

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

**March 21, 2013
9:00 a.m.**

AGENDA

I. CALL TO ORDER/ROLL CALL

II. APPROVAL OF MINUTES

- A. Regular Meeting Minutes, February 21, 2013 (*Pages 1-8*)
- B. Executive Session Minutes, January 17, 2013 (not for public release)

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 Accept the Hawaii Public Housing Authority's Single Audit Findings and Management Responses for the Period July 1, 2011 to June 30, 2012 and to Authorize the Executive Director to Submit the Audit to the U.S. Department of Housing and Urban Development and the Federal Audit Clearinghouse (*Pages 9-41*)
- B. Motion: To Adopt the Hawaii Public Housing Authority's Five Year and Annual Plan for the Fiscal Period 2013-2014 and to Authorize the Executive Director to Submit the Plan to the U.S. Department of Housing and Urban Development (*Pages 42-70*)
- C. Motion: To Amend the Federal Public Housing Program's Admissions and Continued Occupancy Policy and the Section 8 Housing Choice Voucher Program's Administrative Plan to Adopt Temporary Compliance Assistance Guidelines, and to Authorize the Executive Director to Undertake All Steps Necessary to Effect Such Changes (*Pages 71-79*)

- D. Motion: To Amend the Section 8 Housing Choice Voucher Program's Administrative Plan and Chapter 15-185-25 Hawaii Administrative Rules to Remove Waitlist Preferences and to Authorize the Executive Director to Take All Actions Necessary to Implement the Amendment, including Holding Public Hearings **(Pages 80-88)**

(This amendment to the Administrative Plan was previously discussed with the Resident Advisory Board, subject to public comment through the PHA Plan process, and public hearings were held on March 11, 2013.)

- E. Motion: To Authorize the Executive Director to Review the Allowable Uses and Operations of all Community Facilities Owned by the Hawaii Public Housing Authority Statewide and Take All Action Necessary to Ensure that the Facilities are not Underutilized and/or Operating at a Deficit **(Page 89)**

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 related to the Hawaii Public Housing Authority's Community Facilities.

V. REPORTS

- A. Executive Director's Report: **(Pages 90-137)**

Updates and Accomplishments Related to Public Housing Occupancy, Maintenance Repairs; Design and Construction Project Updates; Review of Financial Contracts & Procurements Executed During February 2013; Staffing; Rent Collections and Evictions; and Follow-Up Report on Board Inquiries

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 138)*

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

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

FOR ACTION

MOTION: To Accept the Hawaii Public Housing Authority's Single Audit Findings and Management Responses for the Period July 1, 2011 to June 30, 2012 and to Authorize the Executive Director to Submit the Audit to the U.S. Department of Housing and Urban Development and the Federal Audit Clearinghouse

I. FACTS

- A. The audit of the Hawaii Public Housing Authority's (HPHA) financial statements and internal controls for fiscal year ending June 30, 2012, was performed by our independent auditor, KMH, LLP. The financial statements were previously approved by the HPHA's Board of Directors in December 2012.
- B. The HPHA's financial statements and single audit findings must be submitted electronically to the U.S. Department of Housing and Urban Development (HUD) no later than March 31, 2013.

II. DISCUSSION

- A. KMH has also completed the single audit testing on internal controls and compliance. Management has drafted responses and is in the process of developing corrective action plans in response to the auditor's findings.
- B. The single audit findings are submitted to the Federal Single Audit Clearinghouse no later than March 31, 2013.

II. RECOMMENDATION

That the Board of Directors Accept the Single Audit for the Fiscal Year Beginning July 1, 2011 and Ending June 30, 2012.

Attachment A: Single Audit Findings for Fiscal Year July 1, 2011 through June 30, 2012

Prepared by: Clarence Allen, Fiscal Officer CEA

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

David Gierlach
Chairperson

PART II

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**Independent Auditor's Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

Board of Directors
Hawaii Public Housing Authority

We have audited the financial statements of the Hawaii Public Housing Authority (the HPHA) as of and for the year ended June 30, 2012, and have issued our report thereon dated December 17, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

Internal Control Over Financial Reporting

Management of the HPHA is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the HPHA's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the HPHA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the HPHA's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs, items 2012-01 through 2012-03, to be material weaknesses.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the HPHA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including applicable provisions of the Hawaii Public Procurement Code (Chapter 103D of the Hawaii Revised Statutes) and procurement rules, directives and circulars, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and response as items 2012-04, 2012-06, 2012-08, and 2012-09.

We subsequently noted certain matters that we reported to management of the HPHA in a separate letter.

The HPHA's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questions Costs. We did not audit the HPHA's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Directors and management of the HPHA, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KMH LLP

Honolulu, Hawaii
March __, 2013

PART III

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

**Independent Auditor's Report on Compliance With Requirements
That Could Have a Direct and Material Effect on Each Major Program
Internal Control Over Compliance in Accordance
With OMB Circular A-133**

Board of Directors
Hawaii Public Housing Authority

Compliance

We have audited the compliance of the Hawaii Public Housing Authority (the HPHA) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. The HPHA's major federal programs are identified in the summary of auditor's results section of the accompanying *Schedule of Findings and Questioned Costs*. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the HPHA's management. Our responsibility is to express an opinion on the HPHA's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the HPHA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the HPHA's compliance with those requirements.

As described in item 2012-04 in the accompanying *Schedule of Findings and Questioned Costs*, the HPHA did not comply with requirements regarding special tests and provisions that are applicable to its Section 8 Housing Choice Voucher program. Compliance with such requirements is necessary, in our opinion, for the HPHA to comply with requirements applicable to that program.

As described in item 2012-06 in the accompanying *Schedule of Findings and Questioned Costs*, the HPHA did not comply with requirements regarding equipment and real property that are applicable to its Public Housing Capital Fund program. Compliance with such requirements is necessary, in our opinion, for the HPHA to comply with requirements applicable to that program.

As described in items 2012-08 and 2012-09 in the accompanying *Schedule of Findings and Questioned Costs*, the HPHA did not comply with requirements regarding special tests and provisions that are applicable to its Public and Indian Housing program. Compliance with such requirements is necessary, in our opinion, for the HPHA to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraphs, the HPHA complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of the HPHA is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the HPHA's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the HPHA's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies

in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2012-04 and 2012-06 through 2012-12 to be material weaknesses.

A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2012-05 to be a significant deficiency.

The HPHA's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the HPHA's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within the entity and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

KMH LLP

Honolulu, Hawaii
March __, 2013

PART IV

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Hawaii Public Housing Authority

Schedule of Findings and Questioned
Year Ended June 30, 2012

Section I – Summary of Auditor’s Results:

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes None reported
 - Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes None reported

Type of auditor’s report issued on compliance for major programs: Qualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program</u>
14.871	Section 8 Housing Choice Vouchers Program
14.872	Public Housing Capital Fund
14.850	Public and Indian Housing

Dollar threshold used to distinguish between type A and type B programs: \$2,552,366 (3% of federal award expended)

Auditee qualified as low-risk auditee? Yes No

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section II – Financial Statement Findings

Finding No.: 2012-01 Financial Management Competencies – Material Weakness

Criteria: Effective internal control over financial reporting requires sufficient accounting and financial reporting expertise to ensure development of reliable financial statements. Additionally, effective communication between operational and financial management ensures that transactions are recorded and reported appropriately. Internal control is affected by people and is not merely policy manuals, procedures and forms.

Condition & cause: The lack of appropriate management leadership in the Fiscal Management Office (FMO), understanding of accounting principles and financial reporting standards at the senior level and ineffective communication between operations and financial management continues to have considerable impact to HPHA's ability to perform its core accounting functions and compliance with both internal and external policies and procedures. Many of the issues and conditions noted in the current year have originated from prior years.

HPHA continues to have challenges in providing appropriate supervision and having appropriate review and approval of transactions. This lack of dedicated oversight responsibilities and overall management of its accounting and financial reporting function during the 2012 fiscal year have limited the effectiveness of the HPHA's ability to record and report accurate and timely financial information. Specifically we noted that large or unusual transactions were not properly accounted for. Examples include the recording of Wilikina project sale, overcharging of HUD management fee to the various AMPs, and the transfer of inter-funds and operating transfers from the State. The following is a summary of some of the conditions resulting from the lack of oversight.

- Lack of appropriate review and approvals, resulting in journal entries recorded incorrectly and numerous correcting journal entries
- Reconciled monthly general ledgers not prepared on a timely basis for the Disbursing Fund, Central Office Cost Center Fund (COCC), and Federal Low Rent Program Fund program (FLRP)
- Inter-fund balances that operating expenses are allocated through and impact the majority of all the HPHA funds were not properly reconciled
- Accruals incorrectly recorded or not recorded at all
- Transfer of assets not properly accounted for or recorded at all between funds
- For FLRP, the beginning net assets balance was out of balance by \$3.5 million

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section II – Financial Statement Findings

Finding No.: 2012-01 Financial Management Competencies – Material Weakness (continued)

Context: The Fiscal Management Office continues to be challenged by the application of generally accepted governmental accounting standards and Housing Urban Development’s (HUD) reporting requirements, including the computation of management fees in accordance with HUD’s project based accounting, and the Real Estate Assessment Center (REAC) electronic submission filing requirements. Without proper supervision and oversight, these shortcomings are magnified.

Questioned costs: None

Effect: The internal control over financial reporting, which is designed to provide reasonable assurance to the HPHA’s management and board of directors regarding the preparation of timely and reliable financial reporting, will be compromised.

Failure to provide adequate oversight and supervision and the ineffectiveness or absence of key accounting and internal control functions can lead to misstatement of financial results and noncompliance.

Recommendation: Management needs to identify the knowledge, skills and abilities for key operational and financial positions necessary to effectively carry out the associated responsibilities. An assessment should be done to determine its competencies “shortfalls”.

1. The HPHA should perform an assessment to identify its critical accounting and financial reporting, federal compliance and budgeting processes. This will allow the HPHA to focus its resources in addressing higher-priority risks. Upon identifying its key processes, evaluate current policies and procedures supporting these processes and effectuate any required corrective actions to ensure that key control activities are being performed timely.

If it is determined that the HPHA does not have the required skills and ability to perform such an assessment and evaluation, the HPHA should consider hiring an outside specialist to assist with this process.

In addition, the HPHA should evaluate the need to hire on a temporary basis experienced personnel to provide the appropriate oversight and supervision over the accounting and reporting functions.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section II – Financial Statement Findings (continued)

Finding No.: 2012-01 Financial Management Competencies – Material Weakness (continued)

Recommendation: (continued)

2. The HPHA should perform an assessment to identify its critical accounting and financial reporting, federal compliance and budgeting processes. This will allow the HPHA to focus its resources in addressing higher-priority risks. Upon identifying its key processes, evaluate current policies and procedures supporting these processes and effectuate any required corrective actions to ensure that key control activities are being performed timely.

If it is determined that the HPHA does not have the required skills and ability to perform such an assessment and evaluation, the HPHA should consider hiring an outside specialist to assist with this process.

In addition, the HPHA should evaluate the need to hire on a temporary basis experienced personnel to provide the appropriate oversight and supervision over the accounting and reporting functions.

3. The Fiscal Officer should perform the following.
 - Gain an understanding of each program's objectives and types of major transactions. He should also perform interviews with the various branch chiefs, program managers, and the compliance officer.
 - Interview each accountant to determine their functions and what financial information is currently prepared and maintained.
 - Perform a gap analysis between the current conditions and desired conditions.
 - Prepare and implement recommendations.
 - Identify any missing key internal controls, including but not limited to the following:
 - Reviewing and approving of monthly bank reconciliations.
 - Performing month end reconciliations to detail supporting documents.
 - Reviewing and approving of month-end accruals.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)

Year Ended June 30, 2012

Section II – Financial Statement Findings (continued)

Finding No.: 2012-01 Financial Management Competencies – Material Weakness (continued)

- Recording of routine transaction: expense allocation, monthly review of construction-in-progress (CIP) transfers, month end accruals.
- Consider developing a month-end closing checklist to ensure that accurate financial information is prepared timely. The month-end checklist should be tailored to the specific requirements of each fund. For example: Federal Low Rent Program – the checklist would include procedures specific to capital improvements.
- Monitor control systems to ensure effectiveness, including the timely review and approvals by appropriate personnel.
- As a majority of the HPHA’s funding is HUD subsidies, consider establishing and maintaining controls over operating and capital improvement budgets.

The HPHA will need to provide training to its key senior employees involved in financial reporting processes, including both operational and financial employees as deemed necessary. Additionally, the HPHA may also want to consider supplementing its in-house financial reporting competencies by establishing arrangements with outside specialists who can assist in the training of employees.

PHA Reply (Corrective Action Plan): The HPHA will continue with the implementation of the financial reporting software upgrade for fiscal activities, to address productivity and ease of use in providing necessary reports to management and the housing units. The Fiscal Officer will monitor internal controls at a more detailed level to ensure timely reviews and approvals are adhered to and generally accepted accounting principles are followed.

The Fiscal Office is challenged in recruiting accountants and CPAs at a more experienced level to improve reconciliation, financial reporting, and maintaining controls over operating and capital improvement budgets. The HPHA is reviewing the need to hire outside specialists to assist with staff assessment, training and evaluation, and prepare and implement recommendations. In addition, the HPHA has executive vacancies proven to be hard to fill due to low salary range.

Contact Person: Clarence Allen

Target Date: Effective Immediately

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section II – Financial Statement Findings (continued)

Finding No.: 2012-02 Lack of Monitoring – Material Weakness

Criteria: Monitoring is a process that assesses the quality of the system’s performance over time. This is accomplished through ongoing monitoring activities, separate evaluations or a combination of the two. Ongoing monitoring occurs in the course of the operations and ensures that internal control continues to operate effectively. This process involves assessment by appropriate personnel of the design and operations of controls on a suitably timely basis, and the taking of necessary actions.

Condition, Cause and Context: Activities that serve to monitor the effectiveness of internal control in the ordinary course of operations are manifold. They include regular management and supervisory activities, comparisons, reconciliations and other routine actions. The HPHA management is aware of the various deficiencies in internal control and is working toward correcting them. However, the lack of appropriate resources has limited management’s ability to correct these control deficiencies on a timely basis.

