformation Plan by 12 months after the Grant Award Date. The needs assessments should include:
 - (a) Current patterns of disinvestment with the neighborhood, including vacant/abandoned homes and businesses, the quality of the existing housing stock, foreclosures, and current home values and rents. Discuss other subsidized housing (for example Housing Choice Vouchers, LIHTC units, local affordable housing units, etc.) in the neighborhood not part of the target public and/or assisted housing project(s), the current mix of incomes, and any long-term economic drivers for continued disinvestment that may be expected to continue, absent a publicly funded intervention;
 - (b) The neighborhood's access to key assets, such as quality grocery stores, banks, health clinics and doctors' offices, local schools,

child care facilities, parks and recreational facilities, and public transit. Identify key neighborhood anchor institutions, such as major employers, universities, or hospitals that can reliably be expected to continue to provide significant economic activity;

- (c) Relevant developmental, commercial, recreational, physical and social assets in the target neighborhood as these assets relate to opportunities for resident education, employment, health, mobility and safety; and
 - (d) Challenges and gaps in neighborhood services and assets.
 - (e) A household-level needs assessment for public and/or assisted housing residents living in the target development(s) to better design solutions for the children and families of HUD housing.
- (2) Address the challenges and gaps in services and assets identified through the needs assessments in the Transformation Plan.
- (a) Housing. Adopt effective strategies to achieve the Housing goal. Such activities include but are not limited to:
 - 1. Studies of the different options for revitalization, including the feasibility, costs and neighborhood impact of such options;
 - 2. Assessment of the need for affordable housing;
 - 3. Market study to assess the feasibility of market rate rental and homeownership housing.
 - 4. Site planning and conceptual architectural design work;
 - 5. Designing a suitable replacement housing plan, in situations where partial or total demolition is considered (Owners of projects subject to a project-based section 8 HAP contract may, to the extent that their proposal involves the preservation of the HAP contract, request that the Secretary either (1) exercise the discretion that he has for the remainder of fiscal year 2012 under section 212(a) of the 2012 HUD Appropriations Act to authorize the transfer of some or all project-based assistance associated with one or more multifamily housing project to another multifamily housing project or projects. The Secretary may exercise this discretion, however, only to the extent that HUD determines that all conditions enumerated in section

212(c) are satisfied. To the extent that Congress enacts any authority of this nature for future fiscal years, the Secretary may act only in accordance with the terms of any such enactment, or (2) split the HAP contract before it terminates, terminate one of the resulting contracts, and, under section 8(bb)(1) of the 1937 Act, transfer the budget authority remaining on the terminated contract to another contract, whether an existing HAP contract or a new HAP contract that the Secretary agrees to put in place. Any exercise of such discretion, however, will be subject to terms and conditions as prescribed by the Secretary. These terms include a requirement, among others, that the contract to which budget authority is transferred be in the same locale as the contract that HUD agreed to split.);

6. Designing a suitable mobility strategy and relocation assistance;
 7. Conducting environmental or geotechnical studies to assess the suitability of a site for developmental activities; and
 8. Developing a viable financing plan to implement the Housing plan.
- (b) People. Adopt effective strategies to achieve the People goal. Such activities include but are not limited to:
1. Planning for supportive services, particularly education, asset building, job training and self-sufficiency activities that promote the educational attainment and economic self-sufficiency of the neighborhood residents, including original residents of the targeted public and/or assisted housing;
 2. Planning for improving access to high quality education programs and improved academic and developmental outcomes for children in the neighborhood along the continuum of cradle-through-college-to-career solutions, including:
 - a. High quality early learning programs and services that are comprehensive, inclusive, evidence-based and that result in significantly improved outcomes in physical well-being and motor development, social-emotional development, language and

literacy development, and cognition and general knowledge, including early numeracy for children.

- b. High quality education programs, which may include: (A) evidence-based programs that increase learning time which may include high quality after-school, summer school, and other expanded learning-time programs designed to improve student outcomes and (B) evidence-based programs that prepare student for college and career success.
 - c. School improvements, which may include (A) significant improvements to the programs, policies and personnel of an elementary, middle/junior high and/or high school that are linked to improved academic outcomes or (B) establishing a new high-quality school. While planning for new schools is an eligible use of Planning Grant funds, no Choice Neighborhoods grant funds may be used to construct or rehabilitate schools or universities.
- 3. Developing a viable financing plan to implement the People plan.
 - 4. Planning for the health of residents of the neighborhood.
 - 5. Planning for safety precautions and infrastructure needed to support the neighborhood and allow for sustainability.
 - 6. Engaging residents and building resident and neighborhood capacity within the first 12 months of grant award date by completing one or more of the following: resident leadership training on transformation planning or a similar topic, participation by more than one resident on primary leadership group and other work groups.
- (c) Neighborhood. Adopt effective strategies to achieve the Neighborhood goal. Such activities include but are not limited to:
- 1. Planning for neighborhood-level improvements across a range of neighborhood assets;
 - 2. Aligning with existing planning processes and activities in the local jurisdiction and/or metropolitan area or county/parish;

3. Planning for neighborhood economic development activities; and
 4. Developing a viable financing plan to implement the Neighborhood plan.
- (3) Conduct technical planning studies concerning local development issues, priorities, or suggested appropriate approaches in the context of the local housing market relative to other alternatives. This could include new approaches to housing, economic development, capital improvement programming or community relations. However, any such studies should directly further the integration of strategies to develop a comprehensive neighborhood-level Transformation Plan.
- (4) Work with public and private agencies, organizations (including philanthropic organizations) and individuals to develop the Transformation Plan and secure commitments to collaborate long-term to ensure it will be implemented successfully, gather and leverage resources needed to support the financial sustainability of the Transformation Plan, and identify strategies for building upon and leveraging existing neighborhood efforts and anticipated Federal, state, regional and local investments.
- (5) Ensure meaningful resident and neighborhood participation throughout the development of the Transformation Plan, including but not limited to public hearings, meetings, websites, forums, charrettes, and other communication that will provide all aspects of the policy and development plans and alternative options to neighborhood residents in sufficient time for them to review, react, and make informed decisions on how proposed plans and policies will impact their daily lives. Activities should prioritize ways to engage communities traditionally marginalized from planning processes, such as low-income individuals and families, limited English speakers, persons with disabilities, and the elderly.
- (a) Over the course of these meetings, the issues listed below must have been identified (i.e., all issues need not be addressed at each meeting):
1. The Choice Neighborhoods planning process;
 2. The proposed physical plan, including the extent of proposed demolition or rehabilitation of existing structures, and if applicable, proposed site design;
 3. Planned supportive service activities;

4. Other proposed transformation activities;
 5. Relocation issues, such as relocation planning, mobility counseling and relocation benefits; and
 6. Reoccupancy plans and policies.
- (b) For assistance in ensuring meaningful access for persons with limited English proficiency, Grantees may consult HUD's Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (HUD's LEP Guidance) published in the Federal Register on January 22, 2007 (72 Fed. Reg. 2732). Additional information is also available at www.hud.gov/fheo/promotingfh/lep.cfm. Pursuant to Section 508 of the Rehabilitation Act, recipients must employ accessible means of technology to ensure that persons with disabilities can access information on the planning process, plans, and other information.
- (6) Plan for the collection and strategic use of relevant data by identifying data to track future community impacts once the Transformation Plan is implemented by employing statistical and qualitative analysis of specific metrics (see Summary section B) developed in partnership with the appropriate local, state, regional and federal agencies/organizations.
 - (7) Strengthen management and decision-making capacities of participating organizations to create a comprehensive and integrated Transformation Plan.
 - (8) Identify and secure the involvement of effective practices and actors based on the best available evidence. Such activities may include conducting site visits, research, or participating in a community of practice, which is a group of grantees that agrees to interact regularly to solve a persistent problem or improve practice in an area that is important to them and the success of their project, through enabling grantees to meet, discuss and collaborate with each other regarding grantee projects.
 - (9) Leveraging other resources, including housing resources, supportive services, job creation, and other economic development uses on or near the project that will benefit future residents of the site.
 - (10) Reasonable costs for administration, planning, technical assistance, and fees and costs, as established by the HUD Choice Neighborhoods Planning Grant Budget Guidance are eligible uses of Planning Grant funds. These costs are limited to the costs of creating the Transformation

Plan, as specifically approved by HUD, such as fees for architectural and engineering work.

ARTICLE V. Program Requirements

- (A) **Program Requirements.** In developing the Transformation Plan, Grantees should evaluate and incorporate the general requirements contained in Section III.C.3 of the Choice Neighborhoods NOFA as they are applicable to their Transformation Plan. However, the following requirements of Section III.C.3 apply specifically to this Planning Grant Agreement:
- (1) **Compliance with Fair Housing Act, Title VI of the Civil Rights Act of 1964, and Section 504 of the Rehabilitation Act of 1973.** The Grantee must comply with the Fair Housing Act and Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and implementing regulations in determining the location of any replacement housing.
 - (2) **Housing Choice Opportunities for Returning Tenants.** An approved Transformation Plan shall demonstrate the following:
 - (a) that each public and/or assisted housing tenant who wishes to return to the on-site or off-site replacement housing may return if the tenant was lease-compliant at the time of departure from the housing prior to relocation and continued to remain lease-compliant during the relocation period. A returning tenant shall be provided a preference for occupancy of on-site or off-site replacement units before such units are made available to any other eligible households, or the tenant may choose to retain tenant-based voucher assistance provided under section 8(o) of the United States Housing Act of 1937 for relocation from the properties revitalized under this Choice Neighborhoods NOFA.
 - (b) that (1) the owner of a project subject to a project-based section 8 HAP contract (Owner) will secure temporary replacement housing for displaced families; (2) the Owner will ensure that the temporary housing is available for the entire duration of the displacement period; and (3) the housing meets the requirements of 24 C.F.R. Part 5, Subpart G (“Physical Condition Standards and Inspection Requirements”) and 24 C.F.R. Part 200 Subpart P (“Physical Condition of Multifamily Properties”) at the beginning of and throughout the displacement period. To satisfy this requirement, Owners are encouraged to adopt the model and the related procedures in Housing Handbook 4350.1 REV-1 CHG-2, Chapter 38 (“Multifamily Emergency/Disaster Guidance”), section 38-32 C (“Section 8 Pass Through”) for the temporary relocation of section 8-assisted families necessitated by a natural disaster or

other emergency. Based on this model and the related procedures, the Owner is authorized to enter into a temporary lease for a unit in the same locale that meets the foregoing regulatory requirements on behalf of a displaced section 8-assisted family. During this period, the Owner may voucher for the contract rent for that unit on a temporary basis. The Owner pays no more than the contract rent on the temporary dwelling until the resident's permanent rental unit has been restored to habitable condition and the Owner notifies the resident that they may resume occupancy of their former unit. The resident is still responsible for the resident's share of the rent. Should the displaced resident fail to return, the Owner may rent the repaired unit to an eligible section 8 applicant. Before doing so, however, the Owner must inform the resident in writing that their assistance is terminated. In the event that the Owner rents the unit to an eligible section 8 applicant, the Owner must first terminate the "pass through" lease that the Owner executed on behalf of the displaced resident. In addition, should the temporarily displaced resident move from the temporarily leased unit before their permanent rental unit is repaired and made available for their return, the Owner can no longer voucher for the temporary unit and the resident is considered permanently housed. (See Housing Handbook 4350.1 REV-1 CHG-2, Chapter 38 ("Multifamily Emergency/Disaster Guidance"), section 38-32 C ("Section 8 Pass Through")).

These preferences are retained even if the resident has already received permanent relocation benefits. This preference remains available until the initial lease-up of the new units.

- (3) **One-for-One Replacement of Public and/or Assisted Housing Units.** Grantees are expected to devise a Transformation Plan that provides for replacing any public and/or assisted dwelling units that will be demolished or disposed on a one-for-one basis. The Transformation Plan will be subject to the replacement requirements of any implementation funding received. The following are guidelines of HUD's current policy:
 - (a) **Number of Units.** For one hundred percent of all such dwelling units in existence, as of the date the application for the grant is submitted, that are to be demolished or disposed, the Transformation Plan must provide for replacement of the dwelling unit;
 - (b) **Number of Bedrooms.** Replacement housing for demolished or disposed properties shall reflect the number of bedrooms per unit that are needed to adequately serve returning tenants, households currently on the waiting list and that are needed based on other

market data, except that in instances where the tenants of the original properties need a different number of bedrooms than households on the waiting list, the plan may enable displaced tenants to exercise their opportunity under program requirement, "Housing Choice Opportunities for Returning Tenants," in section III.C.3.c of the FY2012 Choice Neighborhoods NOFA using a tenant-based voucher in the original neighborhood or other neighborhood of the tenants' choice.

(c) Location.

1. Replacement housing units shall be developed:
 - a. on-site and/or in the target neighborhood being revitalized; and
 - b. within the metropolitan area up to 25 miles from the original project site, as necessary to:
 - (i) comply with fair housing requirements;
 - (ii) deconcentrate poverty; or
 - (iii) redevelop onsite with appropriate densities.
2. Replacement housing outside the target neighborhood must offer access to economic opportunities and public transportation and be accessible to social, recreational, educational, commercial, health facilities and services, and other municipal services and facilities that are comparable to those that will be provided in the target neighborhood.
3. Replacement housing outside the target neighborhood shall be located neither in areas of minority concentration nor in areas with a poverty rate above 40 percent. A neighborhood of minority concentration is a Census tract or other defined geographic area in which the percentage of residents who are racial or ethnic minorities is at least 20 percentage points higher than the percentage of minority residents in the MSA (or jurisdiction not in a MSA) as a whole.

- (d) Types of Units. Replacement housing includes housing assisted under sections 8 or 9 of the United States Housing Act of 1937 (42 U.S.C. 1437f and 42 U.S.C 1437g) (excluding tenant-based vouchers, except as described below), section 202 of Housing Act

of 1959 (12 U.S.C. 1701q), and section 811 of the National Affordable Housing Act of 1990 (42 U.S.C 8013). To satisfy the one-for-one replacement requirement, the replacement unit must not have been receiving assistance, prior to submitting the application, under the sections listed above in this paragraph. For example, you cannot acquire a section 202 property that is nearby the public or assisted housing site targeted in the application for the purposes of deeming that replacement housing.

(e) **Tenant-based Vouchers as Replacement Housing.** The following is an exception to the hard-unit one-for-one replacement criteria described above. HUD must provide written approval to grant this exception. A grantee may replace up to half of the public housing and/or assisted housing dwelling units that are demolished or disposed of under the Transformation Plan with tenant-based vouchers in housing markets where there is an adequate supply of affordable rental housing in areas of low poverty. Please note that this exception does not supersede an entity's obligation to comply with other one-for-one replacement requirements associated with other funding sources (e.g. Section 104(d) of the Housing and Community Development Act).

1. To be granted this exception to the hard-unit one-for-one replacement criteria, the area of the Choice Neighborhoods development must meet all three of the following criteria:

a. Be located in a county/parish with a currently and historically soft rental housing market for low-income renters. HUD has defined these areas as those where the county/parish rental vacancy rates for units affordable to low-income households were greater than 7.3 percent in 2000 and greater than 8.7 percent in 2005-2009.

b. Be located in a Core Based Statistical Area (CBSA) or non-CBSA County/Parish where vouchers currently in use are primarily in lower poverty neighborhoods. Data from PIC shows the location of current housing choice voucher holders in the CBSA (or county/parish outside of CBSA). To qualify on this standard, the median neighborhood poverty rate for a voucher holder in the CBSA (or county/parish outside of a CBSA) must be 20 percent or less. In other words, at least 50 percent of voucher holders must be in neighborhoods with 20 percent poverty rate or less. A Grantee may request that this standard only be applied for the

entity proposed to operate the voucher program as opposed to all entities in the CBSA.

- c. High voucher success rate. The Grantee will be required to provide data to HUD that shows that the entity that would administer the replacement vouchers has a success rate of 80 percent or higher. That is, a minimum of 80 percent of households issued vouchers are successful at leasing units within 120 days. To meet this requirement you will need to provide a file to HUD from an entity that shows all vouchers issued in the prior 18 months and the outcome associated with that issuance. In addition, you will need to provide a narrative (preferably with data if available) on success rates for the population comparable to the current population of the Choice Neighborhoods target development. For example, if the proposed Choice Neighborhoods development has 10 percent of its households as families with 5 or more people, 40 percent as families with 2 to 4 people, 30 percent non-elderly disabled, and 20 percent elderly, the Grantee would need to discuss relative success rates for each of these groups in their one-for-one waiver application.

ARTICLE VI. Deliverables

- (A) The Grantee should submit draft documents to HUD during the term of the Planning Grant. HUD may provide comments and guidance on these draft documents, which the Grantee should use in drafting the Transformation Plan. The documents that are required are:
 - (1) Outline with Content. The Grantee should provide an update to HUD showing at a minimum the outline with some of the content that will be in the Transformation Plan no later than 12 months after the Grant Award Date.
 - (2) Draft Transformation Plan. The Grantee should submit a draft Transformation Plan to HUD no later than 18 months after the Grant Award Date.
 - (3) Final Draft Transformation Plan. The Grantee should submit a final draft of the Transformation Plan to HUD no later than 21 months after the Grant Award Date.

- (4) Transformation Plan. The Grantee should submit a final Transformation Plan to HUD no later than 24 months after the Grant Award Date.

ARTICLE VII. Changes to the Grantee's Plan

- (A) Changes Requiring Prior HUD Approval. If the following activities in the application are to be modified or amended, the Grantee must request and obtain prior written HUD approval:
 - (1) Program Schedule. The Grantee must inform HUD immediately, in writing, of any problems, delays or adverse conditions that will impair materially the Grantee's ability to comply with the Program Schedule, and include a statement of action taken, or proposed to be taken, and any assistance needed to resolve the situation. HUD must approve any proposed changes to the Program Schedule that would modify any date or time period.
 - (2) changes in any Budget Line Item (BLI) in LOCCS and changes in any sub-BLI that are greater than 10% of the original of the Choice Neighborhoods Budget;
 - (3) an extension of the period of availability of the Choice Neighborhoods Grant funds provided under this Grant Agreement, not to go beyond the statutory timeframes;
 - (4) any material changes to the contract between the Grantee and the Planning Coordinator; and
 - (5) any loss or replacement of committed funds which were identified for purposes of rating and ranking the leverage section of the grant.

ARTICLE VIII. Waiver Requests

- (A) Standard for Approval. The activities to be conducted under this Grant Agreement are subject to the terms of this Grant Agreement and the Choice Neighborhoods Requirements. Nevertheless, HUD seeks innovative solutions under Choice Neighborhoods to the long-standing problems associated with neighborhoods of concentrated poverty and severely distressed public and assisted housing, and will consider granting a waiver of specific HUD regulatory requirements, provided that:
 - (1) such a waiver would be consistent with applicable statutory requirements; and

- (2) the Grantee is able to demonstrate good cause to support HUD's granting of such a waiver.
- (B) Waiver Request Procedure. If the Grantee wants HUD to approve a waiver of a HUD regulatory requirement, it must submit a written request with sufficient information and justification to enable HUD to make a determination of good cause for granting any such request to deviate from existing regulations. Until such time as the Grantee requests and HUD, in its discretion, approves any such requests in writing, the Grantee does not have authority to implement the activities described in the Choice Neighborhoods Application to which the request for approval applies (or for which a request for approval is needed).

ARTICLE IX. Choice Neighborhoods Budget and Funding Requests

- (A) Budget. The Grantee must ensure that funds provided under this Grant Agreement are expended in accordance with the Choice Neighborhoods Requirements and a Choice Neighborhoods Budget. Each Grantee must submit to HUD for approval a Choice Neighborhoods Budget as part of the Supplemental Submissions. The Choice Neighborhoods Budget allocates ALL Choice Neighborhoods Grant funds into Budget Line Items. The Choice Neighborhoods Budget will serve as the primary budget and may be subject to revision.
- (B) Budget Form. Each budget submitted in accordance with paragraph (A) of this Article must be submitted on the Choice Neighborhoods Planning Grant budget form, Parts I and II. Part I must be signed and dated by the Lead Grantee, and Part II must include a detailed description of the uses of the funds. Grantees should also track their leveraged fund expenditures and maintain this information on file should HUD request it.
- (C) Pre-Grant Agreement Execution Costs. After the execution of this Grant Agreement, the Grantee may include in its Choice Neighborhoods Budget, and the Lead Grantee may draw down funds for, costs that were incurred prior to execution of this Grant Agreement, provided that such costs:
- (1) were incurred after the date of HUD's notification letter awarding this Choice Neighborhoods Planning Grant to the Grantee (October 11, 2012);
 - (1) are directly associated with the activities to be funded under this Choice Neighborhoods Grant; and
 - (2) are approved as reasonable and eligible by HUD.
- (D) Administration, Fees and Costs.

- (1) **Cost Controls.** The Grantee will comply with HUD guidance and policies that establish reasonable costs for administration, management improvements, planning, technical assistance, and fees and costs.

You may not use Choice Neighborhoods Transformation Grant funds to pay for any planning activities carried out on or before the date of the letter announcing the award of the Choice Neighborhoods Grant (October 11, 2012).

- (2) **Lobbying.** The Grantee hereby certifies that no funds provided under this Grant Agreement will be expended for lobbying activities, as prohibited by Section 319 of Public Law 101-121 (which prohibits recipients of Federal contracts, grants, and loans from using appropriated funds for lobbying the Executive or Legislative Branches of the Federal Government), and implemented for HUD at 24 CFR part 87, as the same may be amended from time to time. The Grantee will disclose promptly any commitment or expenditure of non-appropriated funds for lobbying activities if those activities would be prohibited if paid with appropriated funds.

ARTICLE X. Project Drawdowns

- (A) **LOCCS Payment System.** Notwithstanding any contrary provisions of 24 CFR § 85.21 or 24 CFR § 84.22, the Lead Grantee will request all drawdowns of Choice Neighborhoods Grant funds under the Line of Credit Control System (e-LOCCS), unless and until another payment system is designated by HUD. The Lead Grantee will comply with all rules, guidelines, and notices established for Choice Neighborhoods under LOCCS, or any substitute system, in connection with any drawdown of Choice Neighborhoods Grant funds. If HUD designates a different payment system, it will be based upon the provisions of section 85.21 and 84.22 (subject to the provisions of Article XVII(D)).
- (B) **Drawdowns.**
 - (1) Without HUD approval, the Lead Grantee may draw down Choice Neighborhoods Grant funds for a Budget Line Item (BLI) in an amount up to 100 percent of the amount of that BLI that HUD has approved and made available for drawdown.
 - (2) Any request for funds in excess of 10 percent of the entire grant amount in any month must be approved by HUD.
- (C) **Drawdown Consequences of Default.**

- (1) **Withholding of Payments.** HUD may withhold payments in accordance with 24 CFR § 85.21(g) and 84.22.
- (2) **Grantee Representations.** Each drawdown request by the Lead Grantee will constitute, and be deemed to be, a representation that the Grantee is not in default under this Grant Agreement (except as the Grantee previously may have disclosed to HUD in writing).
- (3) **Overdue Reports.** No funds provided under this Grant Agreement may be released during any period in which the Grantee has failed to file with HUD any overdue quarterly report.

ARTICLE XI. Matching and Leveraged Funds

- (A) **Overall Match and Leverage.** The Grantee agrees to provide resources, other than Choice Neighborhoods Grant funds, in an amount that is the greater of five percent of the Choice Neighborhoods Grant amount or the amount documented in the Grant application for purpose of leverage scoring. Matching and Leveraged funds must be directly applicable to planning and the creation of the Transformation Plan.
- (B) **Eligible Match Contributions.** Matching funds may include amounts from other Federal sources, any State or local government sources, any private contributions, the value of any donated material or building, the value of any lease on a building, the value of the time and services contributed by volunteers, and the value of any other in-kind services or administrative costs provided. Other Federal sources may include funds provided by the Public Housing Capital Fund Program or other HUD-provided public housing funds, including funds derived from program income. You may not include as match amounts funds from any HOPE VI grant, including HOPE VI Revitalization, HOPE VI Demolition, HOPE VI Neighborhood Networks or HOPE VI Main Street Grants.
- (C) **Enforcement of Leveraged Resources.** The Grantee agrees that it will pursue and enforce any commitment (including commitments for services) obtained from any public or private entity for any contribution or commitment to the Transformation Plan, as included in its Choice Neighborhoods Application.

ARTICLE XII. Grantees, Subgrantees and Contractors

- (A) **General Grantee Responsibilities.**
 - (1) **Planning Team.** The Grantee agrees to promptly assemble a competent planning team, if the Grantee has not already, to assist in working with the

Grantee's partners and collaborators and coordinating all phases of the planning process. In the event of a default under the terms of this Grant Agreement, HUD reserves the right to require a Grantee to procure a planning coordinator in order for the Grantee to meet the performance standards detailed in this agreement.

- (2) Choice Neighborhoods Requirements. The Grantee shall ensure that any entity to which it makes grant funds available will comply with the Choice Neighborhoods Requirements.
- (3) Required Certifications.
 - (a) The Grantee must ensure that all subgrantees and contractors execute an original document in the form of Exhibit A or B, as appropriate, to this Grant Agreement at the time the Grantee executes any contract with any subgrantee or contractor to provide goods or services under this Grant Agreement. The Grantee will retain the executed original certification together with the executed contract documents.
 - (b) Grantees that are public housing authorities (PHA Grantee) must ensure that the requirements contained in the General Conditions for Non-Construction Form (Form 5370-C) are included in any solicitation in connection with non-construction contracts that will be made by the PHA Grantee and paid for with assistance under this Grant Agreement. Such conditions must also be included in any non-construction contract entered into by the PHA Grantee.

(B) Administrative Requirements for PHA, Government and Nonprofit Grantees.