Effect: Monitoring ensures that internal control continues to operate effectively. Without proper monitoring, circumstances for which the internal control system originally was designed may change, causing it to be less able to warn of the risks brought by new conditions. Accordingly, in addition to management determining that the internal control system is not relevant and able to address new risks, management needs to be able to make the necessary changes on a timely basis.

Recommendation: We recommend that management continue to monitor and evaluate the HPHA’s controls that address the higher priority risks and those most critical to reducing a given risk, and obtain the appropriate resources to make the correction to all internal control deficiencies that can affect the HPHA’s attaining its financial reporting objectives.

PHA Reply (Corrective Action Plan): With the production of timely monthly reports, management is able to review the units’ performance and take corrective action as needed. There are regular staff meetings with staff and senior management to meet reliable reporting. Month-end closing procedures are continually being enhanced to meet the required level of control.

With the issuance of the single audit findings, the HPHA management team has begun a comprehensive program of monitoring, including identification of major issues, meetings with affected staff and auditors, evaluation of internal controls, and identification of policy and/or procedural revisions. The Office of the Executive Director is taking the lead on monitoring of internal controls to ensure accuracy and timely financial reporting, and that a risk assessment is performed by appropriate personnel on a regular basis.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section II – Financial Statement Findings (continued)

Finding No.: 2012-02 Lack of Monitoring – Material Weakness (continued)

The Office of the Executive Director and the Fiscal Officer will meet with each Branch/Office individually to monitor and review/report compliance with internal fiscal procedures and deadlines.

Contact Person: Clarence Allen

Target Date: Effective Immediately

Finding No.: 2012-03 Non-reconciliations of General Ledger Accounts- Material Weakness

Criteria: Sound internal control procedures and Federal regulations require that the books and records of account should be maintained on a regular monthly basis for all programs. Such records should be reconciled to supporting documents to ensure accurate and reliable reporting.

Condition, cause & context: Although the general ledger was in full use and financial transactions (checks, deposits, journal vouchers) were being recorded in the “Emphasys” system and monthly financial statements were produced for the 2012 Board meetings, it was determined that certain key internal control activities, such as reconciliations of the general ledger accounts balances to the corresponding transaction or activity details, was not performed for certain “major funds”.

During the 2012 audit, we did note improvements in the performance of timely reconciliations for a number of funds. With the exception of the Disbursing Fund, Central Office Cost Center Fund (COCC), and Federal Low Rent Program Fund (FLRP), the fund accountants were able to prepare and reconcile many of the other funds’ accounts. Unfortunately, the Disbursing Fund, COCC, and FLRP, of which two are “major funds”, continues to have challenges in the accounting and reporting of transactions due to the lack of timely account reconciliations. Consequently, adjustments were required to correct such balances, including numerous adjustments to the various inter-fund accounts, COCC fees-for-service amounts, and an adjustment of approximately \$9.0 million to FLRP’s fixed assets balances.

Due to the nature and high volume of transactions for the funds noted in the preceding paragraph, the development of reliable financial statements is compromised. Financial statement preparation must involve processes to ensure that the information presented is accurate, complete and properly recorded.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section II – Financial Statement Findings (continued)

Finding No.: 2012-03 Non-reconciliations of General Ledger Accounts – Material Weakness (continued)

Although there were improvements, the lack of account reconciliations for the funds noted above, is a fundamental deficiency in the organization’s internal control environment. The following is a list of the more significant issues noted during the audit as a result of the lack of the general ledger and respective account reconciliations:

- Lack of reliable monthly financial statements
- Overcharging of HUD management fee to the various AMPs
- For Federal Low Rent Fund, the beginning net assets balance was out of balance by \$3.5 million
- Reconciliation of the detailed fixed assets and CIP to the general ledger was not performed correctly during the year and the original detailed listings of additions and deletions provided were not accurate. Consequently, projects listed within the CIP schedule that were completed was not appropriately transferred to the Capital Assets account and depreciated, and projects that were not completed were improperly listed within the Capital Assets account and being depreciated.
- Reconciliation of the inter-fund balances was not performed during the year.
- Lack of accurate information to perform budget to actual comparisons to determine if the HPHA has sufficient funds to adequately cover operations. Additionally, the lack of budgetary control could result in the HPHA operating with deficits
- Lack of accurate information to perform monthly cost analysis by Management Unit (MU) level to identify the causes of any overruns

Questioned costs: None

Effect: Failure to adequately record all related financial activities on a timely basis can lead to misstatement of financial results and noncompliance.

Recommendation: Month-end “closing” procedures should be developed and adhered to. A month-end checklist should be developed detailing the required account reconciliations and the process to resolve reconciliation exceptions noted during this process.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section II – Financial Statement Findings (continued)

Finding No.: 2012-03 Non-reconciliations of General Ledger Accounts – Material Weakness (continued)

PHA Reply (Corrective Action Plan): Currently financial statements are being provided to management and housing development for monthly performance review with actual to budget and prior year comparisons. The HPHA's planned upgrade in the software package will significantly improve the reporting processes. The software upgrade, combined with the regular monitoring of compliance with internal controls will improve the accuracy of financial reporting. The goal is for all Branches to be able to view general ledger activity on a regular basis via the HPHA's electronic financial system.

Budget comparisons are being done and the reconciliation of fixed assets and construction in progress to the general ledger will be implemented with the acquisition of a computerized fixed asset system. Until such time, the HPHA will continue to track and reconcile construction in progress to the fixed asset accounts on a manual basis. The implementation of the software upgrade which began in mid-2011 is in its final phase of completion and is scheduled to be completed by April 2013.

The Office of the Executive Director, the Fiscal Officer, and the affected senior staff will be heavily involved in ensuring that financial activities are processed, managed, and reported accurately and timely. The same management team will produce a detailed corrective action plan that meets current economic conditions, including but not limited to, corrective actions, timelines, and staff assessment.

Contact Person: Clarence Allen

Target Date: Effective Immediately

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs

Section 8 Housing Choice Vouchers Program (HCVP) CFDA No. 14.871

Finding No.: 2012-04 Special Tests and Provisions – Waiting List – Material Weakness

Criteria: 24 CFR sections 5.410, 982.54(d) and 982.201 through 982.207 require the HPHA to establish policies for verification and documentation of information relevant to the acceptance or rejection of an applicant. In addition, 24 CFR section 982.204 requires the HPHA to select participants from the waiting list in accordance with admission policies in the PHA administrative plan.

Condition, cause, and context: The HPHA continues to have challenges with its controls over the waiting list policy; specifically no quality review was performed over the input of initial application information into the waiting list system. Also, we were informed by management that changes to the waiting list are not monitored.

Due to the limited number of housing vouchers, the HPHA's policy for placing applicants onto the tenant-based voucher program waiting list is based upon preference criteria. Applicants on the waiting list who met these preference criteria, with the proper documentation and verification, were admitted into the tenant-based voucher program. However, during our audit, we noted that applicants were placed incorrectly on the waiting list due to incorrect preferences entered into the waiting list or there were missing applications for individuals listed on the waiting list. Also for applicants who were selected from the waiting list and placed into the tenant-based voucher program during the year, we noted no documentation supporting whether or not the applicants were selected from the waitlist in the order mandated by the PHA administrative plan.

Effect: Noncompliance. Additionally, failure to adequately review and monitor the waiting list may result in future noncompliance with program requirements.

Questioned costs: None

Recommendation: We recommend that the HPHA maintain the appropriate documentation that would indicate compliance with its policy. Additionally, the HPHA should implement a quality review over input into the waiting list system and implement monitoring procedures to ensure compliance.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Section 8 Housing Choice Vouchers Program (HCVP) CFDA No. 14.871 (continued)

Finding No.: 2012-04 Special Tests and Provisions – Waiting List – Material Weakness (continued)

PHA Reply (Corrective Action Plan): As part of its compliance and monitoring reviews, the Branch Chief and/or appropriate supervisor is required to verify that any placements meet the preference criteria prior to placement. In addition, the HPHA is in the process of establishing a pilot program to reorganize its applications, Section 8 program, and public housing programs, for more effective use of its resources. A letter was sent to the unions for consultation on the matter on January 30, 2013. Once implemented, the pilot program would address quality review standards, by providing for a quality control team of 3.0 FTE to conduct audits of the placements, including the verification of preferences.

Contact Person: Stephanie Fo

Target Date: Effective Immediately

Finding No.: 2012-05 Reporting – Significant Deficiency

Criteria: HUD 52681-B, *Voucher for Payment of Annual Contributions and Operating Statement (OMB No. 2577-0169)* requires the HPHA to submit this form electronically to HUD. HUD relies on the audit of key line items of the form to determine the reasonableness of the data submitted for the purposes of calculating funding under the program.

Condition, cause and context: During our audit, we noted that the amount of “units leased” and the amount of housing assistance payments (HAP) reported on the monthly HUD 52681-B reports received by HUD were not reconciled with the HAP registers, which represent voucher amounts actually paid to the landlords. We also noted that there is no detailed independent review of the report before submission.

Effect: Failure to meet reporting requirements may lead to noncompliance with program requirements.

Questioned costs: None

Recommendation: We recommend that documentation supporting the preparation of the monthly HUD 52681-B reports be reconciled to the monthly HAP registers and retained by management. To ensure that amounts are reported correctly, we also recommend that an independent review be performed to ensure that amounts being reported agree with supporting documents.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Section 8 Housing Choice Vouchers Program (HCVP) CFDA No. 14.871 (continued)

Finding No.: 2012-05 Reporting – Significant Deficiency (continued)

PHA Reply (Corrective Action Plan): The HPHA has revised its process of preparing monthly HUD 52681-B reports and starting in May 2012, began maintaining a log to track adjustments made between the HAP register and 52681-B report. In addition, the supervisor now reviews the reports prior to submission.

Contact Person: Stephanie Fo, Clarence Allen

Target Date: Effective Immediately

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Public Housing Capital Fund CFDA No. 14.872

Finding No.: 2012-06 Equipment and Real Property - Material Weakness

Criteria: The requirements for maintaining equipment inventory and capital asset accounting are contained in the Federal Common Rule OMB A-102 and the Code of Federal Regulations. Also, the maintenance of appropriate accounting records and the conducting of physical inventory counts were annual requirements contained in the 7510, Low-Rent Housing Accounting Guidebook.

Condition, cause and context: The HPHA continues to have challenges in maintaining appropriate accounting records of its equipment and construction in progress (CIP) balances. Amounts were not properly monitored and tracked during the fiscal year. The HPHA hired a third party consultant to assist in reconciling the detailed fixed assets and CIP schedules to the general ledger and provide detailed additions and deletion listings. During the audit, we noted that the reconciliation of the detailed fixed assets and CIP schedules to the general ledger and the detailed additions and deletions listings were not prepared correctly and were inaccurate. We also noted that a Project Acceptance Form from the HPHA engineers representing that a project was completed was improperly submitted to accounting before the project was completed. Consequently, projects listed within the CIP schedule were completed and not transferred to the Capital Assets account and incomplete projects were improperly reflected in the Capital Assets account. This resulted in several reclassifications between CIP assets and property and equipment and a respective adjustment to depreciation expense.

Additionally, the HPHA does not maintain an automated detail capital asset register, instead manual excel worksheets and previous detail general ledger printouts are used.

Effect: Noncompliance. Additionally, the lack of appropriate monitoring and reporting may lead to misstatement of the CIP and equipment and real property balances and future noncompliance with program requirements.

Questioned costs: None

Recommendation: We recommend that the HPHA maintain monthly detailed fixed assets and CIP records and reconcile these records to the general ledger on a timely basis to ensure accurate accounting for these assets. Complete information on all assets provides excellent control for the safeguarding of these assets.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Public Housing Capital Fund CFDA No. 14.872 (continued)

Finding No.: 2012-06 Equipment and Real Property - Material Weakness (continued)

We also recommend that the status of CIP are monitored monthly to ensure that projects that are completed are properly transferred from CIP to fixed assets and depreciated accordingly.

PHA Reply (Corrective Action Plan): The department that is the source of CIP activity has been providing the Fiscal Office monthly with updates of projects completed so that those assets are properly accounted for in the fixed asset sub ledger. The HPHA is implementing a new accounting software that will include a fixed asset module that will relieve the process of manual reconciliation and depreciation calculation.

On March 5, 2012, the HPHA launched a Project Acceptance Form incorporating the elements required to capitalize a project. When a construction project is substantially complete and has been accepted and returned to the AMP for use, the Project Engineer will complete the Project Acceptance Form required to close the construction project. The Project Acceptance Form has since been updated and procedures revised to immediately submit the form to the Fiscal Officer after review by the Branch Administrator after the project is completed and returned back to the AMP for use.

As the management staff continues its monitoring, any outstanding issues related to the accurate reporting of financial statements will be addressed

Contact Person: Clarence Allen, Becky Choi

Target Completion Date: Effective immediately

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Public Housing Capital Fund CFDA No. 14.872 (continued)

Finding No.: 2012-07 Reporting – Material Weakness

Criteria: Financial reporting requirements in 24 CFR section 902.33(a)(2) require the PHA to provide annual reports on a PHA-wide basis and electronically submit such annual reports in the format prescribed by HUD using the Financial Data Schedule (FDS).

Also, for each public and Indian housing grant that involves development, operating, or modernization assistance, the prime recipient must submit Form HUD 60002 (24 CFR sections 135.3(a) and 135.90).

Condition, cause, and context: HPHA continues to have challenges in identifying an individual who has been properly trained to complete and submit the FDS. Although the HPHA hires a consultant to assist in filing the FDS, the HPHA is ultimately responsible for the report to be in compliance with HUD's requirements. As such, the information provided to the consultant needs to be complete and accurate. During the audit, we noted various audit adjustments to the trial balances which resulted in the unaudited submission being significantly different from the audited submission.

The HUD Form 60002 General Instructions requires that the form should be submitted at the same time the program performance report is submitted. Where an annual performance report is not required, the Section 3 report should be submitted by January 10 and, if the project ends before December 31, within 10 days of project completion. In our review of the required HUD Form 60002, we noted that the form was submitted subsequent to the January 10 deadline.