- (1) Administrative requirements applicable to Grantees that are public housing authorities or local governments are:
 - (a) 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments), as modified by 24 CFR part 941 or successor part, relating to the procurement of partners in mixed finance developments;
 - (b) 2 CFR 225 (Cost Principles for State, Local and Indian Tribal Governments); and
 - (c) 24 CFR 85.26 (audit requirements).
- (2) Administrative requirements applicable to nonprofit organizations are:

- (a) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations, 2 CFR Part 215);
 - (b) OMB Circular A-122 (2 CFR Part 230, Cost Principles for Nonprofit Organizations); and
 - (c) 24 CFR 84.26 (audit requirements).
- (3) Non-profit instrumentalities of state or local governments are subject to 24 CFR Part 85 because of the degree of control exercised by the governmental bodies over the instrumentality non-profit entities.
- (4) Subgrant Agreements
- (a) Grantee Responsibilities Regarding Subgrantees. Grantees will be responsible for:
 - (i) ensuring that subgrantees are aware of the requirements imposed upon them by Federal statutes, regulations, and this Grant Agreement;
 - (ii) ensuring that all subgrant agreements between Choice Neighborhoods Grantees and non-profit subgrantees contain all the provisions required by 24 CFR § 84.48 and Appendix A to Part 84;
 - (iii) ensuring that subgrant agreements include any clauses required by Federal statutes and executive orders, and their implementing regulations; and
 - (iv) monitoring subgrantees' performance to ensure compliance with the Choice Neighborhoods Requirements.
 - (b) State or Local Subgrantee Requirements. State or local government subgrantees are subject to, and required to comply with, the Administrative requirements at 24 CFR part 85 ("Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments") and the cost principles of 2 CFR 225 ("Cost Principles for State, Local and Indian Tribal Governments").
 - (c) Nonprofit Subgrantee Requirements. Nonprofit subgrantees are subject to, and required to comply with, the provisions and standards set forth in the regulations at 24 CFR part 84 ("Grants and Agreements with Institutions of Higher Education, Hospitals,

and other Non-Profit Organizations” or the “Nonprofit Administrative Requirements”) and OMB Circular A-122 (“Cost Principles for Nonprofit Organizations” or the “Nonprofit Cost Principles”).

- (5) Contractors and Subcontractors
- (a) Grantee Responsibilities Regarding Contractors and Subcontractors. Grantees that are subject to 24 CFR part 85 as described in (B)(1) of this Article will be responsible for the following:
- (i) For-Profit Entities. Obtain the services of a for-profit entity through a competitive procurement under 24 CFR part 85. However, if the Grantee can demonstrate to HUD that the services to be provided by the for-profit entity can be obtained only from that one source, the Grantee may request HUD approval to select the entity under a sole-source procurement in accordance with 24 CFR § 85.36(d)(4).
- (ii) Consultant Services. Obtain consultant services provided under an independent contractor relationship according to the procurement requirements in 24 CFR § 85.36 and the principles of cost reasonableness contained in 2 CFR 225.
- (b) Trigger for the Submission of Contracts. Contract documents must be submitted to HUD for prior approval if required or requested by HUD under 24 CFR § 85.36 or 84.44. Any modification of such contracts is also subject to HUD’s written approval before execution.
- (c) Debarred or Suspended Parties. Prior to executing any contract, Grantees which are local governments or PHAs will comply with, and ensure compliance with, 24 CFR § 85.35 and 24 CFR part 24, which prohibit the employment, engagement of services, awarding of contracts, subgrants, or funding of any recipients, or contractors or subcontractors, during any period of debarment, suspension, or placement in ineligibility status.
- (d) Minority, Women’s, and Resident-Controlled Business Enterprises. In accordance with Executive Orders 11246, 11625, 12432, and 12138, the Grantee will adopt the goal of awarding a specified percentage of the dollar value of the total of the Choice Neighborhoods contracts to be awarded as a result of this grant to minority business enterprises and take appropriate affirmative

action to assist resident-controlled and women's business enterprises.

- (6) Administrative Requirements. Administrative requirements applicable to for-profit organizations under contract with a Grantee subject to 24 CFR part 85 as described in (B)(1) of this Article are 48 CFR part 31 (contract cost principles and procedures).

(C) Administrative Requirements for For-profit Grantees

- (1) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations);
- (2) 48 CFR part 31 (contract cost principles and procedures); and
- (3) 24 CFR 84.26 (audit requirements).

ARTICLE XIII. No Third Party Rights

The Grantee and HUD are the sole parties to this Grant Agreement and do not intend to create any third party beneficiaries to this Grant Agreement. Notwithstanding the provisions set forth in this Grant Agreement concerning consultations with residents and dissemination of information to residents, nothing in this Grant Agreement may be construed as conferring the status of third party beneficiary upon the residents; and in no event shall any entity other than the Grantee have direct rights to the Choice Neighborhoods funds provided for under this Grant Agreement.

ARTICLE XIV. Conflict of Interest

- (A) Prohibition. The Grantee shall comply with the conflict of interest requirements in 24 CFR part 85 or part 84 as applicable. No person who is an employee, agent, officer, or elected or appointed official of the Grantee or member of his immediate family and who exercises any functions or responsibilities with respect to activities assisted under this Choice Neighborhoods Grant may have a direct interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder.

(B) HUD-Approved Exception.

- (1) Standard. HUD may grant an exception to the exclusion in paragraph (A) of this Article on a case-by-case basis when it determines that such an exception will serve to further the purposes of Choice Neighborhoods and its effective and efficient administration.

- (2) Procedure. HUD will consider granting an exception only after the Grantee has provided a disclosure of the nature of the conflict, accompanied by:
 - (a) an assurance that there has been public disclosure of the conflict;
 - (b) a description of how the public disclosure was made; and
 - (c) an opinion of the Grantee's attorney that the interest for which the exception is sought does not violate State or local laws.

- (3) Consideration of Relevant Factors. In determining whether to grant a requested exception under paragraph (B) of this Article, HUD will consider the cumulative effect of the following factors, where applicable:
 - (a) whether the exception would provide a significant cost benefit or an essential degree of expertise to the Transformation Plan that would otherwise not be available;
 - (b) whether an opportunity was provided for open competitive bidding or negotiation;
 - (c) whether the person affected is a member of a group or class intended to be the beneficiaries of the Transformation Plan and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 - (d) whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process, with respect to the specific activity in question;
 - (e) whether the interest or benefit was present before the affected person was in a position as described in paragraph (A) of this Article;
 - (f) whether undue hardship will result either to the Grantee or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

 - (g) any other relevant considerations.

ARTICLE XV. Reporting Requirements

- (A) Quarterly Report.

- (1) The Grantee will submit to HUD a Quarterly Report on the 15th day of the month after the calendar quarter. The first report will be due in April 2012. If the due date falls on a Saturday, the report is due the Friday before. If the due date falls on a Sunday, the report is due the Monday after. In the Quarterly Report the Grantee will report the progress of their grant for the previous quarter, including but not limited to progress against their schedule and budget, expenditures to date, and a narrative statement on their progress, progress on financing leverage secured to date for the planning grant and leverage for the implementation of the plan. The Grantee should also include, as appropriate, best practices and lessons learned from the date of the prior Quarterly Report.
 - (2) Failure to submit to HUD a timely Quarterly Report will result in a suspension of Choice Neighborhoods Grant funds in LOCCS until such time as the report is received and approved by HUD, and/or any other default remedy authorized by Article XVII.
- (B) **Obligations and Expenditures.** The Grantee must enter cumulative obligation and expenditure data into LOCCS by the due dates established by HUD, whether or not there has been any change in the cumulative amounts since the end of the last quarter.
- (C) **Additional Information Requests.** Subject to paragraph (D) of this Article, the Grantee will comply with all other reporting requirements from time to time established by HUD, in its sole discretion, in connection with the Choice Neighborhoods Program. The Grantee will:
- (1) fully cooperate with all reasonable information gathering requests made by HUD or contractors of HUD in the course of authorized evaluations of the Choice Neighborhoods Program; and
 - (2) if requested, submit any post-closeout reports, in the forms prescribed by HUD, for a reasonable period of years as designated by HUD.
- (D) **Additional Requirements.** The Grantee agrees to comply with all other terms and conditions HUD may establish to administer, monitor, or evaluate the Choice Neighborhoods Program in an effective and efficient manner. Notwithstanding the foregoing, however, except as provided in Article XVII, HUD hereafter will not establish any additional terms and conditions without:
- (1) consideration of the burden imposed on the Grantee by such conditions or requirements;
 - (2) consideration of the availability of less burdensome conditions or requirements; and

- (3) in the case of a term or condition applicable solely to the Grantee, consulting in advance with the Grantee.

ARTICLE XVI. Technical Assistance

- (A) **Site Visits.** The Grantee acknowledges and agrees that HUD, or its designees, may conduct site visits and inspections as deemed necessary by HUD based upon the Grantee's needs in creating the Transformation Plan or the needs of the Choice Neighborhoods Program. Technical assistance site visits may be provided by HUD or its designees:
 - (1) in response to requests from the Grantee; or
 - (2) based upon demonstrated needs of the Choice Neighborhoods Program; or
 - (3) as provided in paragraph (B) of this Article.
- (B) **HUD Assessment.** HUD representatives will visit the site and make an assessment of any technical assistance and/or training that the Grantee may require for the creation of the Transformation Plan. HUD will consult with the Grantee in determining the Grantee's specific technical assistance and training needs and will carry out subsequent on-site assessments as necessary.
- (C) **Technical Assistance Provider.** If HUD determines, in its discretion, that technical assistance and/or training is necessary for the creation of the Transformation Plan, it will assign a technical assistance provider to work with the Grantee for this purpose.
- (D) **Grantee Training/Technical Assistance.** The Grantee agrees to use its best efforts to attend any training and to accept any technical assistance provided or sponsored by HUD.

ARTICLE XVII. Unsatisfactory Performance/Default

- (A) In accordance with Section 24(i) of the 1937 Act, if the Grantee defaults under this grant agreement, HUD may withdraw any unobligated grant amounts and may pursue other actions as described in this Article. HUD shall redistribute any withdrawn amounts to one or more other applicants eligible for Choice Neighborhoods assistance or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the Transformation Plan of the original Grantee. This section applies to all Grantees regardless of their status as a government, PHA, for-profit, or other entity.

(B) Default. Each of the following events or occurrences, to the extent it constitutes a material breach or occurrence, may constitute a default by the Grantee under this Grant Agreement, as determined by HUD in its sole discretion:

- (1) use of funds provided under this Grant Agreement for any purpose, in any manner or at any time, other than as authorized by this Grant Agreement;
- (2) failure to comply with the Choice Neighborhoods Requirements or any other Federal, State, or local laws, regulations or requirements applicable in creating the Transformation Plan;
- (3) failure to make any submission under Article III, perform any obligation, or otherwise fail to proceed in a manner consistent with the Transformation Plan, (including, without limitation, failure to accomplish an activity by the date specified in the Program Schedule);
- (4) any material misrepresentation in any of the required submissions, including, without limit, any misrepresentations in any of the submissions required by Article III(B); or
- (5) failure to comply with, or any material breach of, any other requirements, conditions or terms of this Grant Agreement.

(C) Notice of Default and Action(s) to Cure.

- (1) General. HUD will give the Grantee written notice of any default. The notice will give the Grantee the opportunity to cure such default within 30 days of the date of the notice, or to demonstrate within this time period, by submitting substantial evidence satisfactory to HUD, that it is not in default. If the default is not able to be cured within the 30-day period, the Grantee will demonstrate, to HUD's satisfaction, that the Grantee has taken actions necessary to cure the default and that the default is curable within 90 days from the date of the default notice. Additionally, the Grantee must agree to carry out such cure diligently and to complete the cure within the 90-day period.
- (2) Immediate Default. Notwithstanding the provisions of paragraph (C)(1) of this Article, HUD in its sole discretion may place the Grantee into immediate default for not being in compliance with its Program Schedule or for non-compliance with Choice Neighborhoods requirements once written notification of default has been provided to the Grantee. At that time, HUD may immediately begin imposing consequences of default, including specifically the suspension of draws of the Choice Neighborhoods grant.

- (3) **Imminent Threat.** Notwithstanding the provisions of subparagraph (C)(1) of this Article concerning the opportunity to cure defaults, if HUD reasonably determines that there is an imminent threat that the Grantee will expend additional Choice Neighborhoods Grant funds in violation of the provisions of this Grant Agreement, HUD may implement the remedial action provided for under subparagraph (C)(4)(d) of this Article to prevent any such unauthorized expenditure until such time as the Grantee has complied with the cure provisions set forth above. HUD will implement such remedial action by written notice set forth either in the notice of default given under paragraph (C)(1) of this Article or by subsequent written notice to the Grantee. An imminent threat is not an immediate default.
- (4) **Consequences of Default.** If the Grantee fails to cure all defaults specified in the notice of default within the time periods set forth in paragraph (C)(1) of this Article, or fails to diligently pursue or complete any cure as provided in paragraph (C)(1), HUD may take any of the following remedial actions, upon written notice to the Grantee:
- (a) requiring a Grantee in default to provide evidence to HUD of acceptable performance over such period of time as specified by HUD and to obtain written approval from HUD to proceed to the next phase of activities;
 - (b) requiring additional, more detailed financial reports;
 - (c) requiring additional project monitoring;
 - (d) requiring the Grantee (or subgrantee) to obtain technical or management assistance;
 - (e) establishing additional prior approvals; and
 - (f) require the Grantee, within a time period established by HUD, to prepare a revised Program Schedule, obtain HUD's approval thereto, and follow such revised Program Schedule to complete the activities under the Grant Agreement;
 - (g) require the Grantee, within a time period established by HUD, to revise any activity under the Grant Agreement in order to successfully complete the activities under the Grant Agreement in a manner satisfactory to HUD, including, without limitation, exclusion or revision of affected activities, revision of the Choice Neighborhoods Budget as necessary, and substitution of other eligible activities;

- (h) require submission of additional documentation before any additional request for funds will be approved;
 - (i) temporarily suspend the Grantee's authority to draw down Choice Neighborhoods Grant funds for affected activities, or at HUD's sole discretion for all activities, pending action to cure the defaults;
 - (j) disallow use of Choice Neighborhoods Grant funds for all or part of the cost of the activity or action not in compliance;
 - (k) recover amounts determined by HUD to have been improperly expended, including any property obtained by the Grantee with such grant funds;
 - (l) require reimbursement by the Grantee for Choice Neighborhoods Grant funds determined by HUD to have been improperly expended;
 - (m) make arrangements satisfactory to HUD, in its sole discretion, for use of an entity other than the Grantee to carry out activities assisted under the Grant Agreement, including requiring the Grantee to assign any outstanding contracts obligating grant funds to another entity.
- (5) Additional Enforcement Actions. If HUD determines that the remedial actions taken by HUD under paragraph (C)(4) of this Article have not been effective in curing the default, or if the Grantee has not complied with the requirements imposed by HUD under paragraph (C)(4) and has not otherwise cured the default, or if HUD exercises its discretion under subparagraph (C)(2) of this Article to institute any of the following actions, HUD may take any of the following remedial or enforcement actions (in addition to any of the remedies permitted under paragraph (C) of this Article upon written notice to the Grantee):
- (a) reduce the Choice Neighborhoods Grant in the amount affected by the default;
 - (b) terminate the Choice Neighborhoods Grant as to all further activities and initiate closeout procedures;
 - (c) recapture any Choice Neighborhoods Grant funds not obligated by the Grantee.
 - (i) If the basis for the Grantee's default is its failure to comply with the reasonable time periods established by HUD under Article III(C), HUD shall, in accordance with section 24(i)

of the 1937 Act, and unless otherwise approved by HUD under paragraph (C)(3) of this Article, recapture any Choice Neighborhoods Grant funds not obligated by the Grantee.

- (ii) If the Grantee fails to comply with the reasonable time periods established in Article III(C), HUD may take into account whether factors beyond the Grantee's control are the cause of the delay.
 - (d) take action against the Grantee under 24 CFR part 24 and Executive Order 12549 with respect to future HUD or Federal grant awards; and
 - (e) take any other available legal or equitable remedial action, including, but not limited to, any remedial actions available under a PHA's ACC and/or premised on HUD's interest in the housing development established in the relevant Declaration of Trust or Declaration of Restrictive Covenants or housing assistance contract, as applicable.
- (6) Delinquent Federal Debts. Consistent with the purposes and intent of 31 U.S.C. 3720B and 28 U.S.C. 3201(e), Grantees with an outstanding federal debt must provide to HUD a negotiated repayment schedule which is not delinquent or have made other arrangements satisfactory to HUD. If arrangements satisfactory to HUD cannot be completed within 90 days of notification of selection, HUD will not make an award of funds to the Grantee, but offer the award to the next eligible Grantee. Applicants selected for funding, or awarded funds, must report to HUD changes in status of current agreements covering federal debt. If a previously agreed-upon payment schedule has not been adhered to or a new agreement with the federal agency to which the debt is owed has not been signed, the Grantee will be considered to be in default under this Agreement.
- (D) Inappropriate Physical Condition of Property. If the REAC score of the targeted public or assisted housing is under 60, for the earlier of the period of time during which the score remains below 60 or this Grant Agreement remains in effect, HUD may request the property owner submit a monthly certification to HUD that the project has corrected all exigent health and safety items and that no new health and safety items exist. If so required by HUD, failure to correct the items and provide the monthly certification will constitute default under this Agreement.

ARTICLE XVIII. Project Close-Out

(A) Termination of Disbursements Letter. Within 90 days after completion of all grant-funded activities and HUD's approval of the Transformation Plan, the Grantee will initiate close-out, in accordance with procedures established by HUD, by submitting a Termination of Disbursements letter, which states that:

- (1) The Grantee has completed all activities to be performed using Choice Neighborhoods Planning Grant funds.
- (2) All requirements of the Grant Agreement have been met.
- (3) All obligated Choice Neighborhoods grant funds have been disbursed;
- (4) The Grantee will abide by any continuing Federal requirements; and

At HUD's option, the Grantee may delay initiation of close-out until the resolution of any HUD monitoring findings. If HUD exercises this option, the Grantee must promptly resolve the findings.

(B) Preliminary Closeout Materials. The Grantee must submit the following Preliminary Close-Out Materials along with the Termination of Disbursements Letter:

- (1) Final Choice Neighborhoods Budget;
- (2) Final Financial Status Report (Form SF-269-A), which contains a cumulative summary of all expenditures and indicates the balance of unexpended funds.
- (2) Actual HOPE VI Cost Certificate (AHCC) (Form HUD-53001-A), or a Choice Neighborhoods successor form if created, which summarizes the information on the Financial Status Report and serves as the document that officially closes out the grant.

(C) HUD Review of Preliminary Close-Out Materials. HUD will review Preliminary Close-Out Materials to confirm that:

- (1) The amounts on the final Choice Neighborhoods Budget and AHCC agree as to funds approved, obligated and expended.
- (2) The amount of funds approved and disbursed on the AHCC agrees with HUD records in LOCCS.
- (3) If HUD disbursed more funds than the Grantee expended, the Grantee will immediately remit to HUD the excess funds, without waiting for completion of the final audit.

- (D) Final Audit. Following HUD approval of the Preliminary Close-Out Materials, the Grantee must conduct a final audit of the Planning Grant in accordance with the requirements of 24 CFR 85.26 or 84.26 and forward the audit to HUD for approval.
- (E) Cost Certificate. Upon receipt of the final audit, the designated HUD official will execute the AHCC once HUD determines to its satisfaction that:
 - (1) the expenditure of funds provided under this Grant Agreement was allowable and reasonable, as determined by the final audit;
 - (2) the activities to be completed using Choice Neighborhoods Grant funds were completed, as required by the Grant Agreement; and
 - (3) all Federal requirements, were satisfied.
- (F) Final Close-Out. Following execution of the AHCC, any funds remaining in the Planning Grant will be recaptured by HUD. A Post-Audit Date will be entered into LOCCS and the grant will be closed.
- (G) Close-Out Procedures on the Choice Neighborhoods Website. Grantees must follow the detailed Close-Out Procedures for the Choice Neighborhoods program, as posted to the Choice Neighborhoods website, including procedures for the Final Choice Neighborhoods Close-Out Approval.

ARTICLE XIX. Grant Award Date

The Grant Award Date is October 11, 2012. Except for Quarterly Reports, which are due according to the dates in Article XV, all deliverables in the Grant Agreement are based on the Grant Award Date.

ARTICLE XX. Funding Obligation Date, Date of Funding Availability and Effective Date

The date of obligation of the funding to the Grantee under this Grant Agreement is the date HUD signed the form HUD-1044. The date of fund availability for this Grant Agreement is the date that the Lead Grantee signs the 1044. The effective date of the Grant Agreement is the date that HUD signs the signature page of the Grant Agreement (See Article XXII).

ARTICLE XXI. Points of Contact

Any correspondence related to this Grant Agreement should be directed to the following points of contact for HUD, the Lead Grantee, and any other Grantees:

For the U.S. Department of Housing and Urban Development:

Dominique Blom
Deputy Assistant Secretary, Office of Public Housing Investments
U.S. Department of Housing and Urban Development
451 7th Street, SW Room 4130
Washington, D.C. 20410

For the Lead Grantee:

Monika Mordasini
Vice President, Development
The Michaels Development Company I, L.P.
3 East Stow Road, Suite 100
Marlton, NJ 08053

For the Co- Grantee(s):

Hakim Ouansafi
Executive Director
Hawaii Public Housing Authority
1002 North School Street
Honolulu, HI 96817

XXII. Signature Page.

Ava Goldman
Senior Vice President
The Michaels Development Company I, L.P.

Hakim Ouansafi
Executive Director
Hawaii Public Housing Authority

Sandra B. Henriquez
Assistant Secretary, Public and Indian Housing
U.S. Department of Housing and Urban Development

Date

Appendix A

Additional statutory, regulatory, and other requirements with which Grantee must comply as applicable include:

1. OMB Circulars A-102, A-110, A-87, A-122 are applicable to the availability of using federal funds for matching.
2. Fair Housing Certifications, as the same maybe amended from time to time, and any additional Fair Housing requirements that may become applicable:
 - (A) the Fair Housing Act (42 U.S.C. §§ 3601-19) and regulations pursuant thereto 24 CFR part 100;
 - (B) Executive Order 11063 (Equal Opportunity in Housing) and regulations pursuant thereto (24 CFR part 107);
 - (C) the fair housing poster regulations (24 CFR part 110) and advertising guidelines (24 CFR part 108);
 - (D) Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d) and regulations pursuant thereto (24 CFR part 1) relating to nondiscrimination in housing;
 - (E) the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-07) and regulations issued pursuant thereto (24 CFR part 146);
 - (F) the prohibitions against discrimination on the basis of disability, including requirements that the Grantee make reasonable modifications and accommodations and make units accessible, under Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and regulations issued pursuant thereto (24 CFR part 8);
 - (G) the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and its implementing regulation at 28 CFR part 36; and
 - (H) the Architectural Barriers Act of 1968, as amended (42 U.S.C. § 4151) and regulations issued pursuant thereto (24 CFR part 40).
 - (I) Accessible Technology. The Rehabilitation Act Amendments of 1998 apply to all electronic information technology (EIT) used by a Grantee for transmitting, receiving, using, or storing information to carry out the responsibilities of any Federal grant awarded. It includes, but is not limited to, computers (hardware, software, word processing, email and web pages) facsimile machines, copiers and telephones. When developing, procuring, maintaining or using EIT, grantees must ensure that the EIT allows:

- (1) Employees with disabilities to have access to and use information and data that is comparable to the access and use of data by employees who do not have disabilities; and
- (2) Members of the public with disabilities seeking information or service from a grantee must have access to and use of information and data and comparable to the access and use of data by members of the public who do not have disabilities. If these standards impose on a grantee, they may provide an alternative means to allow the individual to use the information and data. No grantee will be required to provide information services to a person with disabilities at any location other than the location at which the information services are generally provided.

3. Finance and Accounting

- (A) **Commingling of Grant Funds.** The Grantee agrees that, in its recordkeeping, it will not commingle Choice Neighborhoods Grant funds with funds from any other sources including, but not limited to, other HUD program funds or funds from other Federal, State or local government agencies. (Such other funds may be used to carry out the Transformation Plan, so long as they are not commingled in the Grantee's recordkeeping.)
- (B) **Duplication of Funding.** The Grantee will ensure that Choice Neighborhoods Grant funds are not used to duplicate work that is funded with any other HUD funds, funds from any other Federal program, or from any other funding source identified under the Transformation Plan, and will establish controls to assure non-duplication of funding.

4. Recordkeeping

- (A) **Recordkeeping Authorities.** The Grantee will comply with and be subject to all Federal recordkeeping requirements, including, but not limited to:
 - (1) the retention and access requirements for records under 24 CFR § 85.41, or 84.46 and 84.53;
 - (2) the non-Federal audit requirements under 24 CFR § 85.26 or 84.26; and
 - (3) the requirements of 24 CFR § 85.20 or 84.21 that facilitate an effective audit to determine compliance with program requirements.
- (B) **Recordkeeping Requirements.** Grantees must retain records in accordance with the requirements of paragraph (A) above, including, but not limited to:
 - (1) the amount and disbursement of funds received under this Choice Neighborhoods Grant, including sufficient records that document the reasonableness and necessity of each expenditure;

- (2) the amount and nature of any other assistance, including cash, services, or other items contributed to assist in the development of the Transformation Plan or contributed as a condition of receiving this Choice Neighborhoods Grant;
- (3) any other proceeds received for, or otherwise used in connection with, the Transformation Plan; and

(B) Access to Records. For the purpose of audit, examination, monitoring, and evaluation, the Grantee will give HUD (including any duly authorized representatives and the Inspector General) access, and will ensure that any participating party will give HUD such access, to any books, documents, papers, and records of the Grantee, or such participating party, that are pertinent to assistance received under this Choice Neighborhoods Grant or under the Transformation Plan, including all records required to be kept by paragraph (B) above.