Effect: The lack of required knowledge of program requirements, compounded by the lack of clearly documented policies and procedures related to HUD reporting requirements and independent reviews, limits the effectiveness of the HPHA internal control environment over HUD's reporting requirements and may result in future noncompliance with program requirements.

Recommendation: The HPHA should ensure that the individuals responsible for the FDS reporting are knowledgeable in HUD's FDS reporting requirements enough to oversee the reporting process, including properly preparing, reviewing, approving and submitting the FDS. Also, the HPHA should develop a HUD reporting schedule that lists all HUD reporting requirements and designate certain individuals to be responsible to complete the report.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Public Housing Capital Fund CFDA No. 14.872 (continued)

Finding No.: 2012-07 Reporting – Material Weakness (continued)

PHA Reply (Corrective Action Plan): The creation and implementation of a detail accounting checklist for all funds will eliminate most of the audit adjustments between the unaudited and audited FDS submission. The plan for the Fiscal office is to fill most of the vacant accounting positions which will alleviate the workload on the current staff.

Regarding the FDS submission, HPHA contracted with an outside CPA firm to file and review the FDS submission since training for staff could not be implemented prior to the required filing date of the FDS. The Fiscal Office is in the process of developing a HUD reporting schedule that list all HUD's reporting requirements and the designation of individuals to review the reports. Additionally, the management staff is evaluating and assessing training needs and is currently in the process of securing training services. Once implemented, the upgraded software will also provide HPHA with the FDS schedules for filing with HUD.

The Section 3 report due for 2012 was submitted on January 9, 2013, before the deadline.

Contact Person: Clarence Allen

Target Completion Date: July 2013

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Public and Indian Housing Program CFDA No. 14.850

Finding No.: 2012-08 Special Tests and Provisions – Waiting List – Material Weakness

Criteria: 24 CFR sections 960.202 through 960.206 require the HPHA to establish policies for verification and documentation of information relevant to acceptance or rejection of an applicant. Due to the excess of applicants on the waiting list for low-income housing in comparison to the number of units available, the HPHA's policy for placing applicants into the program is based upon preference criteria. Applicants on the waiting list who met these preference criteria with proper documentation and verification were admitted to the program.

Condition, cause, and context: In our discussions with management, the HPHA continues to have a "backlog" of applications that were not entered into the system on a timely basis. As such, several applicants were not included in quarterly re-sequencing. Presently, the "backlog" of applications noted during the fiscal year has yet to be resolved. Management also stated that applicants pulled from the waiting list and placed in a project are not monitored. There is no quality review to reassure that applicants are properly being placed or pulled from the waiting list.

Effect: Noncompliance. Additionally, failure to adequately review and monitor the waiting list may result in future noncompliance with program requirements.

Questioned costs: None

Recommendation: We recommend that the HPHA complies with the reporting requirements of the program and implement a quality control review over input into the waiting list system and placement of applicants into the various federal projects.

PHA Reply (Corrective Action Plan): Although improvements were made resulting in 136% more new families housed in 2012, the HPHA continues to suffer from lack of or inexperienced staff. The HPHA is evaluating additional strategies and solutions to address future application processing, including the installation of data entry terminals which will allow for "real time" entry by applicants, staffing reconfiguration, and revisions to existing procedures regarding the handling of applications. The HPHA is in the process of establishing a pilot program to reorganize its applications, Section 8 program, and public housing programs, for more effective use of its resources. A letter was sent to the unions for consultation on the matter on January 30, 2013. Once implemented, the pilot program will ensure that resources are dedicated to the timely inputting of applications, by assigning 1.0 FTE to solely input

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Public and Indian Housing Program CFDA No. 14.850 (continued)

Finding No.: 2012-08 Special Tests and Provisions – Waiting List – Material Weakness (continued)

application data into the database. This pilot program will also address the backlog of applications that currently have not been entered into the electronic system. The HPHA will also introduce a short version application. The unit supervisor will also perform quality review to check applicant entries following clerical input in the Emphasys software system.

Contact Person: Stephanie Fo

Target Completion Date: Effective immediately

Finding No.: 2012-09 Special Tests and Provisions – Recording Declarations of Trust Against Housing Property – Material Weakness

Criteria: 24 CFR part 941 subpart F requires the HPHA to record a current Declaration of Trust (DOT) against all public housing property owned by PHAs that has been acquired, developed, maintained, or assisted with funds from the U.S. Housing Act of 1937. A DOT is a legal instrument that grants HUD an interest in public housing property. It provides public notice that the property must be operated in accordance with all Federal public housing requirements, including the requirement not to convey or otherwise encumber the property unless expressly authorized by federal law and or HUD.

Condition, cause, and context: During our review of the HPHA's DOTs, we noted that several DOTs expired and there were no DOTs on file for 12 out of the 70 properties. Also, in our discussions with management, we noted that the HPHA did not have any monitoring controls over the recording of the DOTs in accordance with the program requirements.

Effect: Noncompliance. Additionally, failure to adequately review and monitor the DOTs may result in future noncompliance with program requirements.

Questioned costs: None

Recommendation: We recommend that the HPHA complies with the DOT requirements of the program and establish and implement the necessary policies and procedures over the maintenance of the DOTs to assure compliance with the program requirements.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Public and Indian Housing Program CFDA No. 14.850 (continued)

Finding No.: 2012-09 Special Tests and Provisions – Recording Declarations of Trust Against Housing Property – Material Weakness (continued)

PHA Reply (Corrective Action Plan): The HPHA has experienced significant challenges in procuring a vendor to update title search document for all of its state and federal public housing inventory due to the complicated nature of the title searches. The HPHA issued multiple solicitations which resulted in no response from any vendors. The HPHA succeeded in procuring a portion of updated title search documents for its state and federal public housing inventory. The HPHA is currently working with the Department of the Attorney General to complete recordation of transfer of ownership to HPHA. Once completed, the Department of the Attorney General will file the declaration of trust (DOT) with HUD. Due to the difficulties in procuring a vendor, the HPHA be seeking an exemption from the State procurement code which has now been approved by the state procurement office, to procure the remainder of the title search documents. The HPHA is currently working with several vendors to provide title search documents for the remaining balance of its state and federal public housing inventory.

The DOTs will be effective for a 20 year period. The DOT will be added to the HPHA calendar so that an annual review will be conducted to determine whether updated DOT are need to be filed.

Contact Person: Kiriko Oishi, Benjamin Park

Target Completion Date: December 2013

Finding No.: 2012-10 Eligibility – Material Weakness

Criteria: 24 CFR section 5.601 and 24 CFR sections 960.253, 960.255 and 960.259 require the HPHA to gather information on income, family size and housing conditions for both new and continuing participants on an annual basis. Based on the information gathered, the HPHA housing specialist assess whether or not applicants are eligible to participate in the program based on Federal eligibility guidelines. Additionally, HUD notice PIH 2007-29 requires HPHA to maintain at least a 95% reporting rate of their revaluations, which is tracked by HUD through the submission of the HUD Form 50058 for each tenant that is reevaluated. Per 24 CFR section 982.152(d), HUD may reduce or offset any administrative fee to HPHA in an amount determined by HUD if the PHA fails to perform PHA administrative responsibilities.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Public and Indian Housing Program CFDA No. 14.850 (continued)

Finding No.: 2012-10 Eligibility – Material Weakness (continued)

To ensure such guidelines are complied with, the HPHA initially performs a 10% review of all annual re-exams and new placements. The monthly reviews are performed by the project managers and are submitted to the Property Management and Maintenance Service Branch (PMMSB). PMMSB conducts an error analysis, tracking the number and type of errors for each review. From the result of the analysis, program management performs a second follow up quality review. Additionally, management monitors the HUD Form 50058 reporting rate via the secured HUD PIC system online.

Condition, cause, and context: During our review of the HPHA's controls over eligibility, we were informed by program management that not all of the quality reviews of tenant files were performed due to the lack of available personnel resource at each of the projects.

During our testing of participant files, we noted the following:

- 1) For 4 out of 60 tenant files tested, we noted assets and/or income were miscalculated, not verified, or reported on the Form 50058.
- 2) For 4 out of 60 tenant files tested, we noted verification of social security numbers, disability, or citizenship declarations were missing for household members.
- 3) For 2 out of 60 tenant files tested, we noted unreimbursed medical expenses were either miscalculated or missing supporting documentation.
- 4) For 1 out of 60 tenant files tested, we noted the Form 50058 and rental agreement were missing.

We also noted that the reporting rate of the HUD Form 50058's fell below 95% in 2012.

Effect: Noncompliance. Failure to properly monitor eligibility determination and failure to adequately determine eligibility can lead to noncompliance with program requirements and potential disallowed costs.

Questioned costs: None

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Recommendation: We recommend that the HPHA enforce proper implementation of its eligibility policy and procedures and establish a regular quality control review of tenant files by program management.

Section III – Federal Award Findings and Questioned Costs (continued)

Public and Indian Housing Program CFDA No. 14.850 (continued)

Finding No.: 2012-10 Eligibility – Material Weakness (continued)

This review and its results should be documented for monitoring at the HPHA management level. Such a quality control review could identify areas requiring more attention by management and ultimately reduce the number of errors.

PHA Reply (Corrective Action Plan): As part of its compliance and monitoring reviews, the Branch Chief and/or appropriate supervisor is required to verify eligibility on an annual basis and ensure compliance with the 50058 reporting requirement. The HPHA is in the process of establishing a pilot program to reorganize its applications, Section 8 program, and public housing programs, for more effective use of its resources. A letter was sent to the unions for consultation on the matter on January 30, 2013. Once implemented, the pilot program will ensure that reporting of the 50058 form is consistently submitted in a timely manner and that quality review standards are addressed, by providing for a quality control team of 3.0 FTE to conduct audits of tenant files. Staff turnover at neighbor island offices will be addressed by hiring experienced staff or providing training for newly hired staff. In addition, the central quality control team can be deployed to neighbor island offices as needed.

Implementation of this action plan will be monitored by the Office of the Executive Director through monthly reports.

Contact Person: Stephanie Fo and Joanna Renken

Target Completion Date: May 2013

Finding No.: 2012-11 Allowable Costs/Cost Principles – Material Weakness

Criteria: Section 7.10 of the Supplement to HUD Handbook 7475.1 requires the HPHA to prorate the direct costs of the waiting list, screening, leasing and occupancy function (i.e. applications), including supervisory personnel, to the AMPs. Such prorations may be based on the number of units, average turnover, or another reasonable allocation method.

Hawaii Public Housing Authority

Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Public and Indian Housing Program CFDA No. 14.850 (continued)

Finding No.: 2012-11 Allowable Costs/Cost Principles – Material Weakness (continued)

Section 7.5 of the Supplement to HUD Handbook 7475.1 requires the HPHA to charge a reasonable management fee. In addition, for those AMPs that are privately managed, the COCC can retain the difference between a reasonable property management fee and the actual cost of the property management fees paid to the private management company.

Condition, cause, and context: Based on our discussions with management, we noted there is no independent review and approval over the applications front-line allocation schedule or the management fee schedule prior to recording in the general ledger. As a result, adjustments were subsequently made to reflect the proper fee amounts.

Effect: Failure to properly monitor allowable costs can lead to noncompliance with program requirements and potential disallowed costs.

Questioned costs: None

Recommendation: We recommend that the HPHA implement policies and procedures to establish a review and approval process of reconciling schedules. This review and its results should be documented for monitoring at the HPHA management level. Such a quality control review could identify areas requiring more attention by management and ultimately reduce the number of errors.

PHA Reply (Corrective Action Plan): The HPHA will establish an implement adequate policies and procedures which will include a monthly review by the Fiscal Officer to reconciliation schedules and once they are completed, attest to their completeness. In addition, once the control system has been developed, it will be reviewed regularly for possible improvements.

Contact Person: Clarence Allen

Target Completion Date: Effective immediately

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Schedule of Findings and Questioned (continued)
Year Ended June 30, 2012

Section III – Federal Award Findings and Questioned Costs (continued)

Public and Indian Housing Program CFDA No. 14.850 (continued)

Finding No.: 2012-12 Cash Management – Material Weakness

Criteria: 31 CFR section 205.33 requires a Federal Program Agency to limit a funds transfer to a State to the minimum amounts needed by the State and must time the disbursement to be in accord with the actual, immediate cash requirements of the State in carrying out a Federal assistance program or project. The timing and amount of funds transfers must be as close as is administratively feasible to a State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs.

Condition, cause, and context: During our audit, we noted that controls over transferring operating subsidies to the correct Asset Management Project grouping (AMP) cash account are in place but are not operating effectively. We noted that operating subsidies received from HUD were not properly transferred to the AMPs' cash accounts in the correct amount or not transferred at all. Corrections were made as a result of the audit finding.

Effect: Failure to properly monitor operating subsidies and related cash transfers to AMPs can lead to noncompliance with program requirements.

Questioned costs: None

Recommendation: We recommend that the HPHA reform its current review and approval process over transfers of operating subsidies to the various. The review and its results should be documented for monitoring at the HPHA management level. Such a review and approval process should identify any misappropriated cash and ultimately reduce the number of errors.

PHA Reply (Corrective Action Plan): The HPHA will review its approval process and institute stricter controls in the transfer of operating subsidies to the various AMPs. This will include additional internal controls for monitoring such as confirming the operating subsidy schedule and Contract Letter received from HUD on a monthly basis.