5. Reporting

- (A) Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282) (Transparency Act), as amended.
 - (1) Recipient Reporting to Meet the Requirements of the Federal Financial Assistance Accountability and Transparency Act of 2006, as amended.
 - a. Prime Awardee Reporting. Prime recipients of HUD financial assistance are required to report subawards in the federal government-wide website www.fsr.gov or its successor system. Starting with awards made October 1, 2010 prime financial assistance awardees receiving funds directly from HUD are required to report subawards and executive compensation information both for the prime award and subaward recipients, including awards made as pass-through awards or awards to vendors, where both the initial award is \$25,000 or greater or the cumulative award will be \$25,000 or greater if funded incrementally as directed by HUD in accordance with OMB guidance. If subaward recipients' executive compensation is reported through the Central Contractor Registration (CCR) system, , the prime recipient is not required to report this information. The reporting of award and subaward information is in accordance with the requirements of Federal Financial Assistance Accountability and Transparency Act of 2006, as amended by section 6202 of Public Law 110-252, hereafter referred to as the "Transparency Act" and OMB Guidance issued to the Federal agencies on September 14, 2010 (75 FR 55669) and in OMB Policy guidance. The prime awardee will have until the end of the month plus one additional month after a subaward or pass-through award is obligated to fulfill the reporting

requirement. Prime recipients are required to report the following information for applicable subawards. This information will be displayed on a public government website pursuant to the Transparency Act.

1. Name of entity receiving award;
2. Amount of award
3. Funding agency;
4. North American Industry Classification System (NAICS) code for contracts/CFDA program for financial assistance awards;
5. Program source;
6. Award title descriptive of the purpose of the funding action;
7. Location of the entity (including Congressional district);
8. Place of Performance (including Congressional district);
9. Unique identifier of the entity and its parent; and
10. Total compensation and names of top five executives.

For the purposes of reporting into the FFATA Sub-award Reporting System (FSRS) reporting site, the unique identifier is the DUN and Bradstreet Universal Numbering System (DUNS) number the entity has obtained from Dun and Bradstreet, and for Prime awardees the DUNS number registered in the Central Contractor Registration as required by HUD regulation 24 CFR 5.1004.

- b. Prime Grant Awardee Executive Compensation Reporting.. Prime awardees must also report in the government-wide website the total compensation and names of the top five executives in the prime awardee organization if:
 1. More than 80 percent of the annual gross revenues are from the Federal government, and those revenues are greater than \$25 million annually; and
 2. Compensation information is not readily available through reporting to the Securities Exchange Commission (SEC.)
- c. Subaward Executive Compensation Reporting. Prime awardees must also report in the government-wide website the total compensation and names of the top five executives in the subawardees if:
 1. More than 80 percent of the annual gross revenues are from the Federal government, and those revenues are greater than \$25 million annually; and
 2. This required compensation information is not readily available through reporting to the Securities Exchange Commission (SEC). If the subaward recipient's executive compensation is reported through the Central Contractor Registration (CCR), the prime recipient is not required to report the information again.

- d. Transparency Act Reporting Exemptions. The Transparency Act exempts any sub-awards less than \$25,000 made to individuals and any sub-awards less than \$25,000 made to an entity whose annual expenditures are less than \$300,000. Subawards with a cumulative total of \$25,000 or greater are subject to subaward reporting beginning the date the subaward total award amount reaches \$25,000. The Transparency Act also prohibits reporting of any classified information. Any other exemptions to the requirements must be approved by the Office of Management and Budget.

NOTE: For the purposes of FFATA reporting requirements, “prime grant awardee” includes awardees of capital advances for the Section 202 Housing for the Elderly and Section 811 Housing for Persons with Disabilities programs.

- (B). **Compliance with Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417), hereafter referred to as “Section 872.”** Section 872 requires the establishment of a government-wide data system – the Federal Awardee Performance and Integrity Information System (FAPIIS) - to contain information related to the integrity and performance of entities awarded federal financial assistance and making use of the information by federal officials in making awards. OMB is in the process of issuing regulations regarding federal agency implementation of section 872 requirements. A technical correction to this General section may be issued when such regulations are promulgated

**For-Profit Subgrantee and Contractor
Certifications and Assurances**

The Department of Housing and Urban Development (HUD) requires that all for-profit Subgrantees and Contractors on HOPE VI projects sign this "Certifications and Assurances" form certifying that they will comply with the specific federal requirements described below. The parties who must sign a "Certifications and Assurances" form are defined below:

- **Subgrantees:** These are for-profit organizations to which the Housing Authority (Housing Authority or Grantee) has awarded a grant from the HOPE VI grant that the Housing Authority received from HUD. The subgrantee is accountable to the Housing Authority for the use of the funds provided, but the Housing Authority is ultimately accountable to HUD.
- **Contractors:** This includes any for-profit contractor, consultant, service provider, or supplier that the Housing Authority contracts with for goods or services on any HOPE VI project.

.....

Certification and Assurance: The subgrantee or contractor executing this certification hereby assures and certifies that it will comply with all of the applicable requirements of the following, as the same may be amended from time to time, including adding appropriate provisions to all contracts between Grantee and for-profit Subgrantees or Contractors:

- (1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)
- (2) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)
- (3) Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees)
- (4) Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3). (All contracts and subgrants for construction or repair)
- (5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of \$2000 awarded by grantees and subgrantees when required by Federal grant program legislation)
- (6) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts awarded by grantees and subgrantees in excess of \$2000, and in excess of \$2500 for other contracts which involve the employment of mechanics or laborers)

- (7) Notice of awarding agency requirements and regulations pertaining to reporting.
- (8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.
- (9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.
- (10) Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
- (11) Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.
- (12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000).
- (13) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

The information contained in this certification is true and accurate, to the best of my knowledge.

Name of Subgrantee or Contractor	Name and Contract Number:	
Signature of Authorized Certifying Official:	Title:	Date:

WARNING: Section 1001 of the Title 18 of the United States Code (Criminal Code and Criminal Procedure, 72 Stat.967) applies to this certification. 18 U.S.C. 1001, among other things, provides that whoever knowingly and willfully makes or uses a document or writing knowing the same to contain any false, fictitious or fraudulent statement or entry, in any matter within jurisdiction of any department or agency of the United States, shall be fined no more than \$10,000 or imprisoned for not more than five years, or both.

Return this form to:

Housing Authority Name _____

Address _____

City, State, Zip Code _____

**Non-Profit Subgrantee
Certifications and Assurances**

The Department of Housing and Urban Development (HUD) requires that all non-profit Subgrantees on HOPE VI projects sign this "Certifications and Assurances" form certifying that they will comply with the specific federal requirements described below. The parties who must sign a "Certifications and Assurances" form are defined below:

- **Subgrantees:** These are non-profit organizations to which the Housing Authority (Housing Authority or Grantee) has awarded a grant from the HOPE VI grant that the Housing Authority received from HUD. The subgrantee is accountable to the Housing Authority for the use of the funds provided, but the Housing Authority is ultimately accountable to HUD.

Certification and Assurance: The subgrantee executing this certification hereby assures and certifies that it will comply with all of the applicable requirements of the following, as the same may be amended from time to time, including adding appropriate provisions to all contracts between Grantee and Subgrantees in accordance with 24CFR Part 84 and Appendix A to Part 84.

- 1) Contracts in excess of the small purchase threshold shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such remedial actions as may be appropriate.
- 2) All contracts in excess of the small purchase threshold shall contain suitable provisions for termination by the recipient, including the manner by which termination shall be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.
- 3) Except as otherwise required by statute, an award that requires the contracting (or subcontracting) for construction or facility improvements shall provide for the recipient to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds \$100,000. For those contracts or subcontracts exceeding \$100,000, HUD may accept the bonding policy and requirements of the recipient, provided HUD has made a determination that the Federal Government's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:
 - i) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder shall, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

- ii) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
 - iii) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by statute of all persons supplying labor and material in the execution of the work provided for in the contract.
 - iv) Where bonds are required in the situations described herein, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties pursuant to 31 CFR part 223, "Surety Companies Doing Business with the United States."
- 4) All negotiated contracts (except those for less than the small purchase threshold) awarded by recipients shall include a provision to the effect that the recipient, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts and transcriptions.
 - 5) All contracts, including small purchases, awarded by recipients and their contractors shall contain the procurement provisions of Appendix A, as follows:
 - 6) Equal Employment Opportunity-All contracts shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
 - 7) Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c)-All contracts and subgrants in excess of \$2000 for construction or repair awarded by recipients and subrecipients shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to HUD.
 - 8) Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7)-When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to

laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to HUD.

- 9) Contract Work Hours and Safety Standards Act (40 U.S.C. 327 through 333)-Where applicable, all contracts awarded by recipients in excess of \$2000 for construction contracts and in excess of \$2500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 CFR part 5). Under Section 102 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the standard workweek is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- 10) Rights to Inventions Made Under a Contract or Agreement- Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by HUD.
- 11) Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended-Contracts and subgrants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to HUD and the Regional Office of the Environmental Protection Agency (EPA).
- 12) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)- Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

13) Debarment and Suspension (E.O.s 12549 and 12689)-No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24. This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

14) Drug-Free Workplace Requirements-The Drug-Free Workplace Act of 1988 (42 U.S.C. 701) requires grantees (including individuals) of federal agencies, as a prior condition of being awarded a grant, to certify that they will provide drug-free workplaces. Each potential recipient must certify that it will comply with drug-free workplace requirements in accordance with the Act and with HUD's rules at 24 CFR part 24, subpart F.

The information contained in this certification is true and accurate, to the best of my knowledge.

Name of Subgrantee	Name and Contract Number:	
Signature of Authorized Certifying Official:	Title:	Date:

WARNING: Section 1001 of the Title 18 of the United States Code (Criminal Code and Criminal Procedure, 72 Stat.967) applies to this certification. 18 U.S.C. 1001, among other things, provides that whoever knowingly and willfully makes or uses a document or writing knowing the same to contain any false, fictitious or fraudulent statement or entry, in any matter within jurisdiction of any department or agency of the United States, shall be fined no more than \$10,000 or imprisoned for not more than five years, or both.

Return this form to:

Housing Authority Name _____

Address _____

City, State, Zip Code _____

FOR ACTION

SUBJECT: To Approve the Timeline for the Hawaii Public Housing Authority's Five Year and Annual Plan; To Authorize the Executive Director to Hold Public Hearings on the Draft PHA Annual Plan for Fiscal Year 2013 – 2014 and Draft Amendments to the PHA 5-Year and Annual Plan for Fiscal Years 2009 – 2014; and To Authorize the Executive Director to Submit the Plan to the U.S. Department of Housing and Urban Development (HUD)

I. FACTS

- A. The Public Housing Agency (PHA) 5-Year and Annual Plans are a requirement of the Quality Housing and Work Responsibility Act of 1998 (QHWRA) and the Housing and Economic Recovery Act (HERA) of 2008. All public housing agencies administering federal public housing and Section 8 tenant-based Housing Choice Voucher (HCV) assistance programs must submit their plans to the U.S. Department of Housing and Urban Development (HUD) to be eligible to receive administrative, operating, Capital Fund Program, and Section 8 HCV assistance monies.
- B. The HPHA 2009 – 2014 5-Year and Annual Plan as approved by the Board on April 16, 2009, states the HPHA mission and sets out the goals and objectives of the HPHA for the 5-year period. The FY 2013-2014 Annual Plan modifies those goals and objectives and updates the progress in meeting them.
- C. A public hearing on the draft PHA Plan is required under the 24 Code of Federal Regulations, Part 903.17. Public notice of the hearing must be published in newspapers of general circulation at least 45 days prior to the public hearing.
- D. The HPHA must electronically submit the plan and required attachments in the HUD-specified format no later than April 15, 2013, for review and subsequent approval by the local Honolulu HUD Office.

II. DISCUSSION

- A. Since approval of the PHA 5-Year and Annual Plan, the redevelopment process for Kuhio Park Terrace has gone through many changes. The 5-Year and Annual Plan must be amended to reflect the most current status of the redevelopment project.

B. For the FY 2013-2014 Annual Plan, meetings started with the Resident Advisory Board (RAB) members on a monthly basis in September 2012. RAB members and the HPHA staff discussed progress on last year's plan and additions to this year's. The RAB will provide preliminary comments and recommendations, and the HPHA will respond to those recommendations. Discussion will continue at the January meeting.

C. In order to meet the April 15, 2013 deadline for submitting the final plan to HUD, the following schedule has been established:

<u>Action</u>	<u>Timeframe</u>
Input From RAB (Monthly Meetings)	September 2012 – February 2013
Board – “For Action” (set Public Hearing)	January 17, 2013
Publish Hearing Notice (45 Day Notice)	~January 20, 2013
Public Hearing	Between March 8-12, 2013
Finalize Plan	March 12-15, 2013
Board – “For Action” (To Approve Plan)	March 21, 2013
Transmit Approved PHA Plans to HUD	April 1, 2013
HUD Final Deadline	April 15, 2013

D. Information regarding the draft PHA Plan and the public hearings will be sent to all RAB members, Resident Associations and Asset Management Project (AMP) managers, and will be included in the February monthly rent billing statement mailed to all public housing households.

E. To notify the public of the hearings, notices will be published in the Honolulu Star-Advertiser, The Garden Island (Kauai), The Maui News, West Hawaii Today (Kailua-Kona), and the Hawaii Tribune Herald (Hilo) upon Board approval.

III. RECOMMENDATION

That the HPHA Board of Directors approves the HPHA's timetable and Authorizes the Executive Director to Conduct the Required Public Hearings on the FY 2013-2014 5-Year and Annual Plan.

Attachment A: Draft Amendments to the FY 2009-2014 PHA 5-Year and Annual Plan
Attachment B: Draft FY 2013-2014 PHA Plan

Prepared by: Kiriko Oishi, Chief Compliance Officer *Kuo*

Approved:

David Gierlach
Chairperson

058

Attachment to follow for:

To Approve the Timeline for the Hawaii Public Housing Authority's Five Year and Annual Plan; To Authorize the Executive Director to Hold Public Hearings on the Draft PHA Annual Plan for Fiscal Year 2013 – 2014 and Draft Amendments to the PHA 5-Year and Annual Plan for Fiscal Years 2009 – 2014; and To Authorize the Executive Director to Submit the Plan to the U.S. Department of Housing and Urban Development (HUD)

**Executive Director's Board Status Report
December 2012 / January 2013**

Major Programs

A. Public Housing

- 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.
- Coordinated holiday projects and activities with volunteer organizations at several public housing properties at AMPs throughout the State.
- HPHA will continue to appeal scores where there is adequate documentation to support the appeal and provide updates to the Board of Directors.
- Received notice from HUD regarding HPHA's PHAS Score for the fiscal year ended June 30, 2011. Met with HUD to discuss a recovery plan for substandard performance during the previous fiscal year and submitted responses to HUD as detailed in the January For Information packet.
- PMMSB continues to work with the Planning Office and the AGs to update the HPHA's rental agreement and house rules.
- AMPs continue to work collaboratively with local law enforcement agencies to start or assist with the resident patrols.

AMP 30 (Puuwai Momi):

- Puuwai Momi unit was approved by HUD for police officer to reside and assist AMP in curtailing criminal activities.
- Nominations closed for Puuwai Momi resident association. The Hale Laulima, Waipahu I and II and Salt Lake properties are not interested in starting a resident association at this time. AMP staff will continue to encourage participation.
- Purchased 80 gallon natural gas heater for Waipahu I as heater failed. Installation of the new gas heater was completed on December 17, 2012.

AMP 31 (Kalihi Valley Homes):

- Resident association planned meetings with other agencies including Weed and Seed and Word of Life Church on November 13, 2012 and December 4, 2012 to plan Holiday party held on December 15, 2012. Attendance was 150+ and party was a success. Conducted a survey of resident interest for future events.
- Puahala Homes held successful Holiday party on December 22, 2012 with 80+ in attendance.

AMP 35 (Kalanihuaia):

- Still attempting to meet goal of zero vacancies, but continuing to face unavoidable ADA transfers, tenant deaths and tenant long term care placements.

- Makamae: continued to support monthly activities sponsored by Nuuanu Baptist Church and Nuuanu YMCA. They also helped to sponsor holiday event on December 20, 2012. Prepared 124 goodie boxes.
- Pumehana: Continued support of lobby watch started with four key resident volunteers. Scheduled Christmas potluck lunch on December 20, 2012.

AMP 37 (Hilo):

- Sent out 62 letters of interest for people pulled from waitlist. This is the beginning process for getting people ready for pool applicants.
- Met with County of Hawaii on November 1, 2012 to discuss Memorandum of Agreement for the parking lots at Lanakila Homes. Waiting on response from the County of Hawaii.

AMP 38 (Kauai):

- Reviewed current applications to prepare for occupancy. Total of 32 vacant units and six available for occupancy.
- Majority of month was spent preparing for REAC (from December 5 to 12, 2012). Working with PMMSB staff to submit a database adjustment. Staff will review the inspection reports and finalize a plan to address the issues.

AMP 39 (Maui):

- Department of Health responded to HPHA regarding soil samples taken and would like to set up a meeting with Kahekili Terrace residents during second or third week in January. The Department of Health would like to educate the residents concerning the soil and how to stay safe from the pesticides previously used by Wailuku Sugar Mill.
- Did not have a REAC inspection scheduled but will continue to work with residents to maintain their landscape as well as common areas.
- Kahekili Terrace residents continue to walk with Maui Police Department (MPD) and other members of the community about once a week. Residents use the opportunity to discuss with MPD concerns they have regarding suspected illegal activities in area.
- Jim Falk's Valley Isle Motors in partnership with the Boys and Girls Club of Maui, donated approximately 30 new bikes to children residing at Kahekili Terrace.

B. Section 8 Subsidy Programs

-
- All annual re-certifications are 100% complete
 - Voucher lease up update:
 1. Staff is currently working to lease up 65 Veteran's Vouchers, and 20 Housing Choice Vouchers. HPHA is currently assisting 1975 families.
 2. Twenty seven new families were leased up in November and December 2012.

- Continue to focus on goals to increase lease up from 1975 to 2050.
- The chart below reflects the amount of funding the agency has received for the Housing Choice Vouchers and how much of the funds HPHA has utilized over the last six months. In December 2012 the HPHA spent \$23,909 more than HUD gave us for housing assistance payments (HAP). In the last 6 months, the HPHA has issued \$43,922 in HAP over the subsidy provided by HUD for housing assistance. HPHA has used the Net Restricted Assets (NRA) account to cover the shortfall. The NRA funds can only be used to pay for HAP. The HPHA's NRA account currently holds \$1.4 million. HUD calculates the average HAP paid quarterly to determine the funding for the next three months.

HOUSING CHOICE VOUCHERS ONLY	July	August	September	October	November	December
Funding from HUD	1,267,902	1,267,902	1,267,902	1,267,902	1,267,902	1,267,902
Funds expended	1,247,587	1,280,997	1,263,843	1,278,594	1,288,500	1,291,811
Short fall	-20,313	13,095	-4,059	10,692	20,598	23,909
Percent budget utilized	98.4%	101%	99.7%	100.8%	101.6%	101.9%

- Utility allowances for Oahu were corrected. HPHA identified an error in the calculations of the utility allowance and the current allowance are now more in line with last fiscal period.

C. Construction Management Branch

For Construction Management Branch Activities, see Program Reports

Administrative Services

A. Compliance Office

- Resolved approximately 28 tenant requests for reasonable accommodations under Section 504 of the Rehabilitation Act and the Fair Housing Act. Requests were approved for:
 - a. Transfers to accessible or ground floor units (5);
 - b. Transfer of unit for other reasons (2);
 - c. Installation of air conditioning (3); and
 - d. Service animal (4).
- Prepared for the implementation of the revised changes to the HPHA reasonable accommodations policy

- Continued drafting HPHA Language Access Action Plan and four-factor analysis; translation for vital documents.
- Continue to administer contract with National Center for Housing Management for HPHA self-evaluation and transition plan, including working with the Construction Management Branch to plan for the construction or retrofit of accessible units.

B. Planning and Evaluation Office (PEO)

- Monitored federal Notices of Funding Availability for potential grant opportunities
- Continue to work on amendments and updates to 17-2028, Hawaii Administrative Rules and 17-2020, Hawaii Administrative Rules
- Notified of successful application for competitive Choice Neighborhood Planning Grant from HUD; participated in teleconference with HUD lead specialists in HUD Headquarters.
- Working with Coalition for Tobacco Free Hawaii and Department of Health on implementing smoke-free public housing

Legislative

- Participated in task force meetings with Senator Chun Oakland
- Refined and submitted legislative proposals for inclusion in administrative package
- Coordinated responses to legislative requests for information
- Submitting Biennium budget request to Department of Budget and Finance on State budget process
- Working with the Governor's Policy Office and DHS on Legislative proposals
- Continue meeting with various Departments and affected organizations on HPHA's proposed legislation

C. Fiscal Management Office

For Fiscal Management Office Activities, see Financial reports.

- Board approved of the audited financial statements; continue to work on completing the single audit with the auditors.
- Request the Board establish a Finance Task Force to review the single audit findings.
- Work with the Office of the Executive Director to secure allotment of FY 2013 funds pending release by the Department of Budget and Finance.

D. Contracts and Procurement

For Solicitations and Contracts Issued in December 2012 see Program Reports.

Central Stores Requisitions/Purchase Orders/pCards Processed:

Type	Dec	Nov	% change	FYTD
Central Stores Requisitions	19	28	-32%	130
Purchase Orders	247	92	168%	1,092
pCard (Total)	29	35	-17%	221
pCard (under \$1,000)	26	29	-10%	181
pCard (over \$1,000)	3	6	-50%	40

- Execute emergency procurements for testing and repair of Waiialua Sewage Treatment Plant and Sewer at Puahala Homes/School Street Campus
- Respond to auditors requests for contract files for single audit review.
- Continue to recruit for vacant contract specialist positions to procure goods and services, and construction for HPHA.

E. Information Technology Office

- Coordinated remote assistance from Emphasys support to address ongoing issues with Elite Low Income Public Housing (LIPH) modules.
- Configured backup services for new Emphasys Elite software servers.
- Prepped network connections in Buildings G, L and H, so that employees can be relocated from Building A.
- Assisted with activating and configuring new cellphones for staff.

F. Hearings Office

- Eviction cases heard for December 2012 - 12 cases; 10 for rent, 2 for non rent.
- January 2012 through December 2012, a total of 134 cases were referred with a total of 56 families evicted for this period.
- HPHA is working on two (2) circuit court cases (appeals) pending for this period which include one tenant who pled guilty to theft of federal funds

- (criminal activity) and one tenant who violated the terms of the rental agreement (misconduct).
- Continue to prepare findings of fact, conclusions or law, decision and order, and other legal documents.
 - Continue to respond to request and inquiries from tenants, associations, HUD, Hawaii Civil Rights Commission, and Legal Aid Society.
 - Continue to work with the Department of the Attorney General for evictions from State public housing and cases in the appeal process.
 - Transmitted request for declaratory appeal for tenant in federal public housing. Administrative hearing by the HPHA Board of Directors is tentatively scheduled for January 2013 with the approval of the HPHA Board.

G. Personnel

Staffing as of January 2, 2013, Full-time Equivalent positions:

Filled positions:	289
Vacant positions:	79
Total FTEs:	368

47 positions identified as active recruitment and 31 positions are inactive to due cost savings.

New Hires:	8
Termination/resigned:	6

Note: 89-day hires (temp) 4

- Continue to recruit exempt positions in accordance to Act 159; Coordinate 5th job fair on January 24, 2013.
- Working on establishing a comprehensive performance appraisal and training system to improve worker productivity.

Safety & Worker's Compensation

- Received six injuries and two staff reported lost time and pending liability. Injuries under review by DHRD Claims Department.



U.S. Department of Housing and Urban Development

'13 JAN -3 A9 :44

Honolulu Field Office
1132 Bishop Street, Suite 1400
Honolulu, Hawaii 96813
<http://www.hud.gov>

RECEIVED
HAWAII PUBLIC
HOUSING AUTHORITY

December 31, 2012

Barbara Arashiro
Executive Assistant
Hawaii Public Housing Authority
1002 N. School St.
Honolulu, HI 96817

Re: Hawaii Public Housing Authority's (HPHA) Request for Public Housing Annual Contributions Contract (ACC) Waiver

Dear Ms. Arashiro:

This letter is in response to your November 29, 2012 letter to request for HUD to waive the conflict of interest provision of Section 19(A)(1) of the ACC between HPHA and HUD, as related to HPHA's current contract with AECOM Pacific Inc. which has been ongoing since 2008. In addition, you are requesting for HUD to waive the conflict of interest with respect to possible future contracts with the AECOM entities conducting business in Hawaii.

We reviewed HPHA's justification for the conflict of interest waiver and HPHA's action requiring Executive Director Ouansafi to recuse himself from "the procurement, selection, awarding, or administration" of any contracts involving AECOM companies and HPHA Board delegation of procurement and contract administration responsibilities to Ms. Arashiro and Mr. Sogawa.

We hereby approve the subject waiver request.

If you have any questions, please contact Jun Chung at (808) 457-4669.