Contact Person: Clarence Allen

Target Completion Date: Effective immediately

March 21, 2013

FOR ACTION

MOTION: To Approve the Hawaii Public Housing Authority's Annual Public Housing Agency Plan for the Fiscal Year Beginning July 1, 2013 to June 30, 2014, and to Authorize the Executive Director to Take Required Actions to Submit the Approved Plan to the U.S. Department Of Housing and Urban Development

I. FACTS

- A. The FY 2013-2014 Annual Public Housing Agency (PHA) Plan modifies and updates the status of the goals and objectives set out in the HPHA 2009 – 2014 Five Year and Annual Plan as approved by the Board on April 16, 2009, and approved by the Board as amended on March 15, 2012.
- B. Public notice of hearings on the draft PHA Plan, required by 24 Code of Federal Regulations (C.F.R.), Part 903.17, was approved by the Board of Directors on January 17, 2013 and published in the Honolulu Star-Advertiser, The Garden Island (Kauai), The Maui News, West Hawaii Today (Kailua-Kona), and the Hawaii Tribune Herald (Hilo) on January 25, 2013. A notice of the public hearings was also sent to all public housing residents with the February 2013 rent bill.
- C. On January 17, 2013, the HPHA Board of Directors voted to accept the HPHA draft annual PHA plan for FY 2013 – 2014 as published, subject to comments at the public hearing. Public hearings were held in each county on March 11, 2013. A summary of the testimony received prior to and at the hearings was completed. (Attachment A)
- D. Meetings with the Resident Advisory Board (RAB) on the draft PHA Plan started in September 2012 and concluded on February 22, 2013. A summary of the RAB's final recommendations and HPHA's response was prepared. (Attachment B)
- E. HPHA must electronically submit the final proposed PHA Plan and required attachments to the local Honolulu HUD Office no later than April 17, 2013 for its review and subsequent approval.

II. DISCUSSION

- A. HPHA staff reviewed and considered all testimony received prior to and at the public hearings, along with recommendations of the RAB, as required by 24 C.F.R. Section 903.19. Appropriate changes were made to the draft PHA Plan. The changes made to the draft plan are non-substantial and therefore do not require additional public hearings. They are summarized in Attachment C.
- B. Discussion will continue with the RAB on the details and implementation of changes included in the PHA Plan, once it is approved by the Board and HUD.
- C. Attachment D is the proposed final FY 2013-2014 PHA Plan, subject to changes approved by the Board, and will be submitted to HUD upon approval.

III. STAFF RECOMMENDATION

That the HPHA Board of Directors approves HPHA's final Public Housing Agency (PHA) Annual Plan for 2013-2014 and authorizes the Executive Director to submit it along with required documents to the U.S. Department of Housing and Urban Development on or before April 17, 2013.

Attachment A: Summary of Public Testimony
Attachment B: RAB Recommendations and HPHA Response
Attachment C: Summary of Changes to the Draft PHA Plan
Attachment D: Final Proposed FY 2013-2014 PHA Plan

Prepared by: Benjamin Park, Planner 

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

David Gierlach
Chairperson



Hawaii Public Housing Authority
Annual Plan
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SUMMARY OF PUBLIC TESTIMONY

Public hearings on the FY 2013-2014 PHA Annual Plan were held March 11, 2013 on Oahu, Kauai, Maui, and at two locations on Hawaii Island. Six people submitted written comments and eleven people provided oral testimony. Several people provided testimony that did not relate to the draft PHA Annual Plan. The following is a summary of testimony on provisions of the draft PHA Annual Plan.

Controlled Substances Policies

Six people commented on this element of the PHA Annual Plan. They all believed that the "No Smoking" policy went against their rights to privacy in their units and that the policy also interfered with their pursuit of happiness. Some possible alternatives they offered to amend the policy were to allow smoking buildings and smoking floors. They all desired to have designated smoking areas.

Housing Choice Voucher Administrative Plan

One person commented that he had concerns about this section of the draft PHA Annual Plan. He did not agree with eliminating current preferences from eligibility screening which would affect people with disabilities that are on the wait list.

Pet Policy

One person commented that he had concerns about this section of the draft PHA Annual Plan. He wants the State to comply with ADA provisions in regards to service animals.

PHA Plan as a Whole

One person commented that they did not receive notice of the draft PHA Annual Plan process. One person commented that they are grateful for the grievance procedures, U.S. Department of Housing and Urban Development, and the Hawaii Public Housing Authority. One person had concerns regarding a reasonable accommodation request.



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RAB Comments and HPHA Response
Changes and New Objectives Contained in the 2012 PHA Annual Plan
(FY 2013-2014)

1. **Controlled Substances Policies:** The HPHA adopted proposed Hawaii Administrative Rule (HAR) revisions to prohibit smoking in public housing. After final adoption of these amendments, the HPHA will provide tenants with revised leases or lease addenda outlining enforcement strategies for the new smoking prohibition.

RAB comment: The RAB disagrees with several provisions in the HPHA decision to implement a "No Smoking" policy:

- Three lease violations are not enough, and RAB would like it to be five lease violations before an eviction takes place.
- Three months grace period before lease violations are given is not enough time, and RAB would like it to be five months before a lease violation is given.
- Very concerned about tenants with mental disabilities, and believes that we are not prepared to deal with situations when they are denied the ability to smoke in their units.
- Very concerned about the validity of the "No Smoking" policy survey, and believes that the survey is invalid due to the absence of 100% participation and the absence of interpreters.
- Very concerned that "No Smoking" signage needs to be abundant at all properties.
- Very concerned that cessation programs need to be available to tenants who want to quit smoking.
- Would like to see a policy where if people complain about someone smoking on the property, it needs to be in writing so there is proof, and would like to see a standard complaint form.
- Would like to allow tenants to smoke in their units.
- Visitors will affect the people who come over and smoke, so how to police that?



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- Does not believe that “Electronic Smoking Devices” should be included in the “No Smoking” policy. These devices are not under law definition of smoking. Why punish those who are trying an alternative that does not bother neighbors?
- Have security or manager pass out “No Smoking” literature, have DOH participate in visiting properties and also a property health fair in April?
- Some properties do not have enough space to designate a smoking area.

HPHA Response: The HPHA notes the concerns of the RAB regarding the new “No Smoking” policy. The policy is tailored to the law that the Hawaii State Legislature passed last year, but was vetoed by Governor Neil Abercrombie, which included several provisions that directly relate to the three lease violations clause, and the “no smoking in units” clause. This effort incorporated the input from tenants, the U.S. Department of Housing and Urban Development (HUD), the Department of Health, the Coalition for a Tobacco Free Hawaii and the Department of the Attorney General to ensure compliance with all relevant regulations. The HPHA will incorporate into the “No Smoking” policy that if a tenant is reprimanded once in one year, and the tenant attends a cessation service program, then that tenant’s record for violating the “No Smoking” policy will be wiped clean for the next year. Furthermore, the HPHA will incorporate into the “No Smoking” policy that if a tenant obtains a medical physician’s note that states the tenant, due to medical necessity needs to smoke in their unit, then the HPHA will consider granting the tenant a reasonable accommodation on a case-by-case basis. The HPHA will continue to work with the RAB in determining where to designate smoking areas, enforcement of the “No Smoking” policy, signage and the use of “Electronic Smoking Devices”.

2. Housing Choice Voucher Administrative Plan: The HPHA is amending the Section 8 Administrative Plan to eliminate current preferences from eligibility screening. The HPHA will select applicants off the waitlist in the order of date and time of application.

RAB comment: Unanimous support.

HPHA Response: The HPHA appreciates the support of the RAB and will continue to consult with the RAB on future policy changes.



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3. Violence Against Women Act (VAWA) Policy: The HPHA is adopting a final VAWA Policy, which will replace the interim policy that has been in place. See VAWA Activities policy (separate document).

RAB comment: Unanimous support.

HPHA Response: The HPHA appreciates the support of the RAB and will continue to consult with the RAB on future policy changes.

4. In order to facilitate the improvement, modernization, development, or maintenance of public housing, the HPHA may incorporate an affiliate entity or instrumentality entity, as prescribed by relevant Federal regulations and state law.

RAB comment: Unanimous support.

HPHA Response: The HPHA appreciates the support of the RAB and will continue to consult with the RAB on future policy changes.

5. Asset Management: In order to improve daily property management and maintenance operations, the HPHA may create additional asset management projects, or developments.

RAB comment: The RAB comments to improve the determination of the required staff needed to perform daily management and maintenance operations are to incorporate a formula that uses square footage of properties to the amount of staff needed, and to allow current tenants to maintain their individual asset management project.

HPHA Response: The HPHA currently staffs asset management projects by determining best use practices with the input of utility and operating expenses. In theory, a single formula to determine the required staff per asset management project could be implemented. However, due to the many different sized asset management projects, a single formula to apply to all properties is unfeasible. The HPHA appreciates the support of the RAB and will continue to consult with the RAB on future policy changes.

6. Long Range Planning: The HPHA will begin the development of the PHA 5-Year and Annual Plan for Fiscal Years 2014-2019. The HPHA Staff will



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investigate, review, and update other U.S. Department of Housing & Urban Development-required or -recommended long and short range planning documents.

RAB comment: Unanimous support.

HPHA Response: The HPHA appreciates the support of the RAB and will continue to consult with the RAB on future policy changes.

7. HAR Revisions: The Board adopted revisions to 17-2020, HAR, and 17-2028, HAR, at its September monthly meeting which will result in future lease and ACOP changes. Interested parties are encouraged to check the HPHA's website for public hearing announcements and testimony submission options regarding proposed HAR Amendments. Notable changes include the implementation of a minimum rent, waiting list policy revisions, and implementation of video-conferencing technology for eviction hearings.

RAB comment: Unanimous support.

HPHA Response: The HPHA appreciates the support of the RAB and will continue to consult with the RAB on future policy changes.

8. Eviction procedures: The HPHA plans to pursue law or policy changes pertaining to the streamlining of eviction procedures for evictions based on criminal activity, consistent with the due process protections required under federal regulations.

RAB comment: The RAB requests to have a standard complaint form to verify all complaints to be in writing, and would like to know what types of criminal activities call for due process determinations from HUD. The RAB offers its unanimous support.

HPHA response: The HPHA will take the standard complaint form request into consideration with the Board of Directors. Due process determinations from HUD relate to:

- (A) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or employees of the PHA;
 - (B) Any violent or drug-related criminal activity on or off such premises;
- or



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- (C) Any criminal activity that resulted in felony conviction of a household member.

9. ACOP Revisions: The HPHA plans to pursue policy changes pertaining to the retention of public housing units. Also, as Board-adopted HAR revisions take effect, ACOP revisions will be proposed and developed in consultation with the Resident Advisory Board.

RAB comment: The RAB would like the HPHA to adopt a preference for existing tenants with the longest rental history with the HPHA for unit transfers, allow children who leave the unit to be reincluded in the household, and to allow the rental payment to be bi-monthly.

HPHA Response: Currently, the HPHA gives preference for transfers to tenants who require a reasonable accommodation, have health or safety issues, or are over/under housed. The HPHA does not provide preference based on the length of time a family lives in public housing. The HPHA does not allow adult children who leave a unit to return to public housing without waiting their turn on the wait list. This would not only circumvent the existing waitlist, but be contrary to the intent that public housing should be more transitional in nature, rather than generational.

10. Pet Policy: The HPHA plans to pursue changes to the pet policy as described in attached 10 relating to the pet policy.

RAB comment: Unanimous support.

HPHA Response: The HPHA appreciates the support of the RAB and will continue to consult with the RAB on future policy changes.

11. PHAS Scoring Improvements: The HPHA plans to revise program policies and practices to maximize on the scoring factors used by the U.S. Department of Housing & Urban Development to assign Public Housing Assessment System (PHAS) scores. Areas of focus include tenant account receivables, physical inspection results, and rent revenues. Identification and improvement of vacant units will be prioritized behind health and safety issues.

RAB comment: The issue of mold at Koolau Village is an ongoing issue, and maintenance personnel are not following up on mold removal tenant



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requests. The RAB also requests to have property managers evaluated four times a year. The RAB offers its unanimous support.

HPHA comment: The RAB concerns will be discussed at future AMP management meetings.

12. Capital Improvements: The HPHA may leverage State-funded capital funds to improve or modernize Federal public housing statewide. The HPHA may participate in experimental programs to leverage Federal funds, such as the Rental Assistance Demonstration program. See also Section 8.0, *infra*.

RAB comment: The RAB understands the plight of Mayor Wright Homes, but also requests that serious consideration be provided to all other distressed properties, especially on the neighbor islands. A request to have a stone wall erected at Koolau Village was also offered. The RAB offers its unanimous support.

HPHA comment: The RAB concerns are well taken, and will be incorporated into future planning, maintenance and redevelopment ventures.

13. The HPHA will seek state and federal funds to redevelop Mayor Wright Homes, including low-income housing tax credits, rental housing trust funds, dwelling unit revolving funds, Choice Neighborhoods Initiative grant funds, Promise Neighborhood grant funds, Sustainable Community funds, Capital Fund Financing Program, Replacement Housing Factor funding, Asset Repositioning fees, and any other federal, state, or local source, including issuance of PHA bonds pursuant to Chapter 356D, Hawaii Revised Statutes.

RAB comment: Unanimous support.

HPHA Response: The HPHA appreciates the support of the RAB and will continue to consult with the RAB on future policy changes.



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SUMMARY OF PROPOSED CHANGES TO THE FY 2014 PHA ANNUAL PLAN

The Hawaii Public Housing Authority staff recommends that the following changes be made to the draft PHA Annual Plan. The changes are stylistic or linguistically clarifying in nature and do not represent any substantial deviation or significant amendments/modifications.

Section 6.0(a) PHA Plan Update

12. Capital Improvements: The HPHA may leverage State-funded capital funds to improve or modernize Federal public housing statewide, including design and construction of improvements to comply with the accessibility standards of the Americans with Disabilities Act and energy savings standards. The HPHA may participate in experimental programs to leverage Federal funds, such as the Rental Assistance Demonstration program. See also Section 8.0, infra.

Section 7.0 Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers

- Kuhio Park Terrace Redevelopment

HPHA will progress through the approved redevelopment plan for the community, which involves the construction of new mid-rise dwelling structures for elderly public housing tenants, the rehabilitation of Kuhio Homes, and the inclusion of mixed uses pursuant to Act 90, SLH 2011. HPHA was awarded a \$300,000 Choice Neighborhoods Initiative (CNI) Planning grant for the work, and will use those funds together with the matching \$600,000 appropriation from the state to seek a CNI Implementation grant to invest into realizing the developed Transformation Plan.

Section 9.1 Strategy for Addressing Housing Needs.