Sincerely,

Michael S. Flores
Director
Office of Public Housing

NEIL ABERCROMBIE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
HONOLULU, HAWAII 96817

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

IN REPLY REFER TO:
12-OED-119

November 29, 2012

Via Email & U.S. Mail

Mr. Ryan Okahara, Field Office Director
U.S. Department of Housing and Urban Development
Honolulu Field Office
1132 Bishop Street, Suite 1400
Honolulu, HI 96813-4918

Re: Hawaii Public Housing Authority's ("HPHA") Request for Public Housing Annual Contributions Contract ("ACC") Waiver

Name/Title of Person Requesting Review: Barbara E. Arashiro, Executive Assistant of HPHA

Specific Conflict of Interest Provision Subject To This Request: Section 19(A)(1) of the ACC

Dear Mr. Okahara:

The HPHA Board of Directors ("Board") has considered this matter, and delegated the authority to me, as the Executive Assistant of HPHA, to request that the U.S. Department of Housing and Urban Development ("HUD") waive the conflict of interest provision of Section 19(A)(1) of the ACC between HPHA and HUD, as related to HPHA's current contract with AECOM Pacific, Inc. which has been ongoing since 2008. We are also requesting that HUD waive the conflict of interest with respect to possible future contracts with the following AECOM entities doing business in the State of Hawaii:

1. AECOM Technical Services, Inc.;
2. AECOM Pacific, Inc.;
3. AECOM Design;
4. AECOM Energy & Power;
5. AECOM Environment;
6. AECOM Government Services, Inc.;
7. AECOM, Inc.;
8. AECOM Services, Inc.;
9. AECOM Technology Corporation;
10. AECOM Transportation;

11. AECOM USA, Inc.;
12. AECOM Water;
13. Davis Langdon, Inc.; and
14. Any other entities owned by any of the AECOM companies listed above and doing business in the State of Hawaii (collectively referred to as "AECOM Companies").

We believe that "good cause" exists for HUD to grant the waiver of Section 19(A)(1) of the ACC for the reasons set forth below.

I. Implicated Conflict of Interest Provision - Section 19(A)(1) of the ACC

The specific conflict of interest provision that is the subject of this request is Section 19(A)(1)(ii) of the ACC, which provides:

"(A)(1) In addition to any other applicable conflict of interest requirements, neither the HA nor any of its contractors or their subcontractors may enter into any contract, subcontract, or arrangement in connection with a project under this ACC in which any of the following classes of people has an interest, direct or indirect, during his or her tenure or for one year thereafter:

* * * *

"(ii) Any employee of the HA who formulates policy or who influences decisions with respect to the project(s), or any member of the employee's immediate family, or the employee's partner.

(emphasis added).

Sections 19(A) and 19(A)(3) of the ACC provide:

"(3) The requirements of this subsection (A)(1) may be waived by HUD for good cause, if permitted under State and local law. No person for whom a waiver is required may exercise responsibilities or functions with respect to the contract to which the waiver pertains.

* * * *

Requests for waivers of this provision must be approved by HUD Headquarters. Field offices will perform the first review of such requests and submit recommendations to HUD Headquarters.

II. Nature of the Conflict of Interest in Detail

a. HPHA Executive Director, HPHA Statement of Procurement Policy, and Standards of Conduct

In early January 2012, Hakim Ouansafi became the Executive Director of HPHA ("Executive Director Ouansafi") – the State of Hawaii's public housing agency. His duties and responsibilities as the Executive Director include providing overall administration and management of all functions and activities related to the operation of the HPHA and federal and state public housing, construction and renovation of HPHA public housing developments, and overseeing the HPHA Contracts and Procurements Office ("CPO"), and HPHA Construction Management Branch ("CMB"). As the Executive Director, he also executes certain contracts on behalf of HPHA.

Pursuant to the "Statement of Procurement Policy for the Hawaii Public Housing Authority" approved by the Board of Directors on March 19, 2009 ("Procurement Policy"), Executive Director Ouansafi is responsible for ensuring "that all procurement actions are conducted in accordance with the policies contained [in the Procurement Policy]." See Procurement Policy, Section III.A. The term "procurement" as used in the Procurement Policy "includes both contracts and modifications (including change orders) for the purchasing, leasing, or renting of: (1) goods, supplies equipment, and materials, (2) construction and maintenance; consultant services, (3) architectural and engineering (A/E) services, (4) social services, and (5) other services." See Procurement Policy, Section I.B.

Section II of the Procurement Policy, *Ethics in Public Contracting*, provides:

B. Conflict of Interest

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

* * * *

2. His/her relative . . . including . . . wife

See Exhibit 1, Section II.B.

Additionally, HPHA's Standards of Conduct established by Administrative Memorandum, Administration No. 1, dated April 15, 2010 ("Standards of Conduct"),

addresses the standards of conduct for HPHA employees and Board of Directors, and handling conflicts of interest. Specifically, Section II of the Standards of Conduct provides:

HPHA employees and Board members should avoid conflicts between their duties to HPHA and their own personal interests. Where the potential for conflict exists, HPHA employees and Board members 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. Disclosures of conflicts of interests or potential conflicts of interests must be submitted in writing to the HPHA Board of Directors. The Board of Directors will be required to act on any disclosures received, with written justification being required for any waivers.

b. Conflict of Interest Involving AECOM Pacific, Inc.

The conflict of interest recently arose when Executive Director Ouansafi disclosed to me, and other key HPHA personnel, that his wife, Michele Layn Ouansafi ("Mrs. Ouansafi") is employed by AECOM Technical Services, Inc. as the Contracts/Subcontracts Manager. HPHA has been and continues to be in a contractual relationship with AECOM Pacific, Inc. (formerly known as M&E Pacific), and has also previously contracted with his wife's employer, AECOM Technical Services, Inc.¹ AECOM Pacific, Inc. and AECOM Technical Services, Inc. are related companies and part of AECOM. The solicitation, procurement, or award of the current contract between HPHA and AECOM Pacific, Inc. (Contract No. CMS 08-14) occurred in 2008, years before the Board hired Executive Director Ouansafi. Although this contract is currently pending and a Supplemental Contract needs to be executed, Executive Director Ouansafi has not been involved in this contract.

Upon discovering the conflict of interest, the following actions took place to comply with the HPHA Procurement Policy, the Standards of Conduct, ACC requirements, and HUD regulations: Executive Director Ouansafi recused himself from participating in any procurement or contract administration actions with respect to any of the AECOM Companies, or taking any action that could possibly involve the

¹ The prior contract between HPHA and AECOM Technical Services, Inc. (Contract No. CMS 11-12) began on June 27, 2011, and ended on January 19, 2012. Executive Director Ouansafi was also not involved with this expired contract with AECOM Technical Services, Inc., as it began nearly six (6) months before the start of his employment with HPHA and ended shortly after he became the HPHA Executive Director.

AECOM Companies. Due to the conflict of interest, I signed the recent Supplemental Contract No. 5 to Contract No. CMS 08-14, between HPHA and AECOM Pacific, Inc., and the contract remains pending. Additionally, pursuant to the HPHA Procurement Policy, Executive Director Ouansafi delegated any responsibilities and oversight regarding the AECOM Pacific, Inc. contract to me and Rick Sogawa, the HPHA Acting Contracts and Procurement Officer.

We also were aware of the need to disclose this conflict of interest to the Board, and obtain a waiver of Section 19(A) of the ACC from HUD. Accordingly, we consulted with our legal counsel, the Department of the Attorney General, regarding this conflict of interest situation and requested a legal opinion as to whether HPHA was prohibited from continuing its current contract with AECOM Pacific, Inc., or precluded by law from contracting with any of the AECOM Companies in the future.

In the meantime, Executive Director Ouansafi's wife, Mrs. Ouansafi, provided additional information regarding her employment with AECOM Technical Services, Inc. and AECOM in general. Mrs. Ouansafi stated that her company – AECOM Technical Services, Inc. – is related to AECOM Pacific, Inc. and the other AECOM Companies listed above. Currently, she is the Contracts/Subcontracts Manager for AECOM Technical Services, Inc. Mrs. Ouansafi is not an officer of AECOM Technical Services, Inc., or any other AECOM company, and holds minimal stock in AECOM through the Employee Stock Purchase Program. Executive Director Ouansafi does not own any stock in the AECOM Companies.

Mrs. Ouansafi also disclosed that in or around July 2000, she was employed by Earth Tech Inc., as the Contract/Subcontract Administrator, and subsequently in 2007, became the Contract/Procurement Manager. In or around 2009, AECOM purchased Earth Tech Inc., and the company's name changed to AECOM Technical Services, Inc. Mrs. Ouansafi has been and continues to be the Contracts/Subcontracts Manager for AECOM Technical Services, Inc. Mrs. Ouansafi has stated that she has signature authority for subcontract agreements only, and does not have the authority to sign contract agreements. Her main charter is to support federal contracts and procurement, rather than State of Hawaii, City & County of Honolulu, or commercial enterprises. Her involvement with the State of Hawaii, City & County of Honolulu, and commercial enterprises is solely within the environmental business line which does work as AECOM Technical Services, Inc. Mrs. Ouansafi also reported that she contractually supports AECOM Pacific, Inc. when that company is working on federal contracts or state projects involving a certain type of federal funding structure.

With respect to the contractual relationship with the AECOM Companies in general, the CPO and the CMB staff determined that HPHA's contract with AECOM Pacific, Inc. began in 2008 (Contract No. CMS 08-14), and four (4) Supplemental Contracts have been executed since that time. AECOM Pacific, Inc. was retained as a consultant for the conversion of existing cesspools to septic tank systems. Currently, Supplemental Contract No. 5 to CMS 08-14, which I recently signed on

behalf of HPHA, remains pending. Regarding HPHA's other contract with AECOM Technical Services, Inc. (Contract No. CMS 11-12), where the company provided electrical site survey and easement map services, the contract started on June 27, 2011, and ended on January 19, 2012.

Enclosed for your review is a memo from Acting CPO Officer Rick Sogawa to Deputy Attorney General Jennifer Sugita regarding HPHA's contracts with the AECOM Companies, with a chart listing the specific contracts and supplemental contracts executed to date. As evidenced by the attached list, HPHA retained AECOM Pacific, Inc. and AECOM Technical Services, Inc. many months or years before Executive Director Ouansafi started with HPHA.

As required by the Standards of Conduct, Executive Director Ouansafi also disclosed the conflict of interest in writing to the Board. The written disclosure is in the June 21, 2012 Board of Directors' Informational Board Meeting Packet, and a copy of which is enclosed for your review.

At the June 21, 2012 Board meeting, Executive Director Ouansafi disclosed the conflict of interest in detail to the Board members. Following a discussion, the Board voted to waive the conflict of interest, and allow the current contract between AECOM Pacific, Inc. and HPHA to proceed. The Board also moved to delegate the procurement and contract authority to me and Mr. Sogawa, or other appropriate HPHA staff regarding any matters related to, involving, or possibly involving the AECOM Companies. The Board also authorized me to submit to HUD, on behalf of HPHA, a request for a waiver of the Section 19(A)(1) of the ACC.

Subsequently, at the October 18, 2012, the HPHA approved amending the Waiver Request to HUD by requiring Executive Director Ouansafi to recuse himself from "the procurement, selection, awarding, or administration" of any contracts involving the AECOM companies. However, the Board recognized and specifically agreed with him that he must be allowed to "monitor" the status of the projects in which AECOM is involved, provided again that he exercises no discretionary function or makes decisions that could affect the respective AECOM contract and defers all such discretionary decisions to the delegated HPHA staff.

An opinion from our Deputy Attorney General that this arrangement does not violate any State law is attached.

III. Good Cause Present for HUD to Grant Waiver

Good cause exists for HUD to grant HPHA's request for a waiver. HPHA has contracted with certain AECOM Companies for many years, and the original contract with AECOM Pacific, Inc. that is currently ongoing was executed years before Mr. Ouansafi became the Executive Director of HPHA. In the future, should any of the AECOM Companies offer to contract with HPHA and be selected, we do not believe that there will be any conflict of interest or appearance of impropriety

since Executive Director has recused himself and the Board delegated the procurement and contract administration responsibilities to me and Mr. Sogawa.

HPHA has only entered into two (2) contracts (not counting the Supplemental Contracts) since 2008 with some of the AECOM Companies. Given this history, we do not anticipate entering in multiple contracts with any of the AECOM Companies. We do expect, however, that one of the AECOM Companies may respond to Requests for Proposals, Requests for Quotes, or Invitation for Bids, either as a contractor or subcontractor, or possibly be retained by way of small purchase procurement. As the AECOM Pacific, Inc. has been under contract with HPHA since 2008, and has the necessary expertise and experience regarding the cesspool conversions, it would be devastating to HPHA if we were precluded from continuing with AECOM Pacific, Inc.

Further, in light of AECOM's longstanding relationship with HPHA, prior services rendered to HPHA, and Executive Director Ouansafi's lack of participation and involvement in procurement and selection of contractors on projects that could possibly involve the AECOM Companies, we request that HUD allow HPHA to continue its current contract with AECOM Pacific, Inc., and also allow HPHA to contract with any of the AECOM Companies in the future.

IV. Compliance with Hawaii Law

We have consulted with HPHA's legal counsel, the Department of the Attorney General, State of Hawaii ("Attorney General's Office" or "legal counsel"), regarding this conflict of interest situation. Our legal counsel has advised that, based on the facts presented, the current contractual relationship between AECOM Pacific, Inc. and HPHA is permitted under the laws of the State of Hawaii. Specifically, since Executive Director Ouansafi was not involved with the current contract with AECOM Pacific, Inc., or the prior expired contract with AECOM Technical Services, Inc., the Attorney General's Office opined that there has been no violation of state laws, such as Hawaii Revised Statutes (HRS) section 84-14(a)(1) and HRS section 84-13. Our legal counsel has advised, however, that Executive Director Ouansafi continue to recuse himself from taking action involving AECOM Pacific, Inc., other AECOM Companies, or design/construction projects that could possibly relate to the AECOM Companies, to avoid any possible violation of the State Ethics Code, or the appearance that he has used his official position to secure preferential treatment for any of the AECOM Companies. The Attorney General's Office concluded that the State Ethics Code is not so restrictive so as to preclude Executive Director Ouansafi from continuing his employment as the Executive Director of HPHA, require Mrs. Ouansafi to resign from her position as the Contracts/Subcontracts Manager at AECOM Technical Services, Inc., or prohibit HPHA from contracting with the AECOM Companies in the future. We have enclosed for your review the opinion from the Attorney General's Office.

Mr. Ryan Okahara
November 29, 2012
Page 8

Thank you for your consideration of this request for a Section 19(A)(1) ACC Waiver.

Sincerely,



Barbara E. Arashiro
Executive Assistant of HPHA

Enclosures

HUD PROGRAM STAFF RECOMMENDATION:

(Signature)

(Date)

(Name and Title)

HUD LEGAL REVIEW COMMENTS:

(Signature)

(Date)

(Name and Title)



FOR ACTION

MOTION: (1) To Approve a Waiver of the Conflict of Interest Provision of Section 19(A)(1) of the Annual Contributions Contract (ACC) Between HPHA and the U.S. Department of Housing and Urban Development (HUD) for Executive Director Hakim Ouansafi as related to:

- (a) AECOM Technical Services, Inc.;
- (b) AECOM Pacific, Inc.;
- (c) AECOM Design;
- (d) AECOM Energy & Power;
- (e) AECOM Environment;
- (f) AECOM Government Services, Inc.;
- (g) AECOM, Inc.;
- (h) AECOM Services, Inc.;
- (i) AECOM Technology Corporation;
- (j) AECOM Transportation;
- (k) AECOM USA, Inc.;
- (l) AECOM Water;
- (m) Davis Langdon, Inc. (collectively, the "AECOM Companies"); and
- (n) Any other entities owned by any of the AECOM Companies doing business in the State of Hawaii;

Provided the Executive Director Recuses Himself from the Procurement, Selection, Award, Monitoring, or Administration of any Contracts and Subcontracts ("Procurement and Contract Authority") Involving ~~or~~ ~~Potentially Involving~~ the AECOM Companies; and

(see amendments on signature page)

(2) To Delegate Procurement and Contract Authority to Executive Assistant Barbara Arashiro, Acting Contracts and Procurement Officer Rick Sogawa, or to Other Appropriate HPHA Staff Regarding Any Matters ~~Related to, Involving, or Possibly Involving~~ the AECOM Companies.

(see amendments on signature page)

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. The C.F.R. further states in pertinent part that “[n]o employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.”
- C. The regulations define such a conflict in the following ways:
- i. The employee, officer or agent,
 - ii. Any member of his immediate family,
 - iii. His or her partner, or
 - iv. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.
- D. Section 19 of the HPHA's Public Housing Consolidated Annual Contributions Contract (ACC) with HUD provides in pertinent part:
- (A)(1) In addition to any other applicable conflict of interest requirements, neither the [HP]HA nor any of its contractors or their subcontractors may enter into any contract, subcontract, or arrangement in connection with a project under this ACC in which any of the following classes of people has an interest, direct or indirect, during his or her tenure or for one year thereafter:
- (ii) Any employee of the [HP]HA who formulates policy or who influences decisions with respect to the project(s), or any member of the employee's immediate family, or the employee's partner.
- E. 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.”
- F. 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.”

- G. The HPHA's Statement of Procurement Policy states in pertinent part:

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

2. His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister)

II. DISCUSSION

- A. A member of the Executive Director's immediate family, namely his wife, is currently employed by AECOM, a Delaware corporation that provides engineering and architectural services, authorized to conduct business in Hawaii.
- B. HPHA has retained the services of AECOM for the past several years, and currently has a contractual relationship with AECOM.
- C. Further, HPHA has contracted with certain Contractors, who in turn, subcontracted with AECOM Technical Services, Inc.
- D. The Executive Director was not involved in the solicitation, procurement, or award of the current contract or prior contracts with AECOM in any way.
- E. The Executive Assistant signed and executed the recent contract between AECOM and HPHA, and it is being administered by the HPHA Construction Management Branch.
- F. The Executive Director has delegated any responsibilities and oversight regarding this contract to the Executive Assistant and disqualified himself from handling any matters involving HPHA and AECOM.
- G. Pursuant to the above-referenced provision of the Standards of Conduct, the Executive Director has identified this situation as a conflict between his duties to HPHA and his own personal interests situation, disclosed the potential conflict to the Board of Directors, and recused himself from decision-making or action pertaining to the situation

III. RECOMMENDATION

That the HPHA Board of Directors **(1)** Approve a waiver of the Conflict of Interest Provision of Section 19(A)(1) of the Annual Contributions Contract (ACC) Between HPHA and the U.S. Department of Housing and Urban Development (HUD) for Executive Director Hakim Ouansafi as related to any of the AECOM Companies doing business in the State of Hawaii; and **(2)** Delegate Procurement and Contract Authority to Executive Assistant Barbara Arashiro, Acting Contracts and Procurement Officer Rick Sogawa, or to other appropriate HPHA staff regarding any matters related to, involving, or possibly involving the AECOM Companies.

Prepared by: Nicholas Birck, Chief Planner 

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



David Gierlach, Chairperson

Amendments: motion item (1) last paragraph remove "or Potentially Involving"
item (2) remove "Related to, Involving, or Possibly"

October 18, 2012

FOR ACTION

MOTION: (1) To Amend the Previous Action to Approve a Waiver of the Conflict of Interest Provision of Section 19(A)(1) of the Annual Contributions Contract (ACC) Between the Hawaii Public Housing Authority (HPHA) and the U.S. Department of Housing and Urban Development (HUD) for Executive Director Hakim Ouansafi as related to:

- (a) AECOM Technical Services, Inc.;
- (b) AECOM Pacific, Inc.;
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- (m) Davis Langdon, Inc. (collectively, the "AECOM Companies"); and
- (n) Any other entities owned by any of the AECOM Companies doing business in the State of Hawaii;

Amend Award to
Awarding and
remove the word
Monitoring

Provided the Executive Director Recuses Himself from the Procurement, Selection, Award, Monitoring, or Administration of any Contracts and Subcontracts ("Procurement and Contract Authority") Involving the AECOM Companies; and

(2) To Delegate Procurement and Contract Authority to Executive Assistant Barbara Arashiro, Acting Contracts and Procurement Officer Rick Sogawa, or to Other Appropriate HPHA Staff Regarding Any Matters Related to or Involving the AECOM Companies.

(3) 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. The C.F.R. further states in pertinent part that “[n]o employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.”
- C. The regulations define such a conflict in the following ways:
- i. The employee, officer or agent,
 - ii. Any member of his immediate family,
 - iii. His or her partner, or
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- D. Section 19 of the HPHA’s Public Housing Consolidated Annual Contributions Contract (ACC) with HUD provides in pertinent part:
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- (ii) Any employee of the [HP]HA who formulates policy or who influences decisions with respect to the project(s), or any member of the employee’s immediate family, or the employee’s partner.
- E. 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.”

F. 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.”

G. The HPHA’s Statement of Procurement Policy states in pertinent part:

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

2. His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister)

II. DISCUSSION

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

III. RECOMMENDATION

(1) To Amend the Previous Action to Approve a Waiver of the conflict of Interest Provision of Section 19(A)(1) of the Annual Contributions Contract (ACC) Between the Hawaii Public Housing Authority (HPHA) and the U.S. Department of Housing and Urban Development (HUD) for Executive Director Hakim Ouansafi as related to:

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- (f) AECOM Government Services, Inc.;
- (g) AECOM, Inc.;
- (h) AECOM Services, Inc.;

- (i) AECOM Technology Corporation;
- (j) AECOM Transportation;
- (k) AECOM USA, Inc.;
- (l) AECOM Water;
- (m) Davis Langdon, Inc. (collectively, the "AECOM Companies"); and
- (n) Any other entities owned by any of the AECOM Companies doing business in the State of Hawaii;

Amend Award
to Awarding
and remove
the word
Monitoring

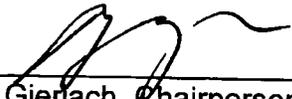
Provided the Executive Director Recuses Himself from the Procurement, Selection, Award, Monitoring, or Administration of any Contracts and Subcontracts ("Procurement and Contract Authority") Involving the AECOM Companies; and

(2) To Delegate Procurement and Contract Authority to Executive Assistant Barbara Arashiro, Acting Contracts and Procurement Officer Rick Sogawa, or to Other Appropriate HPHA Staff Regarding Any Matters Related to or Involving the AECOM Companies.

(3) 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

**Pages 94 to 96
Intentionally Left Out
(Attorney Client Privilege)**

Legislative Proposals 2013

HMS	Title	Description
HMS-16 (13)	Relating to Deleting State Public Housing Delinquent Accounts	Authorizes the Hawaii Public Housing Authority to delete delinquent accounts receivable records for state low-income public housing projects that have been delinquent at least ninety days and also authorizes the Hawaii Public Housing Authority to assign delinquent accounts to a collection agency
HMS -17 (13)	Relating to Improving Public Housing Program Administration	Authorizes the Hawaii Public Housing Authority to adopt policies, regulations, standards, procedures, and rental agreements for its federal programs without regard to chapter 91, Hawaii Revised Statutes, where federal regulations provide for the manner of adoption required; and provides that in conflicts between state and federal regulations, federal regulations shall prevail
HMS-18 (13)	Relating to Public Housing	Authorizes the Hawaii Public Housing Authority to process terminations of tenancy or evictions from the federal low-income public housing program without providing a grievance hearing where permitted under federal regulations
HMS-19 (13)	Relating to Open Containers of Intoxicating Liquor In Public Housing	Prohibits the possession or storage of an open container holding intoxicating liquor on any sidewalk or common area within any public housing project under the jurisdiction of the Hawaii Public Housing Authority.
HMS-20 (13)	Relating to Definition of Public Housing Project.	Expands the definition of "public housing projects" to include all potential properties that could be managed by a public housing agency under HUD regulations
HMS-21 (13)	Relating to Exemption From State Tax on Public Housing Agency Income And Obligations	Moves the statute that exempts income earned and obligations issued by a nonprofit entity determined to constitute a "public housing agency" from all state taxes where they are declared to be exempt from all federal taxes under section 11(b) of the United States Housing Act of 1937, by repealing section 201H-37, Hawaii Revised Statutes (HRS), and re-enacting it as a section in chapter 356D, HRS
HMS-22 (13)	Relating to the Hawaii Public Housing Authority	Exempts the Hawaii Public Housing Authority from administrative supervision under section 26-35(a)(1), (5), and (6), Hawaii Revised Statutes; authorizes the Board of Directors to set the salaries of the executive director, the executive assistant, and other management personnel subject to federal limitations; and exempts all other personnel from the approval of the head of the department pursuant to section 26-35(a)(4), Hawaii Revised Statutes (Pending revisions.)
HMS-24 (13)	Relating To Disposition Of Personal Property On Public Housing Properties	Provides the process by which the Hawaii Public Housing Authority may dispose of abandoned or seized property that it has acquired on state public housing projects

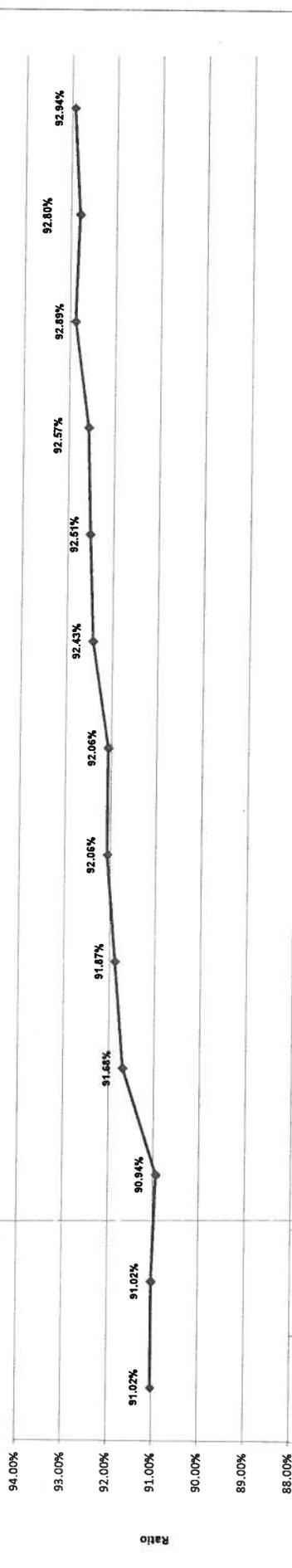
FEDERAL PUBLIC HOUSING

Occupancy from December 2011 to December 2012

	Dec-11			Jan-12			Feb-12			Mar-12			Apr-12			May-12			Cumulative (12 Months) 12/11 - 12/12		
	Total Units	Occ Units	Ratio	Units	Tenants	Ratio															
Hawaii	621	533	85.83%	621	533	85.83%	621	533	85.83%	621	536	86.31%	621	541	87.12%	621	576	92.75%	60,884	56,153	92.08%
Kauai	319	274	85.89%	319	274	85.89%	319	274	85.89%	319	277	87.11%	318	274	86.16%	318	278	87.42%			
Maui	196	147	75.00%	196	147	75.00%	196	150	76.53%	196	152	77.55%	196	158	80.61%	196	168	85.71%			
Oahu	3,554	3,315	93.28%	3,554	3,315	93.28%	3,554	3,310	93.11%	3,554	3,343	94.06%	3,553	3,338	93.95%	3,553	3,343	94.09%			
Total	4,680	4,269	91.02%	4,680	4,269	91.02%	4,680	4,266	90.94%	4,680	4,307	91.87%	4,688	4,316	92.05%	4,688	4,384	93.50%			