- Pilot or demonstration programs

The HPHA will review any new pilot programs or demonstration programs that are made available by HUD or other entities that will help the HPHA to address housing needs after careful analysis and evaluation of the benefits to the State of Hawaii, and will seek the concurrence of the Board and RAB to implement the programs,



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including but not limited to the rental assistance demonstration program.

Section 10.0 Additional Information.

(a) Progress in Meeting Mission and Goals:

- Asset Management: HPHA has had a HUD Technical Assistance consultant team [reviewing] review the current AMP structure[.When their report is final we will make AMP structure changes based on the findings.] and is currently reviewing the report to determine how to implement the recommended changes.
- Reducing public housing vacancies: In 2012, the HPHA was authorized to hire exempt from civil service, employees to repair vacant units. To date, the HPHA has hired 27 employees under this civil service exemption, significantly reducing public housing unit vacancies (Act 159, Session Laws of Hawaii 2012).

Pets Policy pg. 5 item number 2:

2. Evidence that the pet has received all current inoculations or boosters including parvovirus, distemper, hepatitis, leptospirosis, feline distemper, rhino tracheitis, calcivirus, and pneumonitis must be provided to the HCDCH HPHA annually.

Violence Against Women Act (VAWA) Activities pg. 2 item number 1:

I. BACKGROUND

On January 5, 2006, President Bush signed into law the Violence Against Act of 2005 (VAWA). While the U.S. Department of Housing and Urban Development (HUD) is developing proposed regulations, public housing agencies (PHAs) were informed that in the interim the statutory provisions were effective from the date the law was enacted. HUD has yet to issue final rules that would make conforming changes in existing regulations and provide guidance regarding the requirements of the law.

Aside from these clarifying modifications, all the items in the plan are important to the financial viability of HPHA, or will result in better living conditions for residents. Many of the items will be discussed further with RAB, and implementation will be done in consultation with residents and the Board.



Public Housing Authority (PHA) 5-Year and Annual Plan		U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 4/30/2011
1.0	PHA Information PHA Name: Hawaii Public Housing Authority PHA Type: <input type="checkbox"/> Small <input type="checkbox"/> High Performing <input checked="" type="checkbox"/> Standard <input type="checkbox"/> HCV (Section 8) PHA Fiscal Year Beginning: 07/01/2013 PHA Code: HI001		
2.0	Inventory (based on ACC units at time of FY beginning in 1.0 above) Number of PH units: 5,331 Number of HCV units: 3058 total authorized (2,050 funded)		
3.0	Submission Type <input type="checkbox"/> 5-Year and Annual Plan <input checked="" type="checkbox"/> Annual Plan Only <input type="checkbox"/> 5-Year Plan Only		
4.0	PHA Consortia <input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below.)		
5.0	Items 5.1 and 5.2 are completed only at the 5-Year Plan update; this is an Annual Plan only. The existing 5-Year PHA Plan may be viewed on the internet at http://www.hpha.hawaii.gov/housingplans/2009PHAPlan/index.htm or in person at the Hawaii Public Housing Authority office at 1002 N. School St, Building E, Honolulu, HI, 96817.		
6.0 (a)	PHA Plan Update The following items are additions and changes to the PHA Plan: <ol style="list-style-type: none"> 1. Controlled Substances Policies: The HPHA adopted proposed Hawaii Administrative Rule (HAR) revisions to prohibit smoking in public housing. After final adoption of these amendments, the HPHA will provide tenants with revised leases or lease addenda outlining enforcement strategies for the new smoking prohibition. 2. Housing Choice Voucher Administrative Plan: The HPHA is amending the Section 8 Administrative Plan to eliminate current preferences from eligibility screening. The HPHA will select applicants off the waitlist in the order of date and time of application. 3. Violence Against Women Act (VAWA) Policy: The HPHA is adopting a final VAWA Policy, which will replace the interim policy that has been in place. See VAWA Activities policy (separate document). 4. In order to facilitate the improvement, modernization, development, or maintenance of public housing, the HPHA may incorporate an affiliate entity or instrumentality entity, as prescribed by relevant Federal regulations and state law. 5. Asset Management: In order to improve daily property management and maintenance operations, the HPHA may create additional asset management projects, or developments. 6. Long Range Planning: The HPHA will begin the development of the PHA 5-Year and Annual Plan for Fiscal Years 2014-2019. The HPHA Staff will investigate, review, and update other U.S. Department of Housing & Urban Development-required or -recommended long and short range planning documents. 7. HAR Revisions: The Board adopted revisions to 17-2020, HAR, and 17-2028, HAR, at its September monthly meeting which will result in future lease and ACOP changes. Interested parties are encouraged to check the HPHA's website for public hearing announcements and testimony submission options regarding proposed HAR Amendments. Notable changes include the implementation of a minimum rent, waiting list policy revisions, and implementation of video-conferencing technology for eviction hearings. 		



8. Eviction procedures: The HPHA plans to pursue law or policy changes pertaining to the streamlining of eviction procedures for evictions based on criminal activity, consistent with the due process protections required under federal regulations.
9. ACOP Revisions: The HPHA plans to pursue policy changes pertaining to the retention of public housing units. Also, as Board-adopted HAR revisions take effect, ACOP revisions will be proposed and developed in consultation with the Resident Advisory Board.
10. Pet Policy: The HPHA plans to pursue changes to the pet policy as described in attached 10 relating to the pet policy.
11. PHAS Scoring Improvements: The HPHA plans to revise program policies and practices to maximize on the scoring factors used by the U.S. Department of Housing & Urban Development to assign Public Housing Assessment System (PHAS) scores. Areas of focus include tenant account receivables, physical inspection results, and rent revenues. Identification and improvement of vacant units will be prioritized behind health and safety issues.
12. Capital Improvements: The HPHA may leverage State-funded capital funds to improve or modernize Federal public housing statewide, including design and construction of improvements to comply with the accessibility standards of the Americans with Disabilities Act and energy savings standards. The HPHA may participate in experimental programs to leverage Federal funds, such as the Rental Assistance Demonstration program. See also Section 8.0, infra.
13. The HPHA will seek state and federal funds to redevelop Mayor Wright Homes, including low-income housing tax credits, rental housing trust funds, dwelling unit revolving funds, Choice Neighborhoods Initiative grant funds, Promise Neighborhood grant funds, Sustainable Community funds, Capital Fund Financing Program, Replacement Housing Factor funding, Asset Repositioning fees, and any other federal, state, or local source, including issuance of PHA bonds pursuant to Chapter 356D, Hawaii Revised Statutes.

6.0 Identify the specific location(s) where the public may obtain copies of the 5-Year and Annual PHA Plan.

(b)

The PHA Plan and all supporting documents are available on the internet: www.hpha.hawaii.gov/

Hawaii Public Housing Authority (HPHA)
1002 North School Street, Bldg. E
Honolulu, Hawaii 96817

Lanakila Homes
600 Wailoa Street
Hilo, Hawaii 96720

Ka Hale Kahaluu
78-6725 Makolea Street
Kailua-Kona, Hawaii 96740

Kapaa
4726 Malu Road
Kapaa, Hawaii 96746

Kahekili Terrace
2015 Holowai Place
Wailuku, Hawaii 96793

THE FOLLOWING POLICIES ARE ALSO AVAILABLE AT THE LOCATIONS ABOVE:

Note: ACOP refers to the Admissions and Continued Occupancy Policy document

1. Eligibility, Selection and Admissions. and Wait List Policies: ACOP Chapters 2 and 3
2. De-concentration Policy: ACOP Chapter 4
3. Statement of Financial Resources
4. Rent Determination policy: ACOP Chapter 6.



	<p>5. Operation and Management</p> <p>6. Grievance Procedures: ACOP Chapter 13</p> <p>7. Designated Housing for Elderly and Disabled Families</p> <p>8. Community Service and Self-Sufficiency</p> <p>9. Safety and Crime Prevention</p> <p>10. Pets Policy: ACOP Chapter 10</p> <p>11. Civil Rights Certification</p> <p>12. Fiscal Year Audit</p> <p>13. Asset Management</p> <p>14. Violence Against Women Act (VAWA) activities</p> <p>The Housing Choice Voucher (Section 8) Administrative Plan and the Hawaii Administrative Rules § 17-2000, et. al., governing the HPHA's federal housing programs, as well as any amendments thereto, are available at the HPHA School Street location, Bldg. E, and on the HPHA's website. They are hereby incorporated by reference.</p>
7.0	<p>Hope VI, Mixed Finance Modernization or Development, Demolition and/or Disposition, Conversion of Public Housing, Homeownership Programs, and Project-based Vouchers</p> <ul style="list-style-type: none">• Mayor Wright Homes Redevelopment HPHA is planning a Request for Qualifications or Request for Proposals for a developer/partner to complete a mixed income/mixed finance/mixed use redevelopment project at Mayor Wright Homes. Timetable: HPHA Board approval.....February 19, 2013 Issuance of RFP.....March, 2013 Notice of award.....August, 2013• Kuhio Park Terrace Redevelopment HPHA will progress through the approved redevelopment plan for the community, which involves the construction of new mid-rise dwelling structures for elderly public housing tenants, the rehabilitation of Kuhio Homes, and the inclusion of mixed uses pursuant to Act 90, SLH 2011. HPHA was awarded a \$300,000 Choice Neighborhoods Initiative (CNI) Planning grant for the work, and will use those funds together with the matching \$600,000 appropriation from the state to seek a CNI Implementation grant to invest into realizing the developed Transformation Plan.• Mixed Finance Redevelopment HPHA will evaluate and identify additional properties in its portfolio that have potential for public-private, mixed finance, mixed income redevelopment. The agency will consider existing land uses and long-range plans, and engage in consultation with community stakeholders to better utilize available properties and improve tenant living conditions. Alternative sources of funding, including but not limited to tax credits, bonds, public agencies, private interests, and the non-profit sector may be sought in order to leverage federal and state funds. Investments have been made in technology and staff training to provide accurate and informative data in the decision making process.• Homeownership Programs:<ol style="list-style-type: none">1. Waimanalo Homes (HI10P001025) approved 1/10/2000; 28 units affected. Only 9 residents qualified to purchase units, and the period for application is closed. HPHA will investigate the possibility of reopening this program and committing Section 8 vouchers through SHOP.



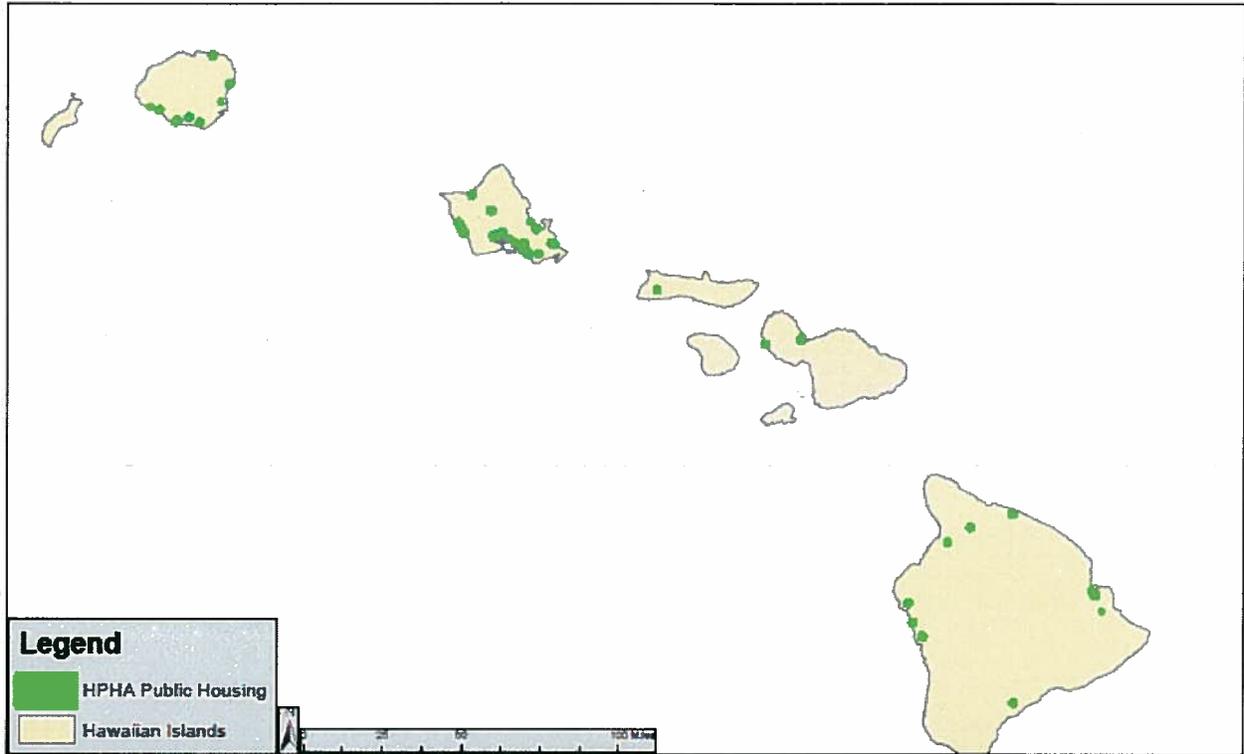
	<p>2. HPHA will research opportunities to increase home ownership for residents of public housing. Programs in other jurisdictions are being reviewed and HPHA plans to hold informational sessions with residents and the community in general.</p> <ul style="list-style-type: none"> • Project-based Vouchers. <ol style="list-style-type: none"> 1. HPHA plans to evaluate the property inventory for potential sites that might benefit from the use of project-based vouchers in addition to the properties listed below. The agency will also evaluate potential application for participation in the new HUD Rental Assistance Demonstration program. 2. 150 Project-based vouchers will be part of the Kuhio Park Terrace Towers redevelopment. (HPHA is seeking an additional 17 replacement housing vouchers for public housing units that will be temporarily removed from inventory while the towers are redeveloped. Those units will be restored in future phases when the Kuhio Homes site is redeveloped.) 3. 305 units at Palolo Homes I and II. The Palolo Homes I and II site-based waiting list shall be closed by the Section 8 Branch upon approval of this plan in order to better serve the current families in the program and reduce application processing costs. The list may be reopened at a later date upon notice by the HPHA. 4. Consistent with the HPHA's efforts to sustain and increase the availability of decent, safe, and affordable housing, HPHA plans to continue its utilization of rent subsidy vouchers through the Federal Project-Based Certificate/Voucher Program. The HPHA will earmark up to the maximum allowable vouchers as specified in 24 CFR 983 and will utilize project basing on the counties of Oahu, Kauai, Maui, and Hawaii in accordance with program guidelines and objectives. 5. To maximize utilization and to encourage tenant development, HPHA applied for and received HUD approval on August 8, 2001 to exceed the 25 percent cap for dwelling units in any building to be assisted under a housing assistance payment (HAP) by requiring owners to offer supportive services. To minimize the loss of existing housing inventories, HPHA applied for and received HUD approval on October 4, 2001 to attach Project Based Assistance to State-owned public housing projects in areas, which exceed the 20 percent poverty rate limitation.
<p>8.0</p>	<p>Capital Improvements: HPHA is focusing capital improvements funding on protecting residents and the physical housing assets. In addition to the annual federal Capital Funding Program (CFP) grant, we are seeking state Capital Improvements Program (CIP) funds from the State Legislature in order to make needed repairs and modernize existing housing stock. In planning the use of funds, priority is being given to those needs that protect the health and safety of residents, such as ADA modifications, hot water systems and repairing sidewalks; and those that prevent further deterioration of housing, such as roof and spalling repairs, termite treatment and repairs, and other site repairs.</p> <p>Further, due to recent changes in PHAS Scoring factors, priority is also given to capital projects that restore previously vacant, uninhabitable units to rentable status. Due to the unpredictability of such capital projects, such as locations of such units and cause of uninhabitability, the HPHA will be unable to maintain complete advance plans regarding these projects. This will result in slight modifications to the Capital Fund Program Five-Year Action Plan and the Capital Fund Program Annual State/Performance and Evaluation Reports; any such deviation shall not be considered by the HPHA to be a Substantial Deviation or Significant Amendment/Modification necessitating amendment of the HUD Approved PHA 5-Year and Annual Plan unless the amount of funds being required exceeds \$10 Million, comprises more than 15% of a developments ACC unit count, or requires the relocation of more than two neighboring occupied units in accordance with the HPHA's definition section in 10.0 infra.</p> <p>For the Capital Fund Program Five-Year Action Plan and the Capital Fund Program Annual State/Performance and Evaluation Reports, where work is not specifically budgeted, monetary placeholders will be provided in lieu of specific development language, subject to Section 10.0 infra.</p>



8.1	<p>Capital Fund Program Annual Statement/Performance and Evaluation Report. As part of the PHA 5-Year and Annual Plan, annually complete and submit the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1, for each current and open CFP grant and CFFP financing.</p> <p>SEE ATTACHED</p>																																																																											
8.2	<p>Capital Fund Program Five-Year Action Plan. As part of the submission of the Annual Plan, PHAs must complete and submit the Capital Fund Program Five-Year Action Plan, form HUD-50075.2, and subsequent annual updates (on a rolling basis, e.g., drop current year, and add latest year for a five year period). Large capital items must be included in the Five-Year Action Plan.</p> <p>SEE ATTACHED</p>																																																																											
9.0	<p>Housing Needs of Families in the Jurisdiction. Housing Needs of Families on the Public Housing Waiting List as of December, 2011</p> <table border="1" data-bbox="196 741 1289 1724"> <thead> <tr> <th colspan="3" data-bbox="196 741 1289 779">Total Families on Waiting List = 13,634</th> </tr> <tr> <th data-bbox="196 779 764 821"></th> <th data-bbox="764 779 1032 821"># of families</th> <th data-bbox="1032 779 1289 821">% of total families</th> </tr> <tr> <th colspan="3" data-bbox="196 821 1289 858">Income Levels</th> </tr> </thead> <tbody> <tr> <td data-bbox="196 858 764 900">Extremely low income <=30% AMI</td> <td data-bbox="764 858 1032 900">12,333</td> <td data-bbox="1032 858 1289 900">90.46%</td> </tr> <tr> <td data-bbox="196 900 764 942">Very low income (>30% but <=50% AMI)</td> <td data-bbox="764 900 1032 942">1095</td> <td data-bbox="1032 900 1289 942">8.03%</td> </tr> <tr> <td data-bbox="196 942 764 984">Low income (>50% but <80% AMI)</td> <td data-bbox="764 942 1032 984">154</td> <td data-bbox="1032 942 1289 984">1.13%</td> </tr> <tr> <td data-bbox="196 984 764 1026">Income at or above 80% AMI</td> <td data-bbox="764 984 1032 1026">54</td> <td data-bbox="1032 984 1289 1026">0.40%</td> </tr> <tr> <td data-bbox="196 1026 764 1068">Families with children</td> <td data-bbox="764 1026 1032 1068">6,641</td> <td data-bbox="1032 1026 1289 1068">48.71%</td> </tr> <tr> <td data-bbox="196 1068 764 1110">Elderly families</td> <td data-bbox="764 1068 1032 1110">2,809</td> <td data-bbox="1032 1068 1289 1110">20.60%</td> </tr> <tr> <td data-bbox="196 1110 764 1152">Families with Disabilities</td> <td data-bbox="764 1110 1032 1152">2,678</td> <td data-bbox="1032 1110 1289 1152">19.64%</td> </tr> <tr> <th colspan="3" data-bbox="196 1152 1289 1190">Racial Distribution</th> </tr> <tr> <td data-bbox="196 1190 764 1232">Asian</td> <td data-bbox="764 1190 1032 1232">6,594</td> <td data-bbox="1032 1190 1289 1232">48.36%</td> </tr> <tr> <td data-bbox="196 1232 764 1274">Native Hawaiian, other Pacific Islander</td> <td data-bbox="764 1232 1032 1274">3,044</td> <td data-bbox="1032 1232 1289 1274">22.33%</td> </tr> <tr> <td data-bbox="196 1274 764 1316">White</td> <td data-bbox="764 1274 1032 1316">2,803</td> <td data-bbox="1032 1274 1289 1316">20.56%</td> </tr> <tr> <td data-bbox="196 1316 764 1358">Black</td> <td data-bbox="764 1316 1032 1358">465</td> <td data-bbox="1032 1316 1289 1358">3.41%</td> </tr> <tr> <td data-bbox="196 1358 764 1400">American Indian, Native Alaskan</td> <td data-bbox="764 1358 1032 1400">231</td> <td data-bbox="1032 1358 1289 1400">1.69%</td> </tr> <tr> <td data-bbox="196 1400 764 1442">Other and Unreported</td> <td data-bbox="764 1400 1032 1442">1,052</td> <td data-bbox="1032 1400 1289 1442">7.72%</td> </tr> <tr> <td data-bbox="196 1442 764 1484">Hispanic (ethnicity)</td> <td data-bbox="764 1442 1032 1484">1,129</td> <td data-bbox="1032 1442 1289 1484">8.28%</td> </tr> <tr> <th colspan="3" data-bbox="196 1484 1289 1522">Bedrooms Needed</th> </tr> <tr> <td data-bbox="196 1522 764 1564">Studio</td> <td data-bbox="764 1522 1032 1564">604</td> <td data-bbox="1032 1522 1289 1564">4.43%</td> </tr> <tr> <td data-bbox="196 1564 764 1606">1BR</td> <td data-bbox="764 1564 1032 1606">5,731</td> <td data-bbox="1032 1564 1289 1606">42.03%</td> </tr> <tr> <td data-bbox="196 1606 764 1648">2 BR</td> <td data-bbox="764 1606 1032 1648">5,028</td> <td data-bbox="1032 1606 1289 1648">36.88%</td> </tr> <tr> <td data-bbox="196 1648 764 1690">3 BR</td> <td data-bbox="764 1648 1032 1690">2,132</td> <td data-bbox="1032 1648 1289 1690">15.64%</td> </tr> <tr> <td data-bbox="196 1690 764 1732">4 BR</td> <td data-bbox="764 1690 1032 1732">551</td> <td data-bbox="1032 1690 1289 1732">4.04%</td> </tr> <tr> <td data-bbox="196 1732 764 1774">5 BR</td> <td data-bbox="764 1732 1032 1774">52</td> <td data-bbox="1032 1732 1289 1774">0.38%</td> </tr> </tbody> </table> <p>Source: Hawaii Public Housing Authority Wait List Data, December 2011.</p>	Total Families on Waiting List = 13,634				# of families	% of total families	Income Levels			Extremely low income <=30% AMI	12,333	90.46%	Very low income (>30% but <=50% AMI)	1095	8.03%	Low income (>50% but <80% AMI)	154	1.13%	Income at or above 80% AMI	54	0.40%	Families with children	6,641	48.71%	Elderly families	2,809	20.60%	Families with Disabilities	2,678	19.64%	Racial Distribution			Asian	6,594	48.36%	Native Hawaiian, other Pacific Islander	3,044	22.33%	White	2,803	20.56%	Black	465	3.41%	American Indian, Native Alaskan	231	1.69%	Other and Unreported	1,052	7.72%	Hispanic (ethnicity)	1,129	8.28%	Bedrooms Needed			Studio	604	4.43%	1BR	5,731	42.03%	2 BR	5,028	36.88%	3 BR	2,132	15.64%	4 BR	551	4.04%	5 BR	52	0.38%
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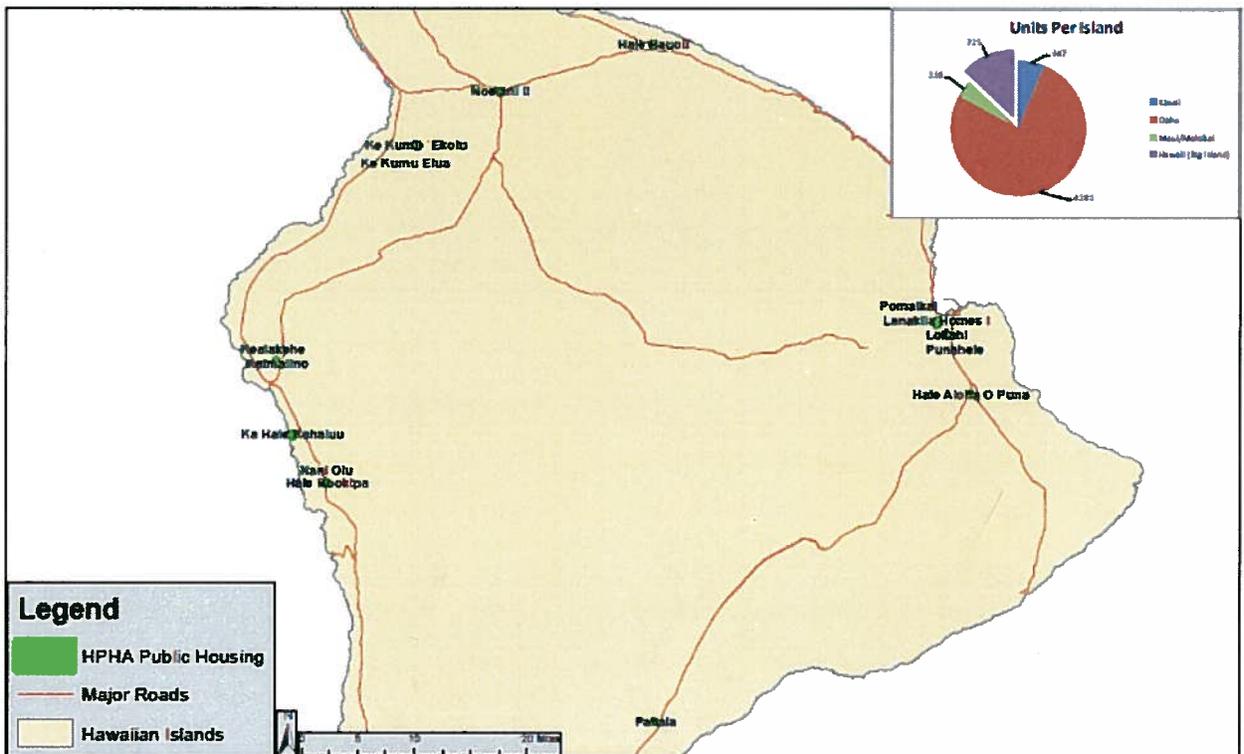


Public Housing Inventory, Statewide



Source: Hawaii Public Housing Authority property records. City & County of Honolulu Land Information System. State Office of Planning GIS Program.