	Jun-12			Jul-12			Aug-12			Sep-12			Oct-12			Nov-12			Dec-12		
	Total Units	Occ Units	Ratio																		
Hawaii	621	541	87.12%	620	546	88.06%	620	551	88.87%	619	564	91.11%	620	571	92.10%	627	576	91.87%	627	576	91.87%
Kauai	318	274	86.16%	318	274	86.16%	318	274	86.16%	315	274	86.98%	321	281	87.54%	321	278	86.60%	321	278	86.60%
Maui	196	158	80.61%	196	169	86.22%	196	172	87.76%	196	175	89.29%	196	172	87.76%	196	170	86.73%	196	170	86.73%
Oahu	3,553	3,343	94.09%	3,553	3,344	94.17%	3,553	3,337	93.92%	3,553	3,337	93.92%	3,553	3,374	94.99%	3,574	3,348	93.88%	3,573	3,360	94.04%
Total	4,680	4,316	92.05%	4,687	4,336	92.51%	4,684	4,336	92.57%	4,683	4,350	92.89%	4,711	4,372	92.80%	4,717	4,384	92.94%	4,717	4,384	92.94%

Occupancy Rate



FEDERAL PUBLIC HOUSING

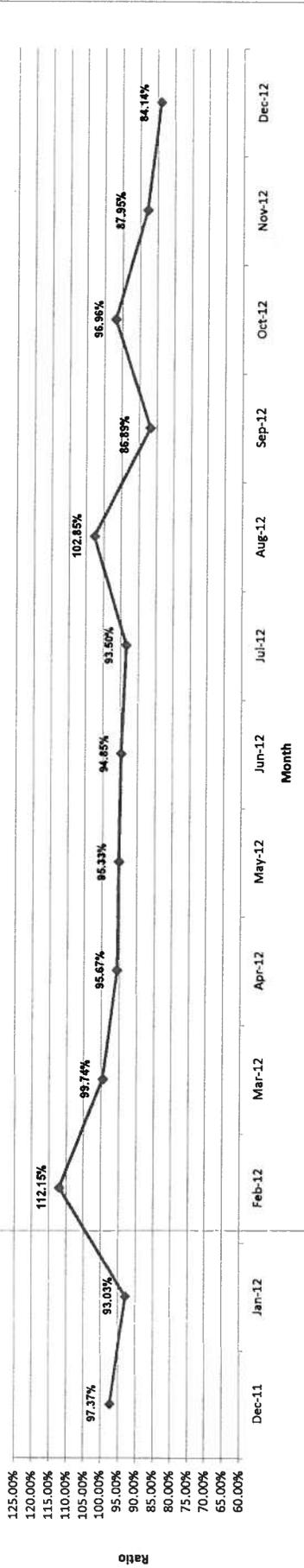
Rent Collection from December 2011 to December 2012

Cumulative (12 Months) 12/11 - 12/12	
Charges	\$ 14,636,094.57
Collections	\$ 14,148,586.80
Total	\$ (87,507.97)
Ratio	96.37%

	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12
	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$116,323.00	\$116,388.33	100.06%	\$110,422.26	\$110,422.26	99.99%
Kauai	\$76,020.00	\$72,976.75	95.49%	\$74,418.00	\$73,572.68	98.58%
Mauai	\$44,242.00	\$43,525.67	98.38%	\$44,064.00	\$43,954.01	99.75%
Oahu	\$895,633.23	\$869,441.27	97.13%	\$895,633.23	\$825,897.28	92.22%
Total	\$ 1,132,618.23	\$ 1,102,632.02	97.37%	\$ 1,128,534.34	\$ 1,049,846.23	93.05%

	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges
Hawaii	\$107,178.68	\$97,508.52	90.95%	\$103,718.74	\$103,718.74	100.00%	\$100,465.11
Kauai	\$68,375.34	\$64,430.50	94.23%	\$68,659.02	\$67,390.13	98.15%	\$72,776.00
Mauai	\$30,148.70	\$22,928.55	76.05%	\$42,751.00	\$41,534.18	97.15%	\$47,318.00
Oahu	\$856,389.38	\$819,265.22	95.64%	\$832,406.22	\$865,689.38	102.80%	\$837,113.33
Total	\$ 1,062,642.10	\$ 1,004,153.79	94.85%	\$ 1,151,662.24	\$ 1,078,342.43	93.59%	\$ 1,175,901.82

Rent Collection Rate



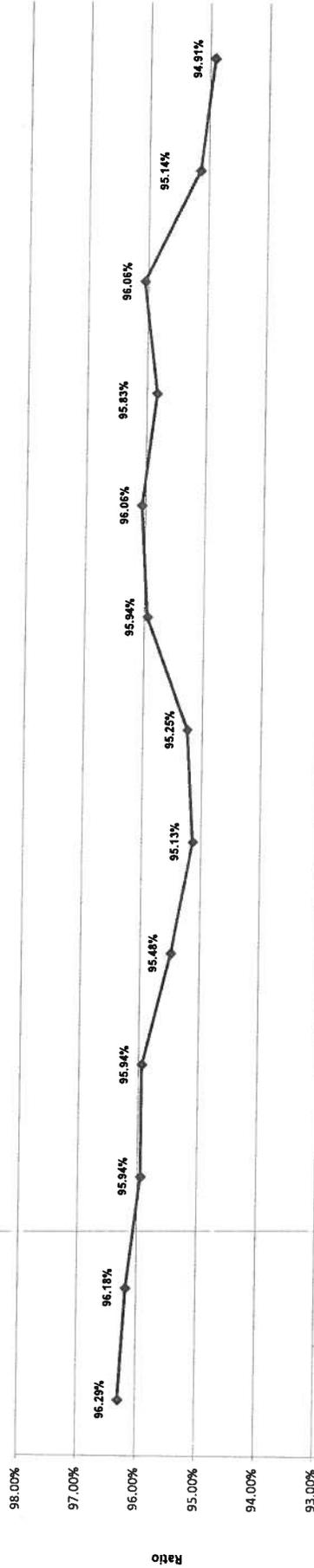
STATE PUBLIC HOUSING

Occupancy from December 2011 to December 2012

Cumulative (12 Months)	
Units	11,223
Tenants	10,741
Ratio	95.71%

	Dec-11			Jan-12			Feb-12			Mar-12			Apr-12			May-12			Jun-12			Jul-12			Aug-12			Sep-12			Oct-12			Nov-12			Dec-12		
	Total Units	Occ Units	Ratio																																				
Hawaii	56	49	87.50%	56	49	87.50%	56	48	85.71%	56	46	82.14%	56	42	75.00%	56	42	75.00%	56	42	75.00%	56	46	82.14%	56	46	82.14%	56	47	83.93%	56	48	85.71%	56	48	85.71%			
Kauai	26	23	88.46%	26	23	88.46%	26	23	88.46%	26	23	88.46%	26	23	88.46%	26	23	88.46%	26	23	88.46%	26	24	92.31%	26	24	92.31%	26	25	96.15%	26	26	100.00%	26	24	92.31%	26	24	92.31%
Mauai	32	25	78.13%	32	24	75.00%	32	27	84.38%	32	26	81.25%	32	28	87.50%	32	28	87.50%	32	29	90.63%	32	29	90.63%	32	28	87.50%	32	26	81.25%	32	26	81.25%	32	25	78.13%	32	25	78.13%
Ohu	749	734	98.00%	749	734	98.00%	749	730	97.46%	749	733	97.86%	749	749	100.00%	749	749	100.00%	749	749	100.00%	749	749	100.00%	749	730	97.46%	749	725	96.80%	749	725	96.80%	749	725	96.80%	749	725	96.80%
Total	863	831	96.29%	863	830	96.18%	863	828	95.94%	863	827	95.83%	863	829	96.06%	863	827	95.83%	863	829	96.06%	863	829	96.06%	863	829	96.06%												

Occupancy Rate



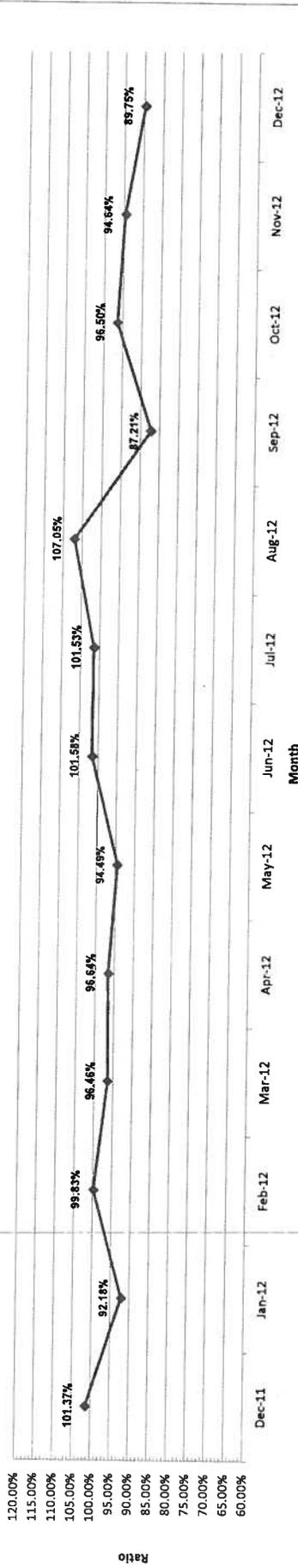
STATE PUBLIC HOUSING

Rent Collection from December 2011 to December 2012

	Dec-11		Jan-12		Feb-12		Mar-12		Apr-12		May-12		Cumulative (12 Months)	
	Charges	Ratio	Collected	Ratio	Charges	Ratio	Collected	Ratio	Charges	Ratio	Collected	Ratio	Charges	Ratio
Hawaii	\$ 16,098.00	87.52%	\$ 17,180.00	81.12%	\$ 17,779.00	103.84%	\$ 18,461.00	103.84%	\$ 17,154.00	89.88%	\$ 15,023.00	80.79%	\$ 14,147.00	84.51%
Kauai	\$ 5,176.00	97.30%	\$ 4,980.00	72.43%	\$ 4,980.00	4.831.00	\$ 4,831.00	97.01%	\$ 5,086.00	130.87%	\$ 5,086.00	75.70%	\$ 5,182.00	75.75%
Mauai	\$ 4,754.00	104.42%	\$ 4,765.00	67.03%	\$ 4,901.00	67.03%	\$ 4,354.00	129.65%	\$ 5,096.00	129.65%	\$ 6,577.00	95.40%	\$ 5,748.00	93.71%
Oahu	\$ 226,267.00	102.38%	\$ 227,969.00	93.97%	\$ 226,763.00	98.93%	\$ 224,341.74	98.93%	\$ 227,314.00	95.46%	\$ 226,343.00	97.55%	\$ 226,638.00	95.37%
Total	\$ 252,295.00	101.37%	\$ 254,114.00	92.18%	\$ 254,423.00	99.83%	\$ 253,987.74	99.83%	\$ 254,650.00	96.46%	\$ 245,643.75	96.61%	\$ 251,716.00	94.49%

	Jun-12		Jul-12		Aug-12		Sep-12		Oct-12		Nov-12		Dec-12	
	Charges	Ratio	Collected	Ratio	Charges	Ratio	Collected	Ratio	Charges	Ratio	Collected	Ratio	Charges	Ratio
Hawaii	\$ 14,040.00	81.94%	\$ 11,505.00	71.74%	\$ 15,025.00	91.14%	\$ 14,149.00	91.14%	\$ 15,169.00	75.35%	\$ 11,445.00	82.57%	\$ 14,094.00	78.64%
Kauai	\$ 5,182.00	80.22%	\$ 4,157.00	67.27%	\$ 5,264.00	103.84%	\$ 4,682.00	88.58%	\$ 5,276.00	96.67%	\$ 5,097.74	96.67%	\$ 5,076.19	76.34%
Mauai	\$ 5,376.00	101.19%	\$ 5,094.00	101.16%	\$ 5,448.00	85.37%	\$ 4,651.00	87.90%	\$ 4,975.00	84.34%	\$ 4,198.00	84.34%	\$ 5,514.00	62.85%
Oahu	\$ 225,516.00	103.11%	\$ 240,233.68	103.10%	\$ 225,890.00	108.74%	\$ 245,627.74	108.74%	\$ 224,465.00	97.97%	\$ 219,337.37	97.72%	\$ 223,737.00	96.85%
Total	\$ 250,114.00	101.98%	\$ 258,028.68	101.53%	\$ 252,127.00	107.06%	\$ 269,893.74	107.06%	\$ 251,345.00	87.21%	\$ 219,208.18	86.50%	\$ 248,421.19	94.64%

Rent Collection Rate



**Federal LIPH
HPHA Project Overview Report
December 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	363	339	22	93.39%	2	4	4	1
31P-KVH	373	334	38	89.54%	5	3	1	1
32P-MWH	364	351	11	96.43%	1	0	0	2
33P-Kam/Kaamanu	373	364	8	97.59%	2	1	0	1
34P-Kalalaua	583	563	17	96.57%	10	2	0	3
35P-Kalanihiua	587	580	3	98.81%	2	4	2	4
37P-Hilo	322	280	42	86.96%	2	2	1	0
38P-Kauai	321	278	34	86.60%	1	5	1	7
39P-Maui	196	170	15	86.73%	1	2	0	11
40P-KPT	168	167	1	99.40%	0	0	0	0
43P-Kona	202	197	5	97.52%	3	2	2	0
44P-Leeward Oahu	260	228	23	87.69%	4	1	1	9
45P-Windward Oahu	235	219	7	93.19%	2	4	2	0
46P-Kamuela	103	99	1	96.12%	3	1	0	2
49P-Central Oahu	150	122	27	81.33%	1	0	0	1
50P-Paolo	117	93	24	79.49%	4	6	6	0
Total	4,717	4,384	278	92.94%	43	37	20	42

AMP	Non Vacated Delinquencies**			Collection Rate			
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
30P-Aiea	90	50,446.82	24	41,105.35	\$ 132,321.00	\$ 102,531.44	77.49%
31P-KVH	100	40,449.41	29	23,616.69	\$ 92,301.00	\$ 71,511.31	77.48%
32P-MWH	51	28,309.47	17	18,609.46	\$ 101,489.00	\$ 85,771.19	84.51%
33P-Kam/Kaamanu	70	23,933.75	26	26,228.14	\$ 92,117.00	\$ 76,460.46	83.00%
34P-Kalalaua	42	14,998.66	9	18,648.51	\$ 130,852.00	\$ 122,650.64	93.73%
35P-Kalanihiua	36	12,401.10	9	7,042.54	\$ 146,780.33	\$ 138,888.69	94.62%
37P-Hilo	29	9,751.00	3	1,956.00	\$ 62,060.49	\$ 54,435.19	87.71%
38P-Kauai	50	22,637.02	20	28,634.24	\$ 72,785.00	\$ 56,776.29	78.01%
39P-Maui	37	12,359.00	10	9,979.00	\$ 47,318.00	\$ 38,117.48	80.56%
40P-KPT	38	25,733.49	5	2,944.97	\$ 68,996.00	\$ 52,662.89	76.33%
43P-Kona	35	11,545.00	3	2,313.00	\$ 36,078.00	\$ 28,638.92	79.38%
44P-Leeward Oahu	57	30,472.20	24	14,912.28	\$ 53,931.00	\$ 40,881.00	75.80%
45P-Windward Oahu	33	20,939.55	6	2,728.20	\$ 61,122.00	\$ 52,183.86	85.38%
46P-Kamuela	16	6,527.11	9	3,627.00	\$ 20,547.00	\$ 17,391.00	84.64%
49P-Central Oahu	11	7,994.79	4	8,015.00	\$ 33,641.00	\$ 29,645.00	88.12%
50P-Paolo	14	5,047.00	4	2,372.46	\$ 23,563.00	\$ 20,813.50	88.33%
Total	709	\$ 323,545.37	202	\$ 212,732.84	\$ 1,175,901.82	\$ 989,358.86	84.14%

* 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 LIPH
HPHA Island Overview Report
December 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	627	576	48	91.87%	8	5	3	23	Average Income	44	0.38%	6.29	3.05
Kauai	321	278	34	86.60%	1	5	1	28	Low Income (80%)	141	1.21%	2.77	1.93
Maui	196	170	15	86.73%	1	2	0	11	Very Low Inc. (50%)	923	7.94%	2.84	1.91
Oahu	3,573	3,360	181	94.04%	33	25	16	62	Extremely Low Inc. (30%)	10,513	90.47%	2.55	1.76
Total	4,717	4,384	278	92.94%	43	37	20	124		11,621	100.00%	2.59	1.78

Island	Non Vacated Delinquencies***			Collection Rate		
	Count of Families	30-90 Days	Over 90 Days	Charges	Collected	Ratio
Hawaii	80	\$ 27,823.11	15 \$ 7,896.00	\$ 118,685.49	\$ 100,465.11	84.65%
Kauai	50	\$ 22,637.02	20 \$ 28,634.24	\$ 72,785.00	\$ 56,776.29	78.01%
Maui	37	\$ 12,359.00	10 \$ 9,979.00	\$ 47,318.00	\$ 38,117.48	80.56%
Oahu	541	\$ 260,726.24	157 \$ 166,223.60	\$ 937,113.33	\$ 793,999.98	84.73%
Total	708	\$ 323,545.37	202 \$ 212,732.84	\$ 1,175,901.82	\$ 989,358.86	84.14%

* 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).

**State LIPH
HPHA Project Overview Report
December 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	45	0	97.83%	1	0	0	0
2202-Puahala Homes	128	117	1	91.41%	3	1	0	8
2204-Kawailehua	26	24	1	92.31%	1	0	0	1
2205-Kahale Mua	32	25	6	78.13%	0	1	0	1
2206-Lokahi	30	23	7	76.67%	1	0	0	0
2207-Ke Kumu Elua	26	25	0	96.15%	1	0	0	0
2401-Hale Po'ai	206	202	3	98.06%	3	3	0	0
2402-La'ioia	109	103	3	94.50%	0	2	0	2
2403-Kamalu-Ho'olulu	221	217	3	98.19%	2	2	1	0
2404-Halia Hale	41	40	0	97.56%	3	3	0	0
Total	865	821	24	94.91%	15	12	1	12

Project	Non Vacated Delinquencies**				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
2201-Hauiki	8	\$ 4,293.00	4	\$ 34,369.52	\$ 21,834.09	\$ 16,365.38	74.95%
2202-Puahala Homes	31	\$ 19,364.71	16	\$ 59,626.05	\$ 43,604.43	\$ 32,050.55	73.50%
2204-Kawailehua	5	\$ 2,458.00	3	\$ 20,079.00	\$ 5,886.00	\$ 4,476.00	76.04%
2205-Kahale Mua	11	\$ 2,756.16	6	\$ 12,433.00	\$ 4,782.00	\$ 3,197.00	66.85%
2206-Lokahi	8	\$ 3,758.00	2	\$ 580.00	\$ 7,843.00	\$ 5,953.50	75.91%
2207-Ke Kumu Elua	11	\$ 5,376.00	7	\$ 10,627.00	\$ 8,045.00	\$ 4,396.00	54.64%
2401-Hale Po'ai	0	\$ -	0	\$ -	\$ 58,461.00	\$ 58,461.00	100.00%
2402-La'ioia	1	\$ 195.00	0	\$ -	\$ 34,320.00	\$ 34,125.00	99.43%
2403-Kamalu-Ho'olulu	2	\$ 707.00	0	\$ -	\$ 62,581.00	\$ 61,874.00	98.87%
2404-Halia Hale	0	\$ -	0	\$ -	\$ 10,650.00	\$ 10,650.00	100.00%
Total	77	\$ 38,907.87	38	\$ 137,714.57	\$ 258,006.52	\$ 231,548.43	89.75%

* Occupancy also counts Scheduled for Modernization Units.

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

**State LIPH
HPHA Island Overview Report
December 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	7	85.71%	2	0	0	0	Average Income	30	0.37%	7.68	3.55
Kauai	26	24	1	92.31%	1	0	0	1	Low Income (80%)	71	0.87%	2.52	1.82
Maui	32	25	6	78.13%	0	1	0	1	Very Low Inc. (50%)	586	7.18%	2.84	1.90
Oahu	751	724	10	96.40%	12	11	1	10	Extremely Low Inc. (30%)	7,477	91.59%	2.44	1.66
Total	865	821	24	94.91%	15	12	1	12		8,164	100.00%	2.49	1.69

Island	Non Vacated Delinquencies***			Collection Rate			
	Count of Families	30-90 Days	Over 90 Days	Charges	Collected	Ratio	
Hawaii	19	\$ 9,134.00	9	\$ 11,207.00	\$ 15,888.00	\$ 10,349.50	65.14%
Kauai	5	\$ 2,458.00	3	\$ 20,079.00	\$ 5,886.00	\$ 4,476.00	76.04%
Maui	11	\$ 2,756.16	6	\$ 12,433.00	\$ 4,782.00	\$ 3,197.00	66.85%
Oahu	42	\$ 24,559.71	20	\$ 93,995.57	\$ 231,450.52	\$ 213,525.93	92.26%
Total	77	\$ 38,907.87	38	\$ 137,714.57	\$ 258,006.52	\$ 231,548.43	89.75%

* 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).