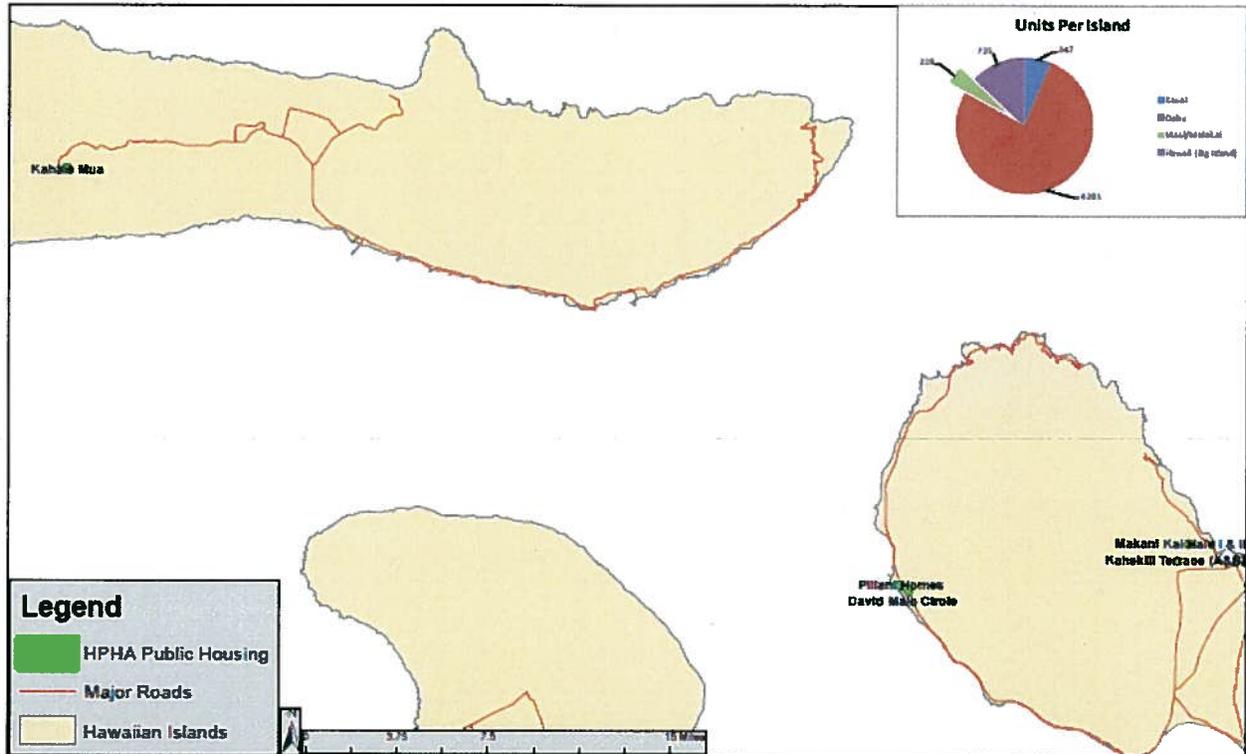
Public Housing Inventory, Hawaii County



Source: Hawaii Public Housing Authority property records. State Office of Planning GIS Program.

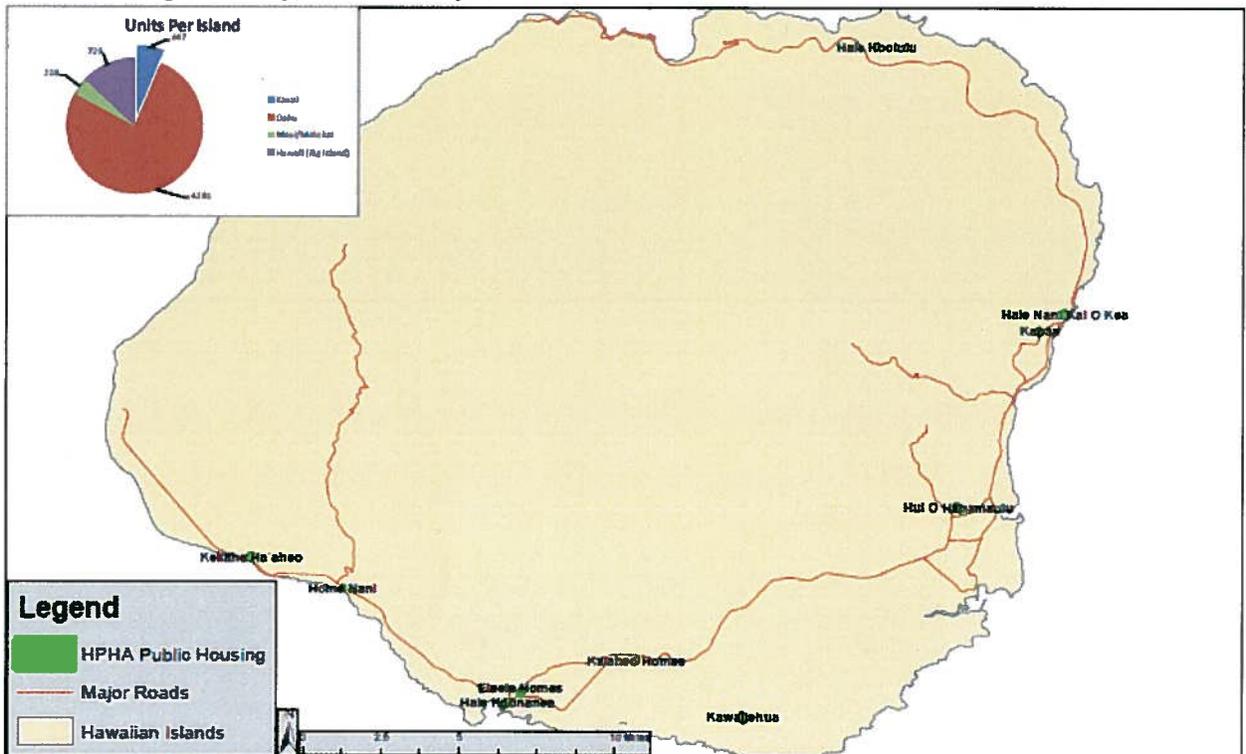


Public Housing Inventory, Maui County



Source: Hawaii Public Housing Authority property records. State Office of Planning GIS Program.

Public Housing Inventory, Kauai County



Source: Hawaii Public Housing Authority property records. State Office of Planning GIS Program.

Public Housing Inventory, Honolulu County

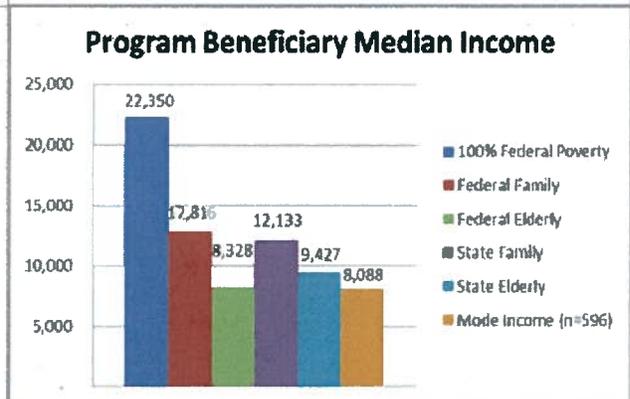
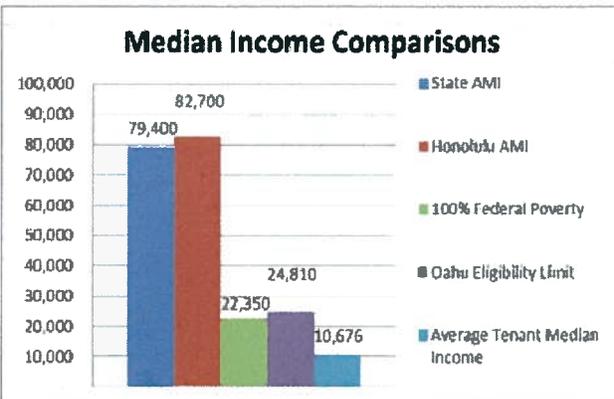
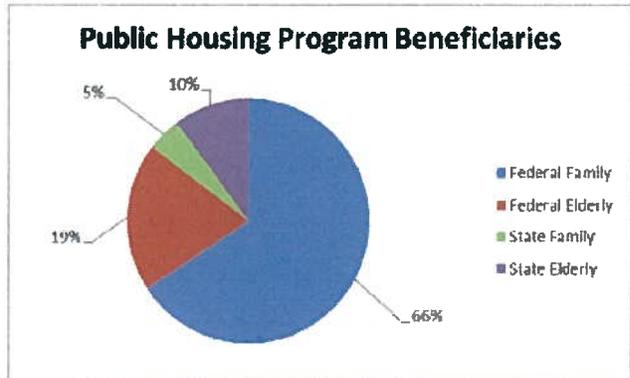


9.0

Housing Needs of Families in the Jurisdiction. (continued)
HPHA Public Housing Program Beneficiary Characteristics

House “**Extremely Low Income**” people: those earning between zero (0) and **thirty (30) percent Area Median Income (AMI)**

- Current Statewide AMI for family of four (4) = **\$79,400**
- Current Honolulu AMI for family of four (4) = **\$82,700**
- Tenancy restricted to families earning less than **\$24,810**



Program	Number of Families	Number of Individuals	Average Family Size
Federal Family Low Income Public Housing	3,687	12,625	3.42
Federal Elderly Low Income Public Housing	1,097	1,313	1.2
Total Federal Tenants	4,784	13,938	2.91
State Family Low Income Public Housing	257	812	3.16
State Elderly Low Income Public Housing	569	752	1.32
Total State Tenants	826	1,564	1.89
Total Tenants	5,610	15,502	2.76



9.0 Housing Needs of Families in the Jurisdiction. (continued)

HPHA Rental Assistance Program Beneficiary Characteristics

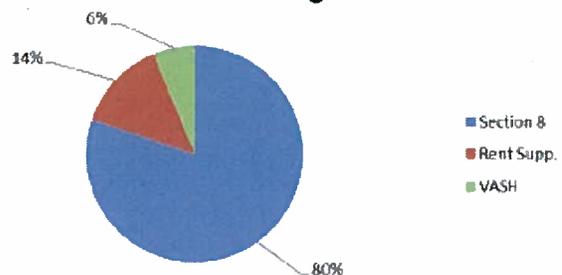
HPHA administers **1,773 vouchers** through the HUD HCV program, Average HCV Housing Assistance Payment (HAP) = **\$1,700** per month

140 Veterans Affairs Supportive Housing (VASH) vouchers, Avg. HAP is **\$800**

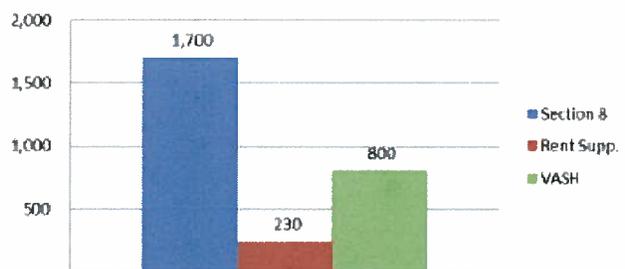
State Rent Supplement Program funds 300 vouchers, Avg. payment of **\$230** per household

Section 8 & Rent Supplement programs on **O'ahu only**; VASH is statewide

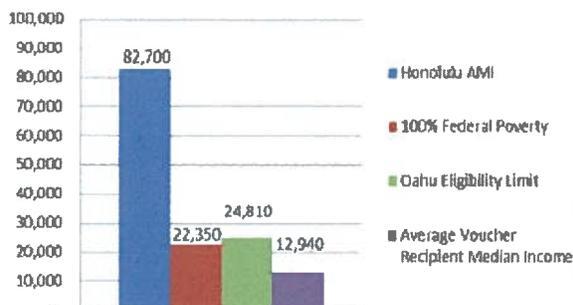
Rental Assistance Programs by Means of Funding



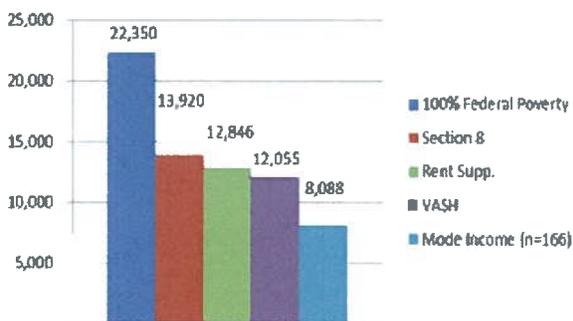
Rental Assistance Programs by Average HAP



Median Income Comparisons



Program Beneficiary Median Income



Program	Number of Families	Number of Individuals	Average Family Size
Section 8	1,578	6,689	4.24
VASH	103	145	1.41
Total Federal	1,681	6,834	4.07
State Rent Supp.	458	1,517	3.31
Total Tenants	3,820	15,185	3.98

Source: Hawaii Public Housing Authority Program Data, December 2011.



9.0 Housing Needs of Families in the Jurisdiction. (continued)

Table III-6. Households on Section 8 Housing Choice Voucher Waiting List, 2009

Wait List	HPHA (Honolulu) (as of January 2009)		HAWAII (as of August 2009)		HONOLULU (as of January 2009)		KAUAI (as of Sept 2009)		MAUI (as of July 2009)	
	# of Families	% of Total Families	# of Families	% of Total Families	# of Families	% of Total Families	# of Families	% of Total Families	# of Families	% of Total Families
Waiting list	4,252		4,357		5,499		733		2,179	
Extremely low income (≤ 30% AMI)	4,016	94.40%	2,668	61%	5,061	92%	499	59%	1,786	82%
Very low income (>30% but ≤50% AMI)	205	4.80%	1,515	35%	331	6%	228	31%	387	18%
Low income (>50% but <80% AMI)	31	0.07%	174	4%	0	0%	6	0%	6	0%
Families with children	1,508	35.50%	2,366	54%	2,927	53%	399	54%	1,201	55%
Elderly families	261	6.10%	275	6%	616	11%	58	8%	195	9%
Families with disabilities	691	16.30%	446	10%	1,693	31%	167	23%	649	30%
White	786	18.60%	1,656	38%	880	16%	288	39%	852	39%
Hispanic	358	8.40%	530	12%					253	12%
Black	109	2.60%	88	2%	157	3%	19	3%	81	4%
American Indian/Alaska Native	51	1.20%	88	2%	42	1%	13	2%	77	4%
Asian/Pacific Islander/Other	3,306	77.80%	2,268	52%	4,420	80%	388	53%	1,259	53%
Wait List	Closed since 8/29/08		Open		Open		Open		Open	

Source: Consolidated Plan 2010-2014

Table III-3. Projected Housing Need by Income Group, 2015

% of HUD Median Income	Honolulu	Maui	Hawaii	Kauai	State
<30 %	3,922	1,093	1,287	414	6,716
30-50%	1,573	696	514	174	2,957
50-80%	5,397	732	1,186	409	7,724
80-120%	3,842	724	603	350	5,519
120-140%	831	106	119	207	1,263
140-180%	1,986	485	410	60	2,941
>180%	1,629	305	695	175	2,804
Total	19,180	4,141	4,814	1,789	29,924

Source: Consolidated Plan 2010-2014



9.0 Housing Needs of Families in the Jurisdiction. (continued)

The following data is drawn from the Hawaii Housing Policy Study, 2011, by SMS Research for Hawaii Housing Finance and Development Corporation (HHFDC):

Table 11. Needed Housing Units by HUD Income Classification, Counties and State of Hawai'i, 2012-2016