Section 8 Subsidy Programs Branch Monthly Report
 HUD's Voucher Management System Data Collection Report

From	7/1/2012				
To	11/1/2012				
As of	1/10/2013				
PHA Code	HI901				
PHA Name	Hawaii Public Housing Authority				
	<u>Jul-12</u>	<u>Aug-12</u>	<u>Sep-12</u>	<u>Oct-12</u>	<u>Nov-12</u>
Homeownership	11	11	11	11	11
Homeownership HAP	\$11,812	\$11,674	\$11,674	\$11,702	\$11,567
2008 and 2009 Non-Elderly Disabled	168	167	166	164	161
2008 and 2009 Non-Elderly Disabled HAP	\$144,703	\$145,455	\$140,090	\$141,671	\$139,304
Portable Vouchers Paid	32	28	26	27	25
Portable Voucher HAP	\$23,651	\$21,303	\$19,908	\$20,615	\$19,169
Tenant Protection	146	148	145	147	146
HAP Tenant Protection	\$269,016	\$269,069	\$263,538	\$268,541	\$267,606
Veteran's Affair Supported Housing (VASH) Voucher	166	175	182	189	194
Veteran's Affair Supported Housing (VASH) HAP	\$126,413	\$125,791	\$133,106	\$139,597	\$143,628
All Other Vouchers	1,385	1,395	1,392	1,404	1,420
HAP All Other Vouchers	\$1,556,840	\$1,540,311	\$1,580,512	\$1,367,495	\$1,378,253
FSS Escrow Deposits	\$7,051	\$6,534	\$19,327	\$6,969	\$431
All Voucher HAP Expenses After the First of Month	\$12,030	\$17,754	\$10,786	\$17,368	\$29,328
Total Vouchers	1,908	1,924	1,922	1,942	1,957
HAP Total	\$2,151,516	\$2,137,891	\$2,178,941	\$1,973,958	\$1,989,286
Number of Vouchers Under Leased (HAP Contract) on the last day of the Month	1,917	1,930	1,923	1,955	1,975
New vouchers issued but not under HAP contracts as of the last day of the month	106	40	80	14	40
Portability - In			1	4	9
Portability - In			\$1,031	\$6,660	\$12,537
Number of Vouchers Covered by Project-Based AHAPs and HAPs	455	455	455	455	455
Fraud Recovery - Amount Booked this Month	\$74		\$176	\$384	\$184
Interest or other income earned this month from the investment of HAP funds and Net Restricted Assets	\$14	\$15	\$15	\$16	\$7
FSS Escrow Forfeitures		\$16			
Number of Hard-to-House Families Leased	13	26	17	24	32
FSS Coordinator	\$5,256	\$5,252	\$5,252	\$5,252	\$5,252
FSS Coordinator Expenses Not Covered by FSS Grant	\$12,744	\$12,748	\$15,699	\$21,044	\$14,748
Administrative Expense	\$150,381	\$156,831	\$199,591	\$189,729	\$142,416
Audit	\$5,226	\$5,226	\$5,226	\$5,226	\$5,226
Net Restricted Assets (NRA) as of the Last Day of the Month	\$2,100,517	\$2,110,416	\$2,131,251	\$1,241,635	\$1,402,419
Unrestricted Net Assets (UNA) as of the Last Day of the Month	\$2,304,760	\$2,282,388	\$2,217,050	\$2,151,107	\$2,138,179
Cash/Investment as of the Last Day of the Month - Voucher Program Only	\$3,700,633	\$3,754,950	\$3,488,356	\$2,464,576	\$2,394,871
Date	7/1/2012	8/1/2012	9/1/2012	10/1/2012	11/1/2012

HEARINGS OFFICE-STATEWIDE FEDERAL EVICTION REFERRALS-December 31, 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	158	107	51	65	42	10	7	34	124
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	106	84	22	40	32	1	3	30	76
FY 2013	79	65	14	34	15	0	3	27	52

January 2012 - December 2012

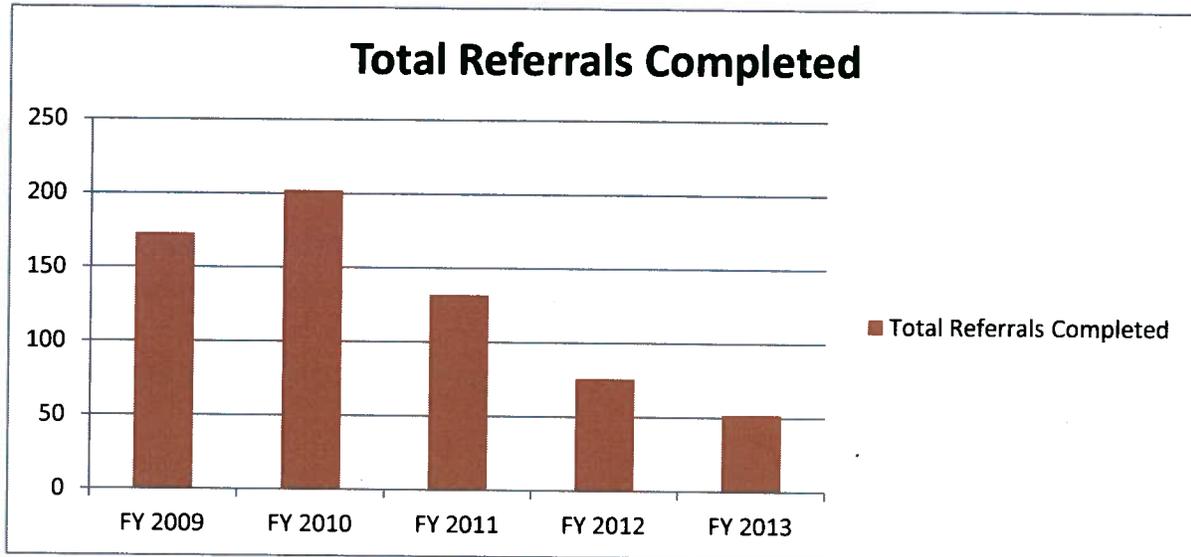
MONTH	REFERRALS			RESULT OF EVICTION REFERRAL					Completed
	Total	REASON FOR REFERRAL		Evict	Evict with Cond	10-day Cure	Dismiss	Continued	
		Rent	Other						
Jan 12	7	5	2	3	2	0	1	1	6
Feb 12	14	11	3	4	5	0	0	5	9
Mar 12	10	10	0	5	1	0	0	4	6
Apr 12	9	6	3	5	3	0	1	0	9
May 12	10	10	0	2	3	1	0	4	6
June 12	5	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
Sept 12	12	9	3	6	2	0	1	3	9
Oct 12	10	9	1	4	0	0	0	6	4
Nov 12	14	14	0	1	3	0	2	8	6
Dec 12	10	8	2	5	3	0	0	2	8
TOTALS	134	109	25	56	30	1	5	42	92

**Total # of Cases Heard for the Month of December 2012: 10
(Oahu & Neighbor Islands)**

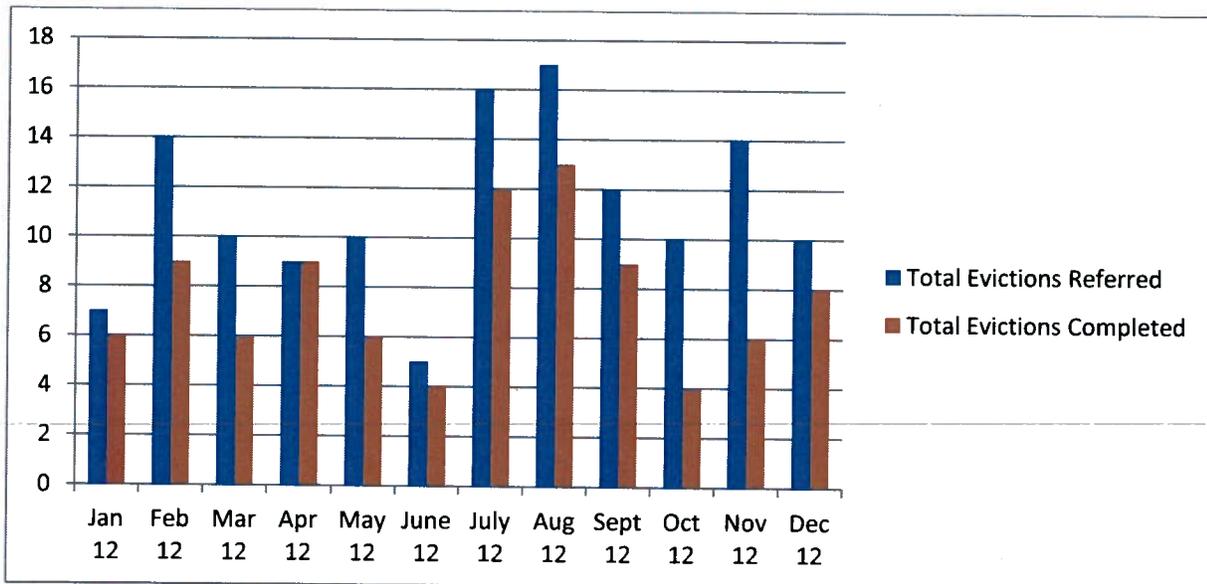
Decisions Rendered:	Rent Violations	Other Violations
Eviction	3	2
Evict w/cond	3	0
10-day cure	0	0
Dismissal	0	0
Continued	2	0
Total	8	2

Delinquent balances for rent cases ordered evicted for month of December 2012:
 AMP 39 Maui \$3,314
 AMP 35 Punchbowl \$2,453

Fiscal Years 2009-2013



January 2012 - December 2012



Prepared and Reviewed by Renee Blondin-Nip on December 31, 2012

**HAWAII PUBLIC HOUSING AUTHORITY
Board Report –November 2012**

AGENCY TOTAL – Variance Analysis based on any increase or (decrease) of 10% with the month of November 2012 being the basis for the variances.

INCOME STATEMENT

General Fund:

A. REVENUES:

CIP Administrative drawdown budgeted beginning in November (\$456k monthly through July 2013) awaiting current CIP allotment for revenue recognition.

B. EXPENSES:

Administrative:

Decrease in Administrative Salaries and Benefits due to vacancies in budgeted positions that are still in the hiring process.

Protective Services:

Additional protective services expended for certain projects, such as Mayor Wright Homes, which increased security services during the October and November holidays. Based on current activity and the need for additional services during the school intercessions, the budget for protective services will be reforecast in the coming months.

General Expenses:

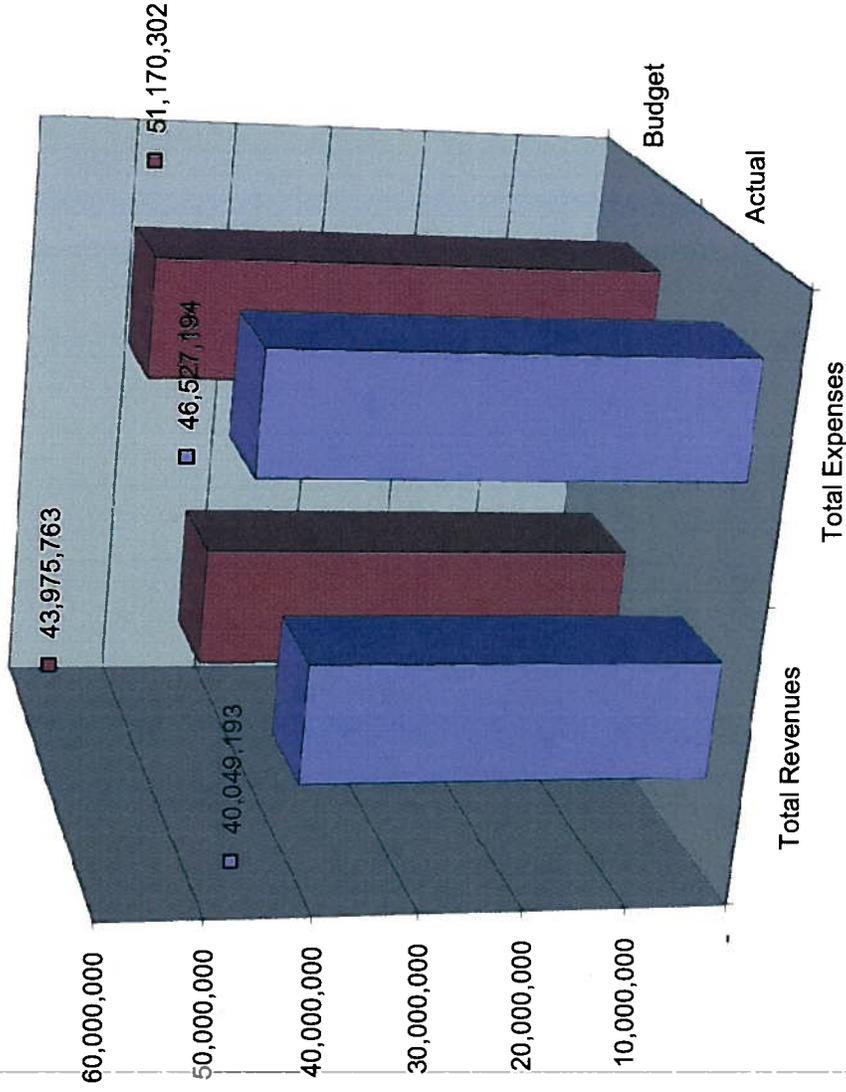
Increase in expense is due primarily to the increase in Depreciation Expense related to Construction in Progress being transferred to fixed assets and capitalized and depreciated.

OVERVIEW – Current Fiscal Year:

Cash basis shows a negative cash flow of \$564k year to date due to the \$1.03 million recapture in October for estimated subsidy paid to the HPHA in prior months.

Once the CIP appropriation is released to the HPHA, the financial report will show a positive cash flow in the current fiscal Year.

HPHA NOVEMBER 30, 2012 Actual VS Budget



	Total Revenues	Total Expenses
Actual	40,049,193	46,527,194
Budget	43,975,763	51,170,302

**CONSOLIDATED BALANCE SHEET
HAWAII PUBLIC HOUSING AUTHORITY
FUND FROM 130 TO 150, 007, 020, 024, 181, 265, 318, 337, 400
FOR PERIOD ENDING NOVEMBER 30, 2012
AGENCY TOTAL**

	<u>NOVEMBER</u>	<u>OCTOBER</u>	<u>Increase (Decrease)</u>
ASSETS:			
Cash	60,765,387	59,329,112	1,436,275
Receivables:			
Accrued Interest	646,349		
Tenant Receivables	1,873,612		
Other	1,674,328		
Less Allowance for Doubtful Accounts	2,598,992	3,222,050	(623,058)
Total receivables	2,470,251	2,536,185	(65,933)
Prepaid Expenses	940,630	943,176	(2,545)
Inventories	18,408,304	15,830,410	2,577,894
Interprogram Due From	(316)	(316)	-
Interprogram Due To			
Total Current Assets	85,183,248	81,860,616	3,322,632
Property, Plant & Equipment:			
Land	21,451,327		
Buildings	517,884,061		
Furniture & Equipment	5,738,481		
Motor vehicles	2,838,537		
Construction in Progress	33,933,879		
Less: Accumulated Depreciation	(305,997,848)	277,009,212	(1,160,775)
Notes, Loans & Mortgage Receivable-Non Current	46,928,157	46,928,157	-
Other Long term assets			
Total Assets	407,959,842	405,797,984	2,161,857

CONSOLIDATED BALANCE SHEET
HAWAII PUBLIC HOUSING AUTHORITY
FUND FROM 130 TO 150, 007, 020, 024, 181, 265, 318, 337, 400
FOR PERIOD ENDING NOVEMBER 30, 2012
AGENCY TOTAL

	<u>NOVEMBER</u>	<u>OCTOBER</u>	<u>Increase (Decrease)</u>
LIABILITIES AND EQUITY:			
Accounts Payable	876,605	594,623	281,982
Accrued Expenses	200,824	286,216	(85,392)
Accrued Salaries & Wages	639,379	639,379	-
Accrued Vacation	774,455	774,455	-
Tenant Security Deposits	734,814	734,437	377
Other Liabilities & Deferred Income	48,528,513	47,970,536	557,977
Interprogram Due To	10,094,915	8,952,718	1,142,197
Total Current Liabilities	61,849,504	59,952,364	1,897,140
Accrued Pension and OPEB Liability	13,949,102	11,691,358	2,257,744
Accrued Compensated Absences - Non Current	1,469,039	1,469,039	-
Accrued Expenses	109,404	109,404	-
Net Assets:			
Restricted Net Assets	2,844,517	2,844,517	-
Unrestricted Net Assets	334,216,276	335,039,130	(822,854)
Net Income Year to Date	(6,478,000)	(5,307,827)	(1,170,173)
Total Equity	330,582,792	332,575,820	(1,993,027)
Total Liabilities & Equity	407,959,842	405,797,984	2,161,857

**HAWAII PUBLIC HOUSING AUTHORITY
HOUSING CHOICE VOUCHER PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE FIVE MONTHS ENDING NOVEMBER 30, 2012
(Amounts in Full Dollars)**

MONTH OF NOVEMBER, 2012		YEAR TO DATE ENDING NOVEMBER 30, 2012	
Actual	Budget	Actual	Budget
\$	-	\$	-
2,003,959	1,968,605	8,526,885	9,843,025
-	-	-	-
-	-	-	-
154,905	152,504	774,161	762,520
2,158,864	2,121,109	9,301,046	10,605,545
		(1,304,499)	-12%
97,746	134,624	620,954	746,394
23,244	22,451	114,228	112,255
14,528	14,031	71,393	70,155
1,845,127	1,797,820	9,138,431	8,989,100
-	115	-	575
6,330	2,924	16,869	14,620
22,150	22,005	107,867	110,025
93	35	272	175
316	1,332	5,945	6,660
1,475	15,233	33,001	76,165
2,011,009	2,010,570	10,108,959	10,126,124
		(439)	0%
\$	147,855	\$	(807,913)
		\$	(1,287,334)
		\$	785,999
		\$	(1,593,912)
		\$	785,999
		\$	(1,593,912)
		\$	(1,593,912)
		\$	(1,593,912)

MONTH OF NOVEMBER, 2012		YEAR TO DATE ENDING NOVEMBER 30, 2012	
Actual	Budget	Actual	Budget
\$	-	\$	-
2,003,959	1,968,605	8,526,885	9,843,025
-	-	-	-
-	-	-	-
154,905	152,504	774,161	762,520
2,158,864	2,121,109	9,301,046	10,605,545
		(1,304,499)	-12%
97,746	134,624	620,954	746,394
23,244	22,451	114,228	112,255
14,528	14,031	71,393	70,155
1,845,127	1,797,820	9,138,431	8,989,100
-	115	-	575
6,330	2,924	16,869	14,620
22,150	22,005	107,867	110,025
93	35	272	175
316	1,332	5,945	6,660
1,475	15,233	33,001	76,165
2,011,009	2,010,570	10,108,959	10,126,124
		(439)	0%
\$	147,855	\$	(807,913)
		\$	(1,287,334)
		\$	785,999
		\$	(1,593,912)
		\$	785,999
		\$	(1,593,912)
		\$	(1,593,912)
		\$	(1,593,912)

MONTH OF NOVEMBER, 2012		YEAR TO DATE ENDING NOVEMBER 30, 2012	
Actual	Budget	Actual	Budget
\$	-	\$	-
2,003,959	1,968,605	8,526,885	9,843,025
-	-	-	-
-	-	-	-
154,905	152,504	774,161	762,520
2,158,864	2,121,109	9,301,046	10,605,545
		(1,304,499)	-12%
97,746	134,624	620,954	746,394
23,244	22,451	114,228	112,255
14,528	14,031	71,393	70,155
1,845,127	1,797,820	9,138,431	8,989,100
-	115	-	575
6,330	2,924	16,869	14,620
22,150	22,005	107,867	110,025
93	35	272	175
316	1,332	5,945	6,660
1,475	15,233	33,001	76,165
2,011,009	2,010,570	10,108,959	10,126,124
		(439)	0%
\$	147,855	\$	(807,913)
		\$	(1,287,334)
		\$	785,999
		\$	(1,593,912)
		\$	785,999
		\$	(1,593,912)
		\$	(1,593,912)
		\$	(1,593,912)

MONTH OF NOVEMBER, 2012		YEAR TO DATE ENDING NOVEMBER 30, 2012	
Actual	Budget	Actual	Budget
\$	-	\$	-
2,003,959	1,968,605	8,526,885	9,843,025
-	-	-	-
-	-	-	-
154,905	152,504	774,161	762,520
2,158,864	2,121,109	9,301,046	10,605,545
		(1,304,499)	-12%
97,746	134,624	620,954	746,394
23,244	22,451	114,228	112,255
14,528	14,031	71,393	70,155
1,845,127	1,797,820	9,138,431	8,989,100
-	115	-	575
6,330	2,924	16,869	14,620
22,150	22,005	107,867	110,025
93	35	272	175
316	1,332	5,945	6,660
1,475	15,233	33,001	76,165
2,011,009	2,010,570	10,108,959	10,126,124
		(439)	0%
\$	147,855	\$	(807,913)
		\$	(1,287,334)
		\$	785,999
		\$	(1,593,912)
		\$	785,999
		\$	(1,593,912)
		\$	(1,593,912)
		\$	(1,593,912)

MONTH OF NOVEMBER, 2012		YEAR TO DATE ENDING NOVEMBER 30, 2012	
Actual	Budget	Actual	Budget
\$	-	\$	-
2,003,959	1,968,605	8,526,885	9,843,025
-	-	-	-
-	-	-	-
154,905	152,504	774,161	762,520
2,158,864	2,121,109	9,301,046	10,605,545
		(1,304,499)	-12%
97,746	134,624	620,954	746,394
23,244	22,451	114,228	112,255
14,528	14,031	71,393	70,155
1,845,127	1,797,820	9,138,431	8,989,100
-	115	-	575
6,330	2,924	16,869	14,620
22,150	22,005	107,867	110,025
93	35	272	175
316	1,332	5,945	6,660
1,475	15,233	33,001	76,165
2,011,009	2,010,570	10,108,959	10,126,124
		(439)	0%
\$	147,855	\$	(807,913)
		\$	(1,287,334)
		\$	785,999
		\$	(1,593,912)
		\$	785,999
		\$	(1,593,912)
		\$	(1,593,912)
		\$	(1,593,912)

MONTH OF NOVEMBER, 2012		YEAR TO DATE ENDING NOVEMBER 30, 2012	
Actual	Budget	Actual	Budget
\$	-	\$	-
2,003,959	1,968,605	8,526,885	9,843,025
-	-	-	-
-	-	-	-
154,905	152,504	774,161	762,520
2,158,864	2,121,109	9,301,046	10,605,545
		(1,304,499)	-12%
97,746	134,624	620,954	746,394
23,244	22,451	114,228	112,255
14,528	14,031	71,393	70,155
1,845,127	1,797,820	9,138,431	8,989,100
-	115	-	575
6,330	2,924	16,869	14,620
22,150	22,005	107,867	110,025
93	35	272	175
316	1,332	5,945	6,660
1,475	15,233	33,001	76,165
2,011,009	2,010,570	10,108,959	10,126,124
		(439)	0%
\$	147,855	\$	(807,913)
		\$	(1,287,334)
		\$	785,999

**PROJECT BASED CONTRACT ADMINISTRATION
ACTUAL VS BUDGET COMPARISON
FOR THE FIVE MONTHS ENDING NOVEMBER 30, 2012
(Amounts in Full Dollars)**

	MONTH OF NOVEMBER, 2012			YEAR TO DATE ENDING NOVEMBER 30, 2012		
	Actual	Budget	Variance Amount %	Actual	Budget	Variance Amount %
REVENUES						
Dwelling Rental Income	\$ -	\$ -	0%	\$ -	\$ -	0%
HUD Operating Subsidies	1,901,169	2,200,000	(298,831) -14%	10,354,666	11,000,000	(645,334) -6%
Management Fees	-	-	0%	-	-	0%
Bookkeeping 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%	-	-	0%
Other Income	97,453	112,680	(15,227) -14%	487,682	563,400	(75,718) -13%
Total Revenues	1,998,622	2,312,680	(314,058) -14%	10,842,348	11,563,400	(721,052) -6%

EXPENSES						
Administrative	3,553	17,260	13,707 79%	42,416	86,300	43,884 51%
Asset Management Fees	-	-	0%	-	-	0%
Management Fees	-	-	0%	-	-	0%
Bookkeeping Fees	-	-	0%	-	-	0%
Housing Assistance Payments	1,901,169	2,133,960	232,791 11%	10,354,666	10,669,800	315,134 3%
Tenant Services	78,117	87,600	9,483 11%	390,585	438,000	47,415 11%
Utilities	-	-	0%	-	-	0%
Maintenance	-	-	0%	-	-	0%
Protective Services	-	-	0%	-	-	0%
Insurance	-	-	0%	-	-	0%
General Expenses	620	710	90 13%	3,585	3,550	(35) -1%
Total Expenses	1,983,459	2,239,530	256,071 11%	10,791,252	11,197,650	406,398 4%
Net Income(Loss)	\$ 15,163	\$ 73,150	(57,987) -79%	\$ 51,097	\$ 365,750	(314,653) -86%

CASH BASIS:						
Net Income(loss) per Above	\$ 15,163	\$ 73,150	(57,987) -79%	\$ 51,097	\$ 365,750	(314,653) -86%
Add back non cash items:	-	-	0%	-	-	0%
Depreciation Expense	-	-	0%	-	-	0%
Bad Debt Expense	-	-	0%	-	-	0%
TOTAL CASH BASIS	\$ 15,163	\$ 73,150	(57,987) -79%	\$ 51,097	\$ 365,750	(314,653) -86%

1

**CENTRAL OFFICE COST CENTER
ACTUAL VS BUDGET COMPARISON
FOR THE FIVE MONTHS ENDING NOVEMBER 30, 2012**
(Amounts in Full Dollars)

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%
-	-	\$ -	0%	-	-	\$ -	0%
299,967	242,355	57,612	24%	1,487,397	1,211,775	275,622	23%
53,930	36,060	17,870	50%	267,508	180,300	87,208	48%
13,315	13,315	-	0%	66,575	66,575	-	0%
-	-	-	0%	-	-	-	0%
-	25,000	(25,000)	-100%	-	125,000	(125,000)	-100%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
(5,517)	543,750	(549,267)	-101%	(162,508)	893,750	(1,056,258)	-118%
361,695	860,480	(498,785)	-58%	1,658,971	2,477,400	(818,429)	-33%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%
-	-	\$ -	0%	-	-	\$ -	0%
-	-	-	0%	-	-	-	0%
1,487,397	1,211,775	275,622	23%	1,487,397	1,211,775	275,622	23%
267,508	180,300	87,208	48%	267,508	180,300	87,208	48%
66,575	66,575	-	0%	66,575	66,575	-	0%
-	-	-	0%	-	-	-	0%
-	125,000	(125,000)	-100%	-	125,000	(125,000)	-100%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
(162,508)	893,750	(1,056,258)	-118%	(162,508)	893,750	(1,056,258)	-118%
1,658,971	2,477,400	(818,429)	-33%	1,658,971	2,477,400	(818,429)	-33%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%
557,239	667,256	110,017	16%	2,648,684	3,282,973	634,289	19%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
1,250	1,250	-	100%	200	6,250	6,050	97%
23,200	10,249	(12,951)	-126%	72,832	51,245	(21,587)	-42%
221,597	102,303	(119,294)	-117%	647,940	593,977	(53,963)	-9%
10,505	354	(10,151)	-2868%	14,236	1,770	(12,466)	-704%
2,611	3,598	987	27%	40,153	17,990	(22,163)	-123%
11,909	3,910	(7,999)	-205%	153,606	30,697	(122,909)	-400%
827,061	788,920	(38,141)	-5%	3,577,652	3,984,902	407,250	10%
\$ (465,366)	\$ 71,560	\$ (536,926)	-750%	\$ (1,918,681)	\$ (1,507,502)	\$ (411,179)	-27%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%
-	-	\$ -	0%	-	-	\$ -	0%
-	-	-	0%	-	-	-	0%
1,487,397	1,211,775	275,622	23%	1,487,397	1,211,775	275,622	23%
267,508	180,300	87,208	48%	267,508	180,300	87,208	48%
66,575	66,575	-	0%	66,575	66,575	-	0%
-	-	-	0%	-	-	-	0%
-	125,000	(125,000)	-100%	-	125,000	(125,000)	-100%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
(5,517)	543,750	(549,267)	-101%	(162,508)	893,750	(1,056,258)	-118%
1,658,971	2,477,400	(818,429)	-33%	1,658,971	2,477,400	(818,429)	-33%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%
827,061	788,920	(38,141)	-5%	3,577,652	3,984,902	407,250	10%
\$ (465,366)	\$ 71,560	\$ (536,926)	-750%	\$ (1,918,681)	\$ (1,507,502)	\$ (411,179)	-27%
\$ (465,366)	\$ 71,560	\$ (536,926)	-750%	\$ (1,918,681)	\$ (1,507,502)	\$ (411,179)	-27%
832	667	165	25%	4,162	3,335	827	25%
-	-	-	0%	-	-	-	0%
\$ (464,533)	\$ 72,227	\$ (536,760)	-743%	\$ (1,914,518)	\$ (1,504,167)	\$ (410,351)	-27%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%
-	-	\$ -	0%	-	-	\$ -	0%
-	-	-	0%	-	-	-	0%
1,487,397	1,211,775	275,622	23%	1,487,397	1,211,775	275,622	23%
267,508	180,300	87,208	48%	267,508	180,300	87,208	48%
66,575	66,575	-	0%	66,575	66,575	-	0%
-	-	-	0%	-	-	-	0%
-	125,000	(125,000)	-100%	-	125,000	(125,000)	-100%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
(5,517)	543,750	(549,267)	-101%	(162,508)	893,750	(1,056,258)	-118%
1,658,971	2,477,400	(818,429)	-33%	1,658,971	2,477,400	(818,429)	-33%

CASH BASIS:
Net Income(loss) per Above \$ (1,918,681) \$ (1,507,502) \$ (411,179) -27% \$ (670,383) \$ (1,248,297) -186%
Add back non cash items:
Depreciation Expense 4,162 3,335 827 25% 3,346 816 24%
Bad Debt Expense - - - 0% - - 0%
TOTAL CASH BASIS \$ (1,914,518) \$ (1,504,167) \$ (410,351) -27% \$ (667,037) \$ (1,247,481) -187%

**STATE ELDERLY PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE FIVE MONTHS ENDING NOVEMBER 30, 2012**
(Amounts in Full Dollars)

	MONTH OF NOVEMBER, 2012			YEAR TO DATE ENDING NOVEMBER 30, 2012		
	Actual	Budget	Variance Amount %	Actual	Budget	Variance Amount %
	\$ 166,221	\$ 163,538	2%	\$ 828,359	\$ 817,690	1%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	9,936	4,463	123%	463,336	22,315	1976%
	176,157	168,001	5%	1,291,695	840,005	54%
	4,259	27,506	85%	58,322	154,059	62%
	-	-	0%	-	-	0%
	32,776	32,776	0	164,980	164,980	(0)
	4,238	4,296	59	21,330	21,480	150
	-	-	0%	-	-	0%
	-	325	325	-	1,625	1,625
	104,476	108,750	4,274	547,663	543,750	(3,913)
	15,583	254,019	238,436	302,891	1,270,095	967,205
	43	4,000	3,957	314	20,000	19,686
	7,097	7,308	211	45,914	36,540	(9,374)
	116,602	115,155	(1,447)	582,570	575,775	(6,795)
	285,074	554,135	269,061	1,723,984	2,788,304	1,064,320
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	150,281	(1,372,524)	1,509,216
	\$ (108,917)	\$ (386,134)	\$ 277,217	\$ (432,289)	\$ (1,948,299)	\$ 1,516,010
	116,602	115,155	(1,447)	583,010	575,775	(7,235)
	-	-	-	(440)	-	440
	7,685	(270,979)	275,770	1		

**STATE LOW RENT
ACTUAL VS BUDGET COMPARISON
FOR THE FIVE MONTHS ENDING NOVEMBER 30, 2012
(Amounts in Full Dollars)**

	MONTH OF NOVEMBER, 2012			YEAR TO DATE ENDING NOVEMBER 30, 2012				
	Actual	Budget	Variance Amount %	Actual	Budget	Variance Amount %	Prior Year	Variance Amount %
	85,415	96,410	\$ (10,995) -11%	413,628	482,050	\$ (68,422) -14%	433,164	\$ (19,537) -5%
REVENUES								
Dwelling Rental Income	-	-	0%	-	-	0%	-	-
HUD Operating Subsidies	-	-	0%	-	-	0%	-	-
Management Fees	-	-	0%	-	-	0%	-	-
Bookkeeping 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%	-	-	0%	-	-
Other Income	10,216	840	9,376 1116%	81,077	4,200	76,877 1830%	604,894	(523,817) -87%
Total Revenues	95,631	97,250	(1,619) -2%	494,704	486,250	8,454 2%	1,038,058	(543,354) -52%
EXPENSES								
Administrative	21,911	14,372	(7,539) -52%	124,069	80,496	(43,573) -54%	109,294	(14,775) -14%
Asset Management Fees	548	548	- 0%	2,740	2,740	- 0%	-	(2,740) 0%
Management Fees	14,851	14,851	0 0%	74,833	74,833	0 0%	74,775	(58) 0%
Bookkeeping Fees	-	-	0%	-	-	0%	-	-
Housing Assistance Payments	-	-	0%	-	-	0%	-	-
Tenant Services	-	106	106 100%	-	530	530 100%	-	-
Utilities	74,949	76,483	(1,534) 2%	370,572	382,415	(11,843) 3%	293,422	(77,150) -26%
Maintenance	46,866	55,081	(8,215) 15%	251,872	277,569	(25,697) 9%	182,211	(69,661) -38%
Protective Services	2,606	2,453	(153) -6%	16,184	12,265	(3,919) -32%	12,472	(3,712) -30%
Insurance	66,630	27,675	(38,955) -141%	344,155	138,375	(205,780) -149%	204,576	(139,579) -68%
General Expenses								
Total Expenses	228,360	191,569	(36,791) -19%	1,184,425	969,223	(215,202) -22%	876,751	(307,675) -35%
Net Income(Loss)	\$ (132,729)	\$ (94,319)	\$ 35,172 37%	\$ (689,721)	\$ (482,973)	\$ (206,748) -43%	\$ 161,308	\$ (851,029) -528%
CASH BASIS:								
Net Income(loss) per Above	\$ (132,729)	\$ (94,319)	\$ 35,172 37%	\$ (689,721)	\$ (482,973)	\$ (206,748) -43%	\$ 161,308	\$ (851,029) -528%
Add back non cash items:								
Depreciation Expense	65,616	26,930	(38,686) -144%	328,078	134,650	(193,428) -144%	197,852	130,226 66%
Bad Debt Expense	-	100	100 100%	15,063	500	(485) -2913%	2,784	12,279 441%
TOTAL CASH BASIS	\$ (67,113)	\$ (67,289)	\$ (3,414) -5%	\$ (346,580)	\$ (347,823)	\$ (414,739) -119%	\$ 361,944	\$ (708,524) -196%

HAWAII PUBLIC HOUSING AUTHORITY
 FEDERAL LOW RENT PROGRAM BY AMPS
 ACTUAL VS BUDGET COMPARISON
 FOR THE FIVE MONTHS ENDING NOVEMBER 30, 2012
 (Amounts in Full Dollars)

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance		Actual	Budget	Variance	
		Amount	%			Amount	%
\$ 292,581	\$ 302,545	(9,964)	-3%	\$ 1,394,953	\$ 1,512,725	(117,772)	-8%
244,598	297,096	(52,498)	-18%	1,292,002	1,485,480	(193,478)	-13%
277,712	306,530	(28,818)	-9%	1,545,711	1,532,800	12,911	1%
223,422	251,409	(27,987)	-11%	1,138,592	1,257,045	(118,453)	-9%
358,980	351,817	7,163	2%	1,719,904	1,759,085	(39,181)	-2%
352,399	345,946	6,453	2%	1,843,484	1,729,730	113,754	7%
139,012	149,025	(10,013)	-7%	697,463	745,125	(47,662)	-6%
177,519	191,147	(13,628)	-7%	878,193	955,735	(77,542)	-8%
118,968	116,078	2,890	2%	592,553	580,390	12,163	2%
196,671	193,749	2,922	2%	967,320	968,745	(1,425)	0%
114,576	124,642	(10,066)	-8%	568,512	623,210	(54,698)	-9%
170,296	172,681	(2,385)	-1%	848,954	863,405	(14,451)	-2%
132,659	152,417	(19,758)	-13%	668,258	762,085	(93,827)	-12%
56,686	61,225	(4,539)	-7%	279,016	306,125	(27,109)	-9%
81,054	84,230	(3,176)	-4%	409,093	421,150	(12,057)	-3%
86,222	92,024	(5,802)	-6%	425,507	460,120	(34,613)	-8%
\$ 3,023,355	\$ 3,192,561	(169,206)	-5%	\$ 15,269,515	\$ 15,962,955	(693,440)	-4%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance		Actual	Budget	Variance	
		Amount	%			Amount	%
\$ 292,581	\$ 302,545	(9,964)	-3%	\$ 1,394,953	\$ 1,512,725	(117,772)	-8%
244,598	297,096	(52,498)	-18%	1,292,002	1,485,480	(193,478)	-13%
277,712	306,530	(28,818)	-9%	1,545,711	1,532,800	12,911	1%
223,422	251,409	(27,987)	-11%	1,138,592	1,257,045	(118,453)	-9%
358,980	351,817	7,163	2%	1,719,904	1,759,085	(39,181)	-2%
352,399	345,946	6,453	2%	1,843,484	1,729,730	113,754	7%
139,012	149,025	(10,013)	-7%	697,463	745,125	(47,662)	-6%
177,519	191,147	(13,628)	-7%	878,193	955,735	(77,542)	-8%
118,968	116,078	2,890	2%	592,553	580,390	12,163	2%
196,671	193,749	2,922	2%	967,320	968,745	(1,425)	0%
114,576	124,642	(10,066)	-8%	568,512	623,210	(54,698)	-9%
170,296	172,681	(2,385)	-1%	848,954	863,405	(14,451)	-2%
132,659	152,417	(19,758)	-13%	668,258	762,085	(93,827)	-12%
56,686	61,225	(4,539)	-7%	279,016	306,125	(27,109)	-9%
81,054	84,230	(3,176)	-4%	409,093	421,150	(12,057)	-3%
86,222	92,024	(5,802)	-6%	425,507	460,120	(34,613)	-8%
\$ 3,023,355	\$ 3,192,561	(169,206)	-5%	\$ 15,269,515	\$ 15,962,955	(693,440)	-4%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance		Actual	Budget	Variance	
		Amount	%			Amount	%
\$ 292,581	\$ 302,545	(9,964)	-3%	\$ 1,394,953	\$ 1,512,725	(117,772)	-8%
244,598	297,096	(52,498)	-18%	1,292,002	1,485,480	(193,478)	-13%
277,712	306,530	(28,818)	-9%	1,545,711	1,532,800	12,911	1%
223,422	251,409	(27,987)	-11%	1,138,592	1,257,045	(118,453)	-9%
358,980	351,817	7,163	2%	1,719,904	1,759,085	(39,181)	-2%
352,399	345,946	6,453	2%	1,843,484	1,729,730	113,754	7%
139,012	149,025	(10,013)	-7%	697,463	745,125	(47,662)	-6%
177,519	191,147	(13,628)	-7%	878,193	955,735	(77,542)	-8%
118,968	116,078	2,890	2%	592,553	580,390	12,163	2%
196,671	193,749	2,922	2%	967,320	968,745	(1,425)	0%
114,576	124,642	(10,066)	-8%	568,512	623,210	(54,698)	-9%
170,296	172,681	(2,385)	-1%	848,954	863,405	(14,451)	-2%
132,659	152,417	(19,758)	-13%	668,258	762,085	(93,827)	-12%
56,686	61,225	(4,539)	-7%	279,016	306,125	(27,109)	-9%
81,054	84,230	(3,176)	-4%	409,093	421,150	(12,057)	-3%
86,222	92,024	(5,802)	-6%	425,507	460,120	(34,613)	-8%
\$ 3,023,355	\$ 3,192,561	(169,206)	-5%	\$ 15,269,515	\$ 15,962,955	(693,440)	-4%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance		Actual	Budget	Variance	
		Amount	%			Amount	%
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223,422	251,409	(27,987)	-11%	1,138,592	1,257,045	(118,453)	-9%
358,980	351,817	7,163	2%	1,719,904	1,759,085	(39,181)	-2%
352,399	345,946	6,453	2%	1,843,484	1,729,730	113,754	7%
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114,576	124,642	(10,066)	-8%	568,512	623,210	(54,698)	-9%
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\$ 3,023,355	\$ 3,192,561	(169,206)	-5%	\$ 15,269,515	\$ 15,962,955	(693,440)	-4%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance		Actual	Budget	Variance	
		Amount	%			Amount	%
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358,980	351,817	7,163	2%	1,719,904	1,759,085	(39,181)	-2%
352,399	345,946	6,453	2%	1,843,484	1,729,730	113,754	7%
139,012	149,025	(10,013)	-7%	697,463	745,125	(47,662)	-6%
177,519	191,147	(13,628)	-7%	878,193	955,735	(77,542)	-8%
118,968	116,078	2,890	2%	592,553	580,390	12,163	2%
196,671	193,749	2,922	2%	967,320	968,745	(1,425)	0%
114,576	124,642	(10,066)	-8%	568,512	623,210	(54,698)	-9%
170,296	172,681	(2,385)	-1%	848,954	863,405	(14,451)	-2%
132,659	152,417	(19,758)	-13%	668,258	762,085	(93,827)	-12%
56,686	61,225	(4,539)	-7%	279,016	306,125	(27,109)	-9%
81,054	84,230	(3,176)	-4%	409,093	421,150	(12,057)	-3%
86,222	92,024	(5,802)	-6%	425,507	460,120	(34,613)	-8%
\$ 3,023,355	\$ 3,192,561	(169,206)	-5%	\$ 15,269,515	\$ 15,962,955	(693,440)	-4%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance		Actual	Budget	Variance	
		Amount	%			Amount	%
\$ 292,581	\$ 302,545	(9,964)	-3%	\$ 1,394,953	\$ 1,512,725	(117,772)	-8%
244,598	297,096	(52,498)	-18%	1,292,002	1,485,480	(193,478)	-13%
277,712	306,530	(28,818)	-9%	1,545,711	1,532,800	12,911	1%
223,422	251,409	(27,987)	-11%	1,138,592	1,257,045	(118,453)	-9%
358,980	351,817	7,163	2%	1,719,904	1,759,085	(39,181)	-2%
352,399	345,946	6,453	2%	1,843,484	1,729,730	113,754	7%
139,012	149,025	(10,013)	-7%	697,463	745,125	(47,662)	-6%
177,519	191,147	(13,628)	-7%	878,193	955,735	(77,542)	-8%
118,968	116,078	2,890	2%	592,553	580,390	12,163	2%
196,671	193,749	2,922	2%	967,320	968,745	(1,425)	0%
114,576	124,642	(10,066)	-8%	568,512	623,210	(54,698)	-9%
170,296	172,681	(2,385)	-1%	848,954	863,405	(14,451)	-2%
132,659	152,417	(19,758)	-13%	668,258	762,085	(93,827)	-12%
56,686	61,225	(4,539)	-7%	279,016	306,125	(27,109)	-9%
81,054	84,230	(3,176)	-4%	409,093	421,150	(12,057)	-3%
86,222	92,024	(5,802)	-6%	425,507	460,120	(34,613)	-8%
\$ 3,023,355	\$ 3,192,561	(169,206)	-5%	\$ 15,269,515	\$ 15,962,955	(693,440)	-4%

MONTH OF NOVEMBER, 2012				YEAR TO DATE ENDING NOVEMBER 30, 2012			
Actual	Budget	Variance		Actual	Budget	Variance	
		Amount	%			Amount	%
\$ 292,581	\$ 302,545	(9,964)	-3%	\$ 1,394,953	\$ 1,512,725	(117,772)	-8%
244,598	297,096	(52,498)	-18%	1,292,002	1,485,480	(193,478)	-13%
277,712	306,530	(28,818)	-9%	1,545,711	1,532,800	12,911	1%
223,422	251,409	(27,987)	-11%	1,138,592	1,257,045	(118,453)	-9%
358,980	351,817	7,163	2%	1,719,904	1,759,085	(39,181)	-2%
352,399							

HAWAII PUBLIC HOUSING AUTHORITY
 FEDERAL LOW RENT PROGRAM BY AMPS
 ACTUAL VS BUDGET COMPARISON

FOR THE FIVE MONTHS ENDING NOVEMBER 30, 2012

MONTH OF NOVEMBER, 2012

YEAR TO DATE ENDING NOVEMBER 30, 2012

(Amounts in Full Dollars)

MONTH OF NOVEMBER, 2012		YEAR TO DATE ENDING NOVEMBER 30, 2012		CASH BASIS						
Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
\$ 292,581	\$ 302,545	\$ (9,964)	-3%	\$ 1,394,953	\$ 1,512,725	\$ (117,772)	-8%	\$ 1,215,640	\$ 179,313	15%
244,598	297,096	(52,498)	-18%	1,292,002	1,485,480	(193,478)	-13%	1,056,447	235,555	22%
277,712	306,530	(28,818)	-9%	1,545,711	1,532,800	12,911	1%	1,475,468	70,243	5%
223,422	251,409	(27,987)	-11%	1,138,592	1,257,045	(118,453)	-9%	1,153,627	(15,035)	-1%
358,980	351,817	7,163	2%	1,719,904	1,759,085	(39,181)	-2%	1,680,046	39,857	2%
352,399	345,946	6,453	2%	1,843,484	1,729,730	113,754	7%	1,607,680	235,804	15%
139,012	149,025	(10,013)	-7%	697,463	745,125	(47,662)	-6%	715,200	(17,737)	-2%
177,519	191,147	(13,628)	-7%	878,193	955,735	(77,542)	-8%	929,919	(51,726)	-6%
118,968	116,078	2,890	2%	592,553	580,390	12,163	2%	563,796	28,758	5%
196,671	193,749	2,922	2%	967,320	968,745	(1,425)	0%	622,631	344,689	55%
114,576	124,642	(10,066)	-8%	568,512	623,210	(54,698)	-9%	530,718	37,794	7%
170,296	172,681	(2,385)	-1%	848,954	863,405	(14,451)	-2%	746,119	102,835	14%
132,659	152,417	(19,758)	-13%	668,258	762,085	(93,827)	-12%	604,181	64,077	11%
56,686	61,225	(4,539)	-7%	279,016	306,125	(27,109)	-9%	244,548	34,468	14%
81,054	84,230	(3,176)	-4%	409,093	421,150	(12,057)	-3%	371,135	37,958	10%
86,222	92,024	(5,802)	-6%	425,507	460,120	(34,613)	-8%	373,993	51,514	14%
\$ 3,023,355	\$ 3,192,561	\$ (169,206)	-5%	\$ 15,269,515	\$ 15,962,955	\$ (693,440)	-4%	\$ 13,891,149	\$ 1,378,366	10%
REVENUES										
(28,549)	(34,064)	5,515	16%	(58,913)	(181,179)	122,266	67%	(87,742)	28,829	33%
(15,072)	49,658	(64,730)	-130%	258,485	237,431	21,054	9%	140,886	117,600	83%
(39,717)	11,023	(50,740)	-460%	107,351	(148,364)	255,715	172%	450,633	(343,282)	-76%
31,131	8,843	22,288	252%	176,354	(161,107)	337,461	209%	316,324	(139,971)	-44%
37,552	6,935	30,617	441%	298,954	38,170	260,784	683%	541,926	(242,971)	-45%
20,877	(25,344)	46,221	182%	363,436	(137,447)	500,883	364%	466,694	(103,258)	-22%
(15,587)	(34,122)	18,535	54%	(24,912)	(181,602)	156,690	86%	(85,517)	60,604	71%
(17,243)	9,539	(26,782)	-281%	160,593	37,034	123,559	334%	232,560	(71,967)	-31%
(29,193)	(34,297)	5,104	15%	(41,550)	(224,936)	183,386	82%	41,609	(83,159)	-200%
(17,385)	(2,143)	(15,242)	-711%	99,125	(21,121)	120,246	569%	(232,495)	331,620	143%
(73,972)	25,215	(99,187)	-393%	54,957	115,825	(60,868)	-53%	933	54,024	5790%
32,567	18,180	14,387	79%	296,559	79,192	217,367	274%	298,542	(1,983)	-1%
16,763	6,107	10,656	174%	121,789	20,268	101,521	501%	112,475	9,314	8%
(28,401)	(8,769)	(19,632)	-224%	35,047	(43,845)	78,892	180%	554	34,492	6222%
(27,802)	(14,686)	(13,116)	-89%	6,750	(82,903)	89,653	108%	121,747	(114,996)	-94%
(6,966)	4,874	(11,840)	-243%	110,510	14,103	96,407	684%	144,395	(33,885)	-23%
\$ (160,999)	\$ (13,051)	\$ (147,948)	-1134%	\$ 1,964,536	\$ (640,481)	\$ 2,605,017	407%	\$ 2,463,525	\$ (498,990)	-20%
NET INCOME(LOSS)										
Total Revenues										
Total Net Income(Loss)										

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

Solicitations Issued in December 2012:

Solicitation No.	Title	Due Date
IFB CMS-2012-11	Re-Roof and Renovation to Ke Kumu Ekolu, HA 1097 (Federal) and Repair to Ku Kumu Elua, HA 2207 (State)	January 29, 2013
IFB PMB-2012-19	Furnish and Deliver New Vehicles to the HPHA's Oahu Office	December 28, 2012
RFP PMB 2012-09	Property Management and Maintenance Services for the Kuhio Park Terrace – Ka Hale Kamehaikana Community Resource Center on the Island of Oahu	January 9, 2013

Contracts Executed in December 2012:

Contract No.	Contractor & Description	Supp. Amount	Total Amount
CMS 10-22-SC03	Group 70 International, Inc. Provide Additional Design and Consultant Services for Site and Dwelling Improvements to Hale Hoolulu, Kalaheo Homes and Hale Nan Kai O Kea (AMP 38) on the Island of Kauai End Date: May 29, 2013	\$97,731.00	\$728,505.37
CMS 11-15-CO01	Society Contracting Provide Additional Labor, Materials and Equipment and Extension of Time of 49 Calendar Days to Renovate 4 Vacant Units at Kaiokalani (AMP 44), 3 Vacant Units at Waimaha-Sunflower (AMP 44), 2 Vacant Units at Maili II (AMP 44), 4 Vacant Units at Nanakuli Homes (AMP 44), 2 Vacant Units at Kupuna Home-O Waiialua (AMP 49) and 17 Vacant Units at Wahiawa Terrace (AMP 49) on the Island of Oahu End Date: March 18, 2013	\$54,852.25	\$1,905,823.25
CO 11-01-SC01	National Center for Housing Management Provide an Additional Training on Accessibility and Fair Housing Laws for HPHA staff End Date: April 25, 2013	\$6,000.00	\$541,500.00

Contract No.	Contractor & Description	Supp. Amount	Total Amount
PMB 12-11	<p>Housing Authority of the City of Bremerton Furnish Section 8 Performance Based Contract Administration End Date: March 31, 2013</p> <p>*The Base Fee is 2% of the 2 bedroom Fair Market Rent (FMR) for the local the project is located in. The FMR for the current contract period is based on the latest FMR (Oct 2012).</p> <p>Note: The estimated HPHA total administrative fee from HUD for the contract period will be \$98,000.00.</p>		<p>Est. \$235,200.00</p> <p>*Base Fee – 80%</p>
PMB 12-12	<p>Lions' Cleaning & Maintenance, Inc. Furnish Custodial Services for the Hawaii Public Housing Authority's Central Offices End Date: December 31, 2013</p>		\$67,874.30
PMB 11-09-SC03	<p>Support Services Group, LLC Continue to Provide Refuse Collection Services for Kalihi Valley Homes, Hauiki Homes, Puahala Homes (AMP 31), Kalakaua Homes, Makua Alii, Paoakalani (AMP 34), Kuhio Park Terrace – Low Rise, Kuhio Homes (AMP 40), and Palolo Valley Homes (AMP 50) on the Island of Oahu for an Additional 6-month Period End Date: June 30, 2013</p>	\$184,920.93	\$754,085.68

CONSTRUCTION MANAGEMENT BRANCH

Status Report

Vacant Units Type C

December 28, 2012

Completed Activities

- **Wahiawa Terrace Unit 5-4**
- **Kalihi Valley Homes Unit 16C, 16D**

Planned Activities

- **Group A – 5 Vacant Units on Maui**
 - David Malo Circle – 2 units (725C, 745A) To be part of the major modernization.
 - Piilani Homes – 1 unit (1028-F5) To be part of the major modernization.
 - Makani Kai Hale – 2 units (24, 34) Construction Management Branch is including these units in the David Malo major modernization.
- **Group B – 32 Vacant Units on Oahu**
 - Kauliokalani - 4 units (101, 201, 301, 303)
 - Waimaha Sunflower – 3 units (B128, B220, B320)
 - Maili – 2 units (19, 24)
 - Nanakuli Homes - 4 units (01, 02, 06, 34)
 - 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, 6-4, 6-5, 6-6, 6-7, 7-1, 7-2, 8-5, 8-7)
 - Permit approved and ready for pick up.
 - Estimated completion May 2013.
- **Vacant Units (7 units) – Department of Accounting and General Services (DAGS).**
 - Puuwai Momi – 3 units (8C, 8D, 27B)
 - Construction started 7/4/12
 - 90% complete. Estimated completion 2/28/13.
 - Wahiawa Terrace – 6 units (3-1, 5-1, 7-6, 3-7, 5-6, 5-8)
 - HPHA to determine if DAGS or special teams will work on these units.
- **Vacant Units (1 unit) – HPHA Central Maintenance Special Team**
 - Wahiawa Terrace – 1 units (5-3)
 - Work started 12/28/12.
- **Vacant Units (7 units) – Construction Management Branch will train AMP on scoping the interior work to be done. CMB will then prepare bid documents and put out on HePS**
 - Waipahu – 1 unit (5)
 - Nanakuli Homes – 2 units (5, 8)
 - Maili II – 2 units (9, 13)
 - Waimaha Sunflower – 2 units (A308, G301)
- **Kauliokalani (1 unit) - Repairs for fire damage to the exterior of Unit 304 is currently in design phase. Construction Management Branch will train AMP on scoping the interior work to be done. CMB will then prepare bid documents and put out on HePS.**

- **Hale Hoolulu, Kalaheo Homes, Hale Nana Kai O Kea Modernization & ADA Compliance (4 units)**
 - Bid packet is being finalized. Permit is ready for pickup. Estimated bid date 2/22/13 due to additional work required and contract approvals & routing.
 - Hale Ho'olulu – 1 unit (B1)
 - Kalaheo – 3 units (1B, 4A, 4B)

- **Hale Ho'onanea Modernization and ADA (2 units)**
 - Hale Ho'onanea – 2 units (9L, 14R) Currently Unit 13L and 14L are occupied, but will be renovated in the modernization.
 - ADA project in design with Richard Matsunaga, 60% complete. Due to large increase in scope, awaiting approval of Supplemental Contract #2.

- **5 Vacant Units at Paoakalani**
 - 5 vacant units (424, 525, 627, 727, 1527)
 - Construction started 11/19/12, estimated completion date 1/15/13.

- **Vacant Units at Kapaa (3 units total)**
 - 3 units (3R, 14L, 17L) Unit 3L is currently occupied, but will also need repair due to damage caused by 3R).
 - Construction Management Branch submitted bid package for internal approvals pending Attorney General review of standard IFB contract. Estimated bid date 1/8/13.

- **1 Vacant Units on Hawaii**
 - Ke Kumu Ekolu – 1 unit (B2202)
 - Specifications by CMB, work to be done by AMP.
 - Estimate completion June 7, 2013.

- **Palolo Valley Homes Major Modernization 22 Units on Oahu**
 - Building 20 – Units A through H (8 units)
 - Construction started 11/13/12.
 - Building 16 and 17: tenants are being relocated in anticipation of start of construction January 2013.
 - Total of 44 units will be worked on in this major mod. 22 of these units are or will be vacated shortly due to upcoming construction.

Issues/Concerns:

- **Department of Accounting & General Services Memorandum of Understanding work is taking too long and is difficult to manage because the work is being done on weekends/holidays.**
- **Department of Accounting & General Services Memorandum of Understanding work is not proving less expensive or quicker than through a contractor.**

VACANT UNITS TYPE C STATEWIDE 12/28/12

Island	AMP	HPHA No.	Project	No. of Units	Unit Numbers	Category	Construction Contract Award	Estimated Completion	HUD Letter Sent	HUD Approval	Status/Comments
Oahu	30	1027	Hale Laulima	2	8B, 8D	Design		7/31/2013 est			plumbing
Oahu	30	1026	Puuwai Momi	2	8C, 8D	DAGS	7/1/12	2/28/2013 est			Phase I of Department of Accounting and General Services construction. Construction in progress.
Oahu	30	1026	Puuwai Momi	1	27B	DAGS	7/1/12	1/15/2013 est			Phase I of Department of Accounting and General Services construction. Construction in progress.
Oahu	30	1026	Puuwai Momi	7	6I, 18G, 18H, 18I, 18J, 18K, 18L	Design		12/31/2013 est			Building 6 & 18 have leaking roofs. After roofs are repaired, AMP to repair the majority of the interior of the units.
Oahu	30	1038	Waipahu I	1	5	Design		6/30/2014 est			Construction Management Branch to train AMP to scope the unit, CMB to prepare bid docs and put out on HePS.
Oahu	31	1005	Kalihi Valley Homes	9	24-227A, B, C, D, E, F, G, H, J.	Mod.	8/18/09	3/31/2013 est	3/6/12	No	GYA Architects, General Contractor. Rainforest G - RFG started.
Oahu	31	1005	Kalihi Valley Homes	6	30J, 32C, 34E, 37C, 39A, 42J	HPHA dsgr		12/31/2013 est	N/A	N/A	HPHA to temporarily patch roofs until full modernization can be completed. Looking at elastomeric system to repair roof, AMP to renovate units after roof leaks are resolved.
Oahu	31	1005	Kalihi Valley Homes	19	20D, E, G, J, 21F, 36C, 36D, 36E, 41C, 41D, 41E, 43D, 43E, 43G, 43H, 43J, 44F, 44G, 44J	Design	5/2014 est	5/2015 est	N/A	N/A	Contract in negotiation to be part of Phase IVB Modernization.
Oahu	34	1036	Paoakalani	5	424, 525, 627, 727, 1527	HPHA dsgr	10/5/12	1/15/13	11/27/2012	yes	Construction started 11/19/12.
Oahu	40	1010	Kuhio Park Terrace	4	1518D, 1520D, 1530D, 1532D	Demo		--			Demo (Vacant HUD approved Demo DISPO)
Oahu	40	1010	Kuhio Park Terrace	2	1538D, 1540D	Design		5/1/14			Construction Management Branch negotiating design contract for electrical repairs.
Oahu	40	1007	Kuhio Homes	1	13A	Design		6/30/13			Construction Management Branch checking to see if special teams can work on the spill work.
Oahu	44	1091	Kauioakalani	1	304	Design		12/31/2015 est	n/a	No	Fire damaged unit. Interior to be worked on after exterior/roof is completed. Work on interior of vacant unit. Construction Management Branch to train AMP to scope the unit, CMB to prepare bid docs and put out on HePS.
Oahu	44	1091	Kauioakalani	4	101, 201, 303, 301	Grp B	9/12/11	May 2013 est	2/9/12	No	Consultant: GYA Architects, General Contractor. Society Contracting. Estimated completion May 2013.
Oahu	44	1108	Mali II	2	9, 13	Design		12/31/2014 est			Construction Management Branch to train AMP to scope the unit, CMB to prepare bid docs and put out on HePS.
Oahu	44	1108	Mali II	2	19, 24	Grp B	9/12/11	May 2013 est	2/9/12	No	Consultant: GYA Architects, General Contractor. Society Contracting. Estimated completion May 2013.

Island	AMP	HPHA No.	Project	No. of Units	Unit Numbers	Category	Construction Contract Award	Estimated Completion	HUD Letter Sent	HUD Approval	Status/Comments
Oahu	44	1035	Nanakuli Homes	2	5, 8	Design		12/31/2014 est			Construction Management Branch to train AMP to scope the unit, CMB to prepare bid docs and put out on HePS.
Oahu	44	1035	Nanakuli Homes	4	01, 02, 06, 34	Grp B	9/12/11	May 2013 est	2/9/12	No	Consultant: GYA Architects, General Contractor: Society Contracting. Estimated completion May 2013.
Oahu	44	1057	Waimaha-Sunflower	3	B128, B220, B320	Grp B	9/12/11	May 2013 est	2/9/12	No	Consultant: GYA Architects, General Contractor: Society Contracting. Estimated completion May 2013.
Oahu	44	1057	Waimaha-Sunflower	2	308, G301	Design		12/31/2014 est			Construction Management Branch to train AMP to scope the unit, CMB to prepare bid docs and put out on HePS.
Oahu	45	1072	Ho'okipa - Kahalu'u	2	G-102, G-202	Design		1/15/2016 est			ADA design contract being negotiated.
Oahu	45	1090	Kauhale O'hana	1	201	Design		1/15/2016 est			Negotiating consultant proposal.
Oahu	49	1050	Kupuna Home O Waialua	2	17, 18	Grp B	9/12/11	May 2013 est	2/9/12	No	Consultant: GYA Architects, General Contractor: Society Contracting. Estimated completion May 2013.
Oahu	49	1015	Wahiawa Terrace	17	1-1, 1-2, 1-8, 2-1, 2-2, 3-3, 4-4, 4-5, 5-5, 6-4, 6-5, 6-6, 6-7, 7-1, 7-2, 8-5, 8-7	Grp B	9/12/11	May 2013 est	2/9/12	Yes *	*HUD approval for all units except 4-5 and 6-7. Consultant: GYA Architects, General Contractor: Society Contracting. Estimated completion May 2013.
Oahu	49	1015	Wahiawa Terrace	6	3-1, 5-1, 7-6, 3-7, 5-6, 5-8	DAGS		12/31/2013 est	11/27/12		Phase II of Department of Accounting and General Services construction.
Oahu	49	1015	Wahiawa Terrace	1	5-3	HPHA ST		6/30/2013 est	11/27/12		HPHA Special Teams. Start construction 11/26/12. Construction started 11/13/12 for major modernization of Buildings 14-20. First phase is Building 20. Second phase is Building 16 & 17. Remainder of the units are currently vacant and will not be occupied until the modernization is complete. Estimated completion March 2014.
Oahu	50	1008	Palo Valley Homes	14	14F, 15E, 16A, 16C-F, 17A-F, 18A	Mod.	6/5/12	March 2014 est	12/28/12		
Oahu	50	1008	Palo Valley Homes	8	Unit 20A-H	Mod.	6/5/12	May 2013 est	12/21/12	Yes	Start of construction for modernization of Building 20 - 11/13/12. Estimated completion May 2013.

Island	AMP	HPHA No.	Project	No. of Units	Unit Numbers	Category	Construction Contract Award	Estimated Completion	HUD Letter Sent	HUD Approval	Status/Comments
Molokai	39	1088	Kahale Mua	2	17, 24A	Consult Contr		2/28/2014 est		Yes	Reike, Sunnland, Kono Architects working on bid documents, tentative bid Feb. 2013.
Maui	39	1016	David Malo Circle	2	725C, 745A	Design	5/2014 est	3/2015 est		725C - No	GYA Architects selected, project scoped on 11/15/12
Maui	39	1044	Piliani Homes	1	1028-F5	Design	10/2014 est	10/2015 est			To be part of Piliani modernization. Entire project to be scoped
Maui	39	1092	Makani Kai Hale	2	24, 34	Design	5/2014 est	3/2015 est			In David Malo MOD project, scoped 11/15/12
Kauai	38	1018	Kapaa	3	3R, 14L, 17L	Design		7/21/2013 est			Modernization, units have been scoped. Est bid date 1/8/13. NOTE: 3L is occupied but will be vacated in the MOD.
Kauai	38	1022	Kalaheo	3	1B, 4A, 4B	Consult Contr		1/7/2014 est			Group 70 working on bid documents. Estimated bid date 2/22/13.
Kauai	38	1019	Hale Ho'olulu	1	B1	Consult Contr		10/9/2013 est			Group 70 working on bid documents. Estimated bid date 2/22/13.
Kauai	38	1055	Hale Ho'onanea	2	9L, 14R	Consult Contr		4/2014 est			Current ADA project w/ Richard Matsumaga & Associates Architects Inc. Note: 13L & 14L are occupied but will be in MOD for ADA.

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		6/7/13 est			Construction Management provided specifications to AMP, work to be done by AMP.
Hawaii	37	1045	Pahala	2	3F, 5A	Consult Contr		6/30/2015 est			Design in process
Hawaii	37	1051	Hale Aloha O Puna	4	7A, 7C, 8B, 9A	Consult Contr		12/31/2014 est		7-C No	Design in process
Hawaii	37	1029	Pomakai	8	925D, E, F, 935A, D, E, F, H	Consult Contr		6/30/2014 est			Design in process
Hawaii	37	1004	Lanakila Homes II	6	59L-R, 61L-R, 62L-R	Consult Contr		12/31/2014 est			Buildings 59, 61, & 62 un-demol, need to schedule for mod.
Hawaii	37	1004	Lanakila Homes II	36	55L, 55R - 75L, 75R 106L, 106R, 107L, 107R, 108L, 108R, 109L, 109R, 110L, 110R, 111L, 111R, 112L, 112R, 113L, 113R, 114L, 114R, 115L, 115R	Demo		12/31/2014 est			Scheduled for Renovation, need to un-demo with HUD.
Hawaii	37	1014	Lanakila Homes III	20		Demo		12/31/2014 est			Scheduled for Renovation, need to un-demo with HUD.

223

Total Verified Type C Vacant Units by County:

Oahu 126
 Maui 7
 Kauai 9
 Hawaii 21

163

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

28
 0
 51
 11
 90

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

0
 0
 0

Total Units Approved for Demo:
 Total Units Relocation Hold:

60
 0

Total Group B Under Construction Contract (Group B):
 Total Units Under Modernization Const Contracts (Mod):
 Total Units Under Construction (Construction):
 Total Units Under Construction with DAGS (DAGS)
 Total Units Under Construction w/ Special Teams (HPHA ST)
 Total Vacant Units Under Construction Contract:

32
 31
 0
 9
 1
 73

STATUS REPORT ON LARGE CAPACITY CESSPOOL CONVERSIONS, HPHA
(prepared 11/28/2012)

Group 2--All @ Big Island		# CPs	Status as of December 2012		CD*
1	KAIMALINO	Kailua-Kona	6	IWS ATO # 42659, 42660, 42661, 42662, 42663 dated 12/16/10 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 for 5 seepage pits was issued 8/31/2011 through 8/30/2016.	10/09
	TMK 3-7-4-017-029				
2	KEALAKEHE HOUSING	Kailua-Kona	17	Connected on 7/2/2012, 17 cesspools backfilled. UIC UH-2781 closed on 9/21/2012 regarding backfill of 17 injection wells. A MOA with HHFDC is being developed since Kealakehe's access to the County sewer line runs thru HHFDC's sewer main.	12/12
	TMK 3-7-4-017-058				
3	LAI'LANI	Kailua-Kona	66	HHFDC; Completed connection to county sewer 9/29/2011.	NA
4	HAWAII MONTESSORI	Kailua-Kona	2	HHFDC; same property/information as Lailani	NA
5	JACK HALL	Kailua-Kona	13	HHFDC; CAFO UIC-09-2010-005; UIC UH-2782 closed per DOH letter dated 8/10/2011.	NA
Total			104	CP-- 1000+ gpd Cesspools CD*-Completion date of Contractor's Scope of Work (Okahara & Associates is Consultant of Record for Hawaii projects)	

Group 1 @ Big Island		# CPs	Status as of December 2012		CD*
6	NOELANI I	Kamuela	3	IWS ATO # 41011, 41013, 40114 issued 9/22/10 on file; UIC Permit UH-2887 for wells 1 through 3 issued 12/30/2011 through 12/29/2016.	6/08
	TMK 3-6-5-009-025				
7	NOELANI II	Kamuela	7	IWS ATO #41996 to 42000 (5 septic tanks) dated 9/22/10. UIC Permit UH-2888 for wells 1 through 6 issued 12/30/2011 through 12/29/2016. Backfilling permit submitted July 12, 2012 for DOH record for the 7th (less than 1000 gpd) cesspool.	6/08
	TMK 3-6-5-009-026				
8	HALE ALOHA O PUNA (E)	Keeau	6	IWS ATO# 42856, 42860 to 42865 issued 8/4/10. UIC Permit UH-2826 (3 pits) issued 12/15/2010 through 12/14/2015.	12/09
	TMK 3-1-6-143-035				
9	HALE HOOKIPA (E)	Kealahou	10	IWS ATO #43221 & 43223 issued 12/22/2010 and 43220 & 43222 issued 8/20/2012; UIC permit UH-2838 (2 seepage pits) closed on 8/15/2012; UIC ATO UH-2852 (3 pits) issued 4/15/2011 through 4/14/2016.	11/08
	TMK 3-8-1-002-049				
10	NANI OLU (E)	Kealahou	8	IWS ATO# 43252 to 43260 (9 systems) dated 6/23/2010 on file UIC ATO UH-2793 for wells 1 thru 9 issued 2/28/2011 through 2/27/2016.	11/08
	TMK 3-8-002-047,048	9 CP			
11	NANI O PUNA	Pahoa	4	HHFDC; IWS ATO # 42233 to 42236, UIC UH-2794 for 3 seepage pit issued 2/28/2011; UIC UH-2764 issued for backfill of 4th well	11/09
	TMK 3-1-5-002-023				
	HALAULA TC	Kapaau	3	IWS ATO # 37731 to 37733 issued 1/8/2009; Transferring to DOE; need to resend HPHA letter to DLNR	01/09
	TMK 3-5-3-010-056				
12	KAU TC	Pahala	2	IWS ATO # 38386 to 38387 issued 3/13/2009; Transferring to DOE; need to resend HPHA letter to DLNR	01/09
	TMK 3-9-6-005-008				
13	WAIMEA TC	Kamuela	1	IWS ATO # 43792 issued 9/9/2010; Transferring to DOE; need to resend HPHA letter to DLNR	01/09
	TMK 3-6-7-002-015				
14					6/08

STATUS REPORT ON LARGE CAPACITY CESSPOOL CONVERSIONS, HPHA

(prepared 11/28/2012)

15	HONOKAA TC TMK 3-4-5-001-011	Honokaa	1	IWS ATO # 42338 to 42341; UIC ATO UH-2869 issued 8/15/2011 through 8/14/2016; Transferring to DOE; resent request to DLNR on 10/9/2012	11/08
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45 UIC -- Underground Injection Control; **IWS--** Individual Wastewater System (Okahara & Associates is Consultant of Record for Hawaii projects)

Group 1 @ Kauai

Status as of December 2012

		# CPs			
16	HALE HO'OLULU (E) TMK: 4-5-2-003-056	Kilauea	2	IWS ATO # 41589, 41590 & 41591 issued on 11/14/2011. 2 cesspools were backfilled, and DOH file UIC-JK 2774 was closed on 5/13/2011.	6/12
17	KALAHEO TMK: 4-2-3-012-030	Kalaheo	5	IWS ATO 41585, 41586, 41587, 41588 dated 3/8/2011 on file UIC Permit JK-2737 for 4 seepage pits issued 5/29/2009 through 5/28/2014; 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 Backfill for 77 cesspools completed 1/18/2011; report submitted to DOH for record.	2/12
			79	(AECOM Pacific Inc. is Consultant of Record for Kauai projects)	

Group 1 @ Maui

Status as of December 2012

		# CPs			
19	HANA 'B' TC TMK: 2-1-4-004-003	Hana	1	IWS ATO # 40608 issued 9/1/2009; Transferring to DOE; need to resend HPHA letter to DLNR	09/09
20	WAKIU 'A - E' TC TMK: 2-1-3-004-022	Hana	2	IWS ATO # 40609 to 40611 issued 3/13/2009; Transferring to DOE; resent request to DLNR on 10/9/2012	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 December 2012

a	Lokahi Housing TMK 3-2-4-052-020	Hilo	8	16 septic tanks (IWS) total; 5 need to be replaced; IWS ATO 42685-42695 (11 systems) issued 1/13/2010 & IWS ATO 45584,45601,45603-45605 (5 systems) issued 5/10/2011; UIC backfill permit UH-2863 for 4 cesspools. This is not part of CA/FO; Notice to Proceed issued on 10/29/2012, and estimated completion is December 2012.	1/13
b	Hale Hauoli Housing TMK 3-4-5-010-078	Honokaa 7 CP	8	Connected to the County Sewer on July 16, 2012, 8 injection well cesspools backfilled. Cesspool Abandonment Permit & Backfill Final Completion Report UH-2843 approved by Dept. Of Health on 9/14/2012, so UH-2843 has been closed out.	12/12
c	Pahala Elderly Housing TMK 3-9-6-017-037	Pahala	5	IWS ATO# 18081 to 18085 (5 tanks) issued 12/17/2009. UIC Permit UH-2657 for wells 1 through 3 issued 5/15/2008 through 5/14/2013.	12/09

(Okahara & Associates is Consultant of Record for Hawaii projects)

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.)

January 17, 2013

FOR INFORMATION

SUBJECT: U.S. Department of Housing and Urban Development (HUD)
Recovery Plan, Hawaii Public Housing Authority

I. FACTS

- A. Under the provisions of HUD 24 CFR Part 902, a Public Housing Agency (PHA) is evaluated in Public Housing Assessment Systems (PHAS). PHAS extended the four key areas: 1) the physical condition of its properties; 2) the financial condition of the agency; 3) management operations; and 4) residents' service and satisfactory assessment (resident survey). Based on these four indicators, a PHA receives a composite score that represents a single score for a PHA's entire operation and a performance designation.
- B. For FY ending June 30, 2011, the Hawaii Public Housing Authority (HPHA) received a Substandard Management designation under the PHAS' management operations sub indicator. The PHAS management component consists of 3 rated areas: 1) Occupancy; 2) Tenant Accounts Receivable; and 3) Accounts Payable.
- C. HUD and HPHA agreed on the following actions to address the subcomponents of Occupancy and Tenant Accounts Receivable. As a result of the substandard rating, HPHA entered into a Recovery Plan with HUD as attached.
- Occupancy
 - PIH Information Center (PIC) Data Clean-up
 - Status information for each vacant unit as of December 27, 2012
 - Protocol that managers are required to follow to turn around a vacant unit
 - Internal transfer policy and procedures
 - Tenant Accounts Receivable
 - Rent Collection Protocol
 - Current Rent Collection status report

- D. In December 2012, the HPHA began submitting information and reports to HUD, as required in the Recovery Plan. Attached are the submittals to HUD for their review.
- E. HUD plans to use this information to conduct on-site monitoring of the AMP manager's performance in these areas.

II. DISCUSSION

- A. The Property Management and Maintenance Services Branch (PMMSB) monitors have been assigned to visit AMPs on a monthly basis to ensure compliance with HPHA's policies and procedures on both the Occupancy and Tenant Account Receivables protocol.
- B. The Construction Management Branch staff will provide additional on-the-job training with the AMP manager and maintenance supervisors on how to scope and turnaround a vacant unit within a reasonable amount of time.

Prepared by: Joanna Renken, Public Housing Supervisor  _____

Reviewed by: Barbara E. Arashiro, Executive Assistant  _____

Attachments



'12 DEC 13 A9 56

U.S. Department of Housing and Urban Development

Honolulu Field Office
1132 Bishop Street, Suite 1400
Honolulu, Hawaii 96813
<http://www.hud.gov>

RECEIVED
HAWAII PUBLIC
HOUSING AUTHORITY

December 11, 2012

Rev. David Gierlach
Chairman, Board of Directors
Hawaii Public Housing Authority
1002 N. School St.
Honolulu, HI 96817

Dear Rev. Gierlach:

The purpose of this letter is to transmit the final Recovery Plan Agreement executed between the Department of Housing and Urban Development (HUD) and Hawaii Public Housing Authority to address the issues that resulted in its receiving a Substandard Management designation under the Public Housing Assessment System (PHAS) for the period ended June 30, 2011. The components of the Management of PHAS include Occupancy, Tenant Accounts Receivable, and Accounts Payable. The HUD and HPHA agree on the following actions to address the Occupancy and Tenant Accounts Receivable subcomponents. No further action is required on the Accounts Payable subcomponent.

The Recovery Plan Agreement is a binding contract that delineates performance outcomes, timelines, and reporting requirements that must be strictly adhered to. Your first periodic report must be received by HUD no later than December 18, 2012.

If you have any questions, please contact me at michael.s.flores@hud.gov or at (808) 457-4668.

Sincerely,

Michael S. Flores
Director
Office of Public Housing

Enclosure

cc:
Honorable Governor Neil Abercrombie
Governor, State of Hawaii
Executive Chambers
State Capitol
Honolulu, HI 96813

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

Recovery Plan
Hawaii Public Housing Authority

Occupancy

- A) PIH Information Center (PIC) Data Clean-up
- 1) By December 31, 2012, HUD staff will provide training to HPHA staff on how to extract occupancy information from the PIH Information Center (PIC) system. The information from PIC will be used by HUD and HPHA as the basis for determining the number of occupied and vacant units.
 - 2) By December 26, 2012, HPHA will identify the unit information in PIC that needs to be corrected to present the data in PIC accurately.
 - 3) By January 31, 2013, HPHA will complete correction of the unit information in PIC.
- B) By December 27, 2012, HPHA will provide HUD with the status of each vacant unit as of that date. The status information will include the following:
- 1) Identification of the unit
 - 2) The date it became vacant
 - 3) The date it will be available for occupancy
 - 4) The plans for making the unit ready
 - a) HPHA onsite staff
 - b) HPHA Skills Team
 - c) Contractor
 - 5) The date it is projected to be occupied
 - 6) The contract that covers the work to be done to make the unit ready and the date the contract is projected to be completed, if applicable
- C) By December 18, 2012, HPHA will provide HUD with the protocol that is required of the development managers to follow to turn around a unit that becomes vacant.
- D) Internal Transfers
- 1) By December 18, 2012, HPHA will provide HUD with:
 - a) Its current and/or proposed policy for internal transfers
 - b) The issues that hamper HPHA's ability to manage the internal transfers
 - 2) By December 31, 2012, HUD will provide HPHA with comments on its internal transfer policy and the issues that hamper HPHA's ability to manage the internal transfers.
- E) Procurement
- 1) By February 28, 2013, HUD will conduct an assessment of HPHA's procurement procedures and activities.
 - 2) By March 30, 2013, HUD will provide HPHA with a report on the procurement assessment and recommended actions. The actions and dates for implementing

the actions will be incorporated by reference and made a part of this Recovery Plan.

F) Monitoring

- 1) By January 21, 2013 and the third Monday of every month thereafter, HPHA will provide HUD with an updated report of the items in item B of this section that includes the units vacant as of that date.
 - 2) Beginning on January 31, 2013, HUD staff will conduct periodic onsite reviews of the various HPHA developments to verify status of units and to assess the performance of the development managers in turning around vacant units.
- G) By March 30, 2013, HUD and HPHA will meet to discuss the status of the internal transfers, the implementation of the procurement assessment recommendations, and the effectiveness of the vacant unit protocol.
- H) By February 22, HPHA will revise the action items of the Recovery Plan as needed.

Tenant Accounts Receivable

- A) By December 27, 2012, HPHA will provide HUD with its rent collection protocol.
- B) By December 25, 2012, HPHA will provide HUD with its most current rent collection status report
- C) By January 25, 2013 and the last Tuesday of every other month thereafter, HPHA will provide HUD with an updated report of the items in item B of this section.
- D) Beginning on January 31, 2013, HUD staff will conduct periodic onsite reviews of the various HPHA developments to verify status of rent collection and to assess the performance of development managers in collecting rents.
- E) By March 30, 2013, HUD and HPHA will meet to discuss the effectiveness of the rent collection protocol and revise the action items of the Recovery Plan as needed.