	Total Units Needed, 2012 through 2016							
	HUD Income Classification							Total
	LT 30	30 to 50	50 to 80	80 to 120	120 to 140	140 to 180	180+	
State of Hawai'i	8,136	4,891	6,221	2,857	1,944	1,320	2,768	28,137
Ownership Units	2,248	1,149	2,833	1,364	1,297	886	1,961	11,738
Single-Family	1,225	674	2,207	1,014	994	828	1,383	8,325
Multi-Family	1,023	475	626	350	303	58	578	3,413
Rental Units	5,888	3,742	3,388	1,493	647	434	807	16,399
Single-Family	559	337	422	83	40	135	282	1,858
Multi-Family	5,329	3,405	2,966	1,410	607	299	525	14,541
City and County of Honolulu	6,006	3,549	4,268	1,976	1,561	632	1,865	19,857
Ownership Units	1,850	669	2,038	929	1,046	364	1,344	8,240
Single-Family	887	277	1,499	643	752	364	779	5,201
Multi-Family	963	392	539	286	294	0	565	3,039
Rental Units	4,156	2,880	2,230	1,047	515	268	521	11,617
Single-Family	134	69	183	0	0	92	195	673
Multi-Family	4,022	2,811	2,047	1,047	515	176	326	10,944
County of Maui	803	690	924	374	101	302	260	3,454
Ownership Units	130	249	380	131	10	261	199	1,360
Single-Family	88	212	331	117	10	203	190	1,151
Multi-Family	42	37	49	14	0	58	9	209
Rental Units	673	441	544	243	91	41	61	2,094
Single-Family	83	90	104	49	15	0	31	372
Multi-Family	590	351	440	194	76	41	30	1,722
County of Hawai'i	1,013	493	577	339	237	316	539	3,514
Ownership Units	243	184	286	224	201	236	387	1,761
Single-Family	225	172	277	179	192	236	387	1,668
Multi-Family	18	12	9	45	9	0	0	93
Rental Units	770	309	291	115	36	80	152	1,753
Single-Family	231	145	32	12	24	29	52	525
Multi-Family	539	164	259	103	12	51	100	1,228
County of Kaua'i	315	159	451	167	45	71	104	1,312
Ownership Units	26	46	128	79	40	26	31	376
Single-Family	26	13	99	74	40	26	26	304
Multi-Family	0	33	29	5	0	0	5	72
Rental Units	289	113	323	88	5	45	73	936
Single-Family	111	34	102	22	0	15	4	288
Multi-Family	178	79	221	66	5	30	69	648

Sources: Housing Demand Survey, 2011 and Hawai'i Housing Model, 2011.

Note: The sum of the needed units for the four counties may not equal the total number of needed units for the State due to rounding. Needed units are those housing units needed to eliminate pent-up demand and accommodate new household formation between 2012 and 2016 for the State of Hawai'i and its four counties, by preferred tenancy and unit type.

Shelter to Income Ratio by County, 2011

Table 5: Shelter-to-Income Ratio by County, 2011

Shelter payment as % of HH income	State of Hawai'i	City & County of Honolulu	County of Hawai'i	County of Maui	County of Kaua'i
Less than 30	51.4%	54.1%	49.1%	40.8%	46.0%
30 to 40	10.4%	8.2%	12.5%	18.0%	17.3%
Over 40	27.7%	28.0%	25.1%	30.2%	24.2%



9.0 Housing Needs of Families in the Jurisdiction. (continued)

Table A-1. Characteristics of Housing Units, 1992, 1997, 2003, 2006, and 2011

County	Year	Tenancy		Unit Size (Bedrooms)			
		Own	Rent	Studio or 1 Bedroom	2 Bedrooms	3 Bedrooms	4+ Bedrooms
Honolulu	1992	48%	52%	20%	32%	30%	19%
	1997	54%	46%	16%	27%	36%	21%
	2003	61%	39%	15%	25%	35%	25%
	2006	59%	41%	18%	25%	37%	20%
	2011	56%	44%	15%	21%	37%	26%
Maui	1992	61%	39%	14%	26%	46%	15%
	1997	65%	35%	12%	23%	46%	19%
	2003	61%	40%	13%	28%	42%	17%
	2006	60%	40%	15%	27%	43%	17%
	2011	54%	46%	17%	26%	37%	20%
Hawai'i	1992	68%	32%	7%	25%	53%	14%
	1997	72%	28%	8%	21%	54%	17%
	2003	70%	30%	12%	19%	50%	19%
	2006	69%	31%	11%	22%	49%	18%
	2011	67%	33%	13%	21%	47%	19%
Kaua'i	1992	60%	40%	12%	19%	53%	15%
	1997	67%	33%	8%	19%	57%	15%
	2003	66%	34%	11%	20%	53%	17%
	2006	66%	34%	10%	21%	51%	18%
	2011	59%	41%	12%	19%	51%	18%
State	1992	52%	48%	17%	30%	35%	18%
	1997	58%	42%	14%	25%	40%	20%
	2003	62%	38%	14%	24%	39%	23%
	2006	61%	39%	17%	24%	39%	20%
	2011	57%	43%	15%	22%	39%	24%

Source: Housing Demand Survey, 1992, 1997, 2003, 2006, and 2011

Note: Sum of County figures may not equal the State total due to rounding.

Table A-2. Household Income Data, 1992, 1997, 2003, 2006, and 2011

County	Year	Total Households	Household Income						Median HH Income
			Less than \$15,000	\$15,000 to \$24,999	\$25,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 or more	
Honolulu	1992	247,349	N/A	24%	29%	12%	6%	7%	\$36,974
	1997	272,234	9%	9%	28%	15%	9%	6%	\$42,234
	2003	292,003	8%	10%	36%	18%	11%	17%	\$47,917
	2006	303,149	13%	7%	26%	22%	12%		\$58,385
	2011	310,882	12%	7%	25%	22%	9%	25%	\$59,076
Maui	1992	34,266	N/A	20%	36%	11%	2%	3%	\$35,843
	1997	39,252	10%	8%	33%	15%	7%	6%	\$38,908
	2003	43,687	9%	13%	34%	19%	14%	11%	\$44,297
	2006	49,484	11%	8%	29%	20%	15%	17%	\$49,795
	2011	54,132	12%	10%	27%	19%	11%	21%	\$58,424
Hawai'i	1992	39,789	N/A	24%	39%	11%	3%	4%	\$34,063
	1997	46,271	14%	14%	30%	12%	4%	4%	\$31,831
	2003	54,644	14%	12%	39%	17%	9%	9%	\$36,905
	2006	61,213	13%	10%	29%	22%	10%	16%	\$51,920
	2011	67,096	18%	13%	25%	17%	10%	17%	\$44,696
Kaua'i	1992	16,981	N/A	20%	36%	10%	5%	3%	\$36,966
	1997	18,817	11%	13%	30%	15%	5%	3%	\$34,891
	2003	20,460	13%	12%	37%	18%	9%	12%	\$42,205
	2006	21,971	10%	10%	27%	23%	11%	19%	\$53,116
	2011	23,201	13%	11%	25%	19%	9%	19%	\$49,730
State	1992	338,385	N/A	24%	31%	12%	5%	6%	\$36,289
	1997	376,574	10%	10%	29%	15%	8%	6%	\$39,883
	2003	410,794	10%	10%	36%	19%	10%	15%	\$46,086
	2006	435,818	13%	7%	27%	21%	12%	20%	\$58,393
	2011	455,311	13%	8%	26%	21%	10%	23%	\$58,700

Source: Housing Demand Survey, 1992, 1997, 2003, 2006, and 2011

Note: The number of total households for the Housing Demand survey represents an SNS estimate developed using ACS 2009 data prior to the release of Census 2010. The total number of households for each county differs by less than one percent from Census 2010 figures presented in Table 4.

Note: Sum of County figures may not equal the State total due to rounding.



9.0 Housing Needs of Families in the Jurisdiction. (continued)

Table 11. Needed Housing Units by HUD Income Classification, Counties and State of Hawai'i, 2012-2016

	Total Units Needed, 2012 through 2016							
	HUD Income Classification							Total
	LT 30	30 to 50	50 to 80	80 to 120	120 to 140	140 to 180	180+	
State of Hawai'i	8,136	4,891	6,221	2,857	1,944	1,320	2,768	28,137
Ownership Units	2,248	1,149	2,833	1,364	1,297	886	1,961	11,738
Single-Family	1,225	674	2,207	1,014	994	828	1,383	8,325
Multi-Family	1,023	475	626	350	303	58	578	3,413
Rental Units	5,888	3,742	3,388	1,493	647	434	807	16,399
Single-Family	559	337	422	83	40	135	282	1,858
Multi-Family	5,329	3,405	2,966	1,410	607	299	525	14,541
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Ownership Units	1,850	669	2,038	929	1,046	364	1,344	8,240
Single-Family	887	277	1,499	643	752	364	779	5,201
Multi-Family	963	392	539	286	294	0	565	3,039
Rental Units	4,156	2,880	2,230	1,047	515	268	521	11,617
Single-Family	134	69	183	0	0	92	195	673
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Ownership Units	130	249	380	131	10	261	199	1,360
Single-Family	88	212	331	117	10	203	190	1,151
Multi-Family	42	37	49	14	0	58	9	209
Rental Units	673	441	544	243	91	41	61	2,094
Single-Family	83	90	104	49	15	0	31	372
Multi-Family	590	351	440	194	76	41	30	1,722
County of Hawai'i	1,013	493	577	339	237	316	539	3,514
Ownership Units	243	184	286	224	201	236	387	1,761
Single-Family	225	172	277	179	192	236	387	1,668
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Multi-Family	539	164	259	103	12	51	100	1,228
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Ownership Units	26	46	128	79	40	26	31	376
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Multi-Family	0	33	29	5	0	0	5	72
Rental Units	289	113	323	88	5	45	73	936
Single-Family	111	34	102	22	0	15	4	288
Multi-Family	178	79	221	66	5	30	69	648

Sources: Housing Demand Survey, 2011 and Hawai'i Housing Model, 2011.

Note. The sum of the needed units for the four counties may not equal the total number of needed units for the State due to rounding. Needed units are those housing units needed to eliminate pent-up demand and accommodate new household formation between 2012 and 2016 for the State of Hawai'i and its four counties, by preferred tenancy and unit type.



9.0

Housing Needs of Families in the Jurisdiction.(continued)
Table A-5: Average Monthly Housing Cost, 1992, 1997, 2003, 2006, and 2011

County	Year	Total Households	Average Monthly Mortgage Payment			Average Monthly Rent	
			Total	Single-family	Multi-family	Total	2-bedroom apartment
Honolulu	1992	247,349	\$821	\$915	\$832	\$864	
	1997	272,234	\$1,430	\$1,369	\$1,335	\$928	\$923
	2003	292,003	\$1,546	\$1,650	\$1,239	\$1,014	\$1,072
	2006	303,149	\$1,142	\$1,173	\$1,029	\$1,300	\$1,393
	2011	310,882	\$1,415	\$1,393	\$1,510	\$1,502	\$1,487
Maui	1992	34,266	\$776	\$831	\$719	\$730	
	1997	39,252	\$1,210	\$1,664	\$789	\$850	\$1,138
	2003	43,687	\$1,310	\$1,346	\$1,104	\$979	\$1,072
	2006	49,484	\$1,461	\$1,451	\$1,458	\$1,256	\$1,253
	2011	54,132	\$1,461	\$1,468	\$1,411	\$1,280	\$1,303
Hawaii	1992	39,789	\$651	\$691	\$579	\$556	
	1997	46,271	\$954	\$1,069	\$840	\$697	\$644
	2003	54,644	\$1,072	\$1,078	\$919	\$859	\$843
	2006	61,213	\$1,057	\$1,039	\$1,407	\$1,146	\$1,152
	2011	67,096	\$1,106	\$1,102	\$1,389	\$1,121	\$986
Kauai	1992	16,981	\$726	\$773	\$612	\$807	
	1997	18,817	\$1,151	\$1,290	\$881	\$830	\$860
	2003	20,460	\$1,284	\$1,306	\$1,014	\$983	\$885
	2006	21,971	\$1,165	\$1,178	\$974	\$1,230	\$1,271
	2011	23,201	\$1,273	\$1,254	\$983	\$1,311	\$1,292
State	1992	338,385	\$800	\$863	\$813	\$793	
	1997	376,574	\$1,319	\$1,330	\$1,286	\$897	
	2003	410,794	\$1,433	\$1,488	\$1,213	\$992	\$1,037
	2006	435,818	\$1,167	\$1,183	\$1,081	\$1,274	\$1,346
	2011	455,311	\$1,355	\$1,332	\$1,495	\$1,421	\$1,398

Source: Housing Demand Survey, 1992, 1997, 2003, 2006, and 2011
Note: Sum of County figures may not equal the State total due to rounding.

Table A-9. Shelter-to-Income Ratios, 1992, 1997, 2003, 2006, and 2011

County	Year	Total Households	Monthly Shelter Payment as a Percent of Monthly Household Income			
			Under 30 percent	30 to 40 percent	Over 40 percent	Not enough information
Honolulu	1992	247,349	55.7%	14.1%	20.2%	10.0%
	1997	272,234	55.1%	18.9%	18.4%	7.5%
	2003	292,003	55.7%	18.5%	18.0%	7.8%
	2006	303,149	54.8%	10.9%	22.0%	12.0%
	2011	310,882	54.1%	8.2%	28.0%	9.7%
Maui	1992	34,266	59.3%	18.1%	15.8%	6.7%
	1997	39,252	47.9%	16.0%	19.8%	16.4%
	2003	43,687	52.2%	18.3%	15.7%	15.9%
	2006	49,484	49.1%	14.3%	27.1%	9.4%
	2011	54,132	40.8%	18.0%	30.2%	11.0%
Hawaii	1992	39,789	70.2%	12.4%	11.5%	5.9%
	1997	46,271	51.8%	18.1%	20.4%	9.7%
	2003	54,644	52.5%	19.1%	15.9%	12.4%
	2006	61,213	54.9%	11.1%	22.0%	12.0%
	2011	67,096	49.1%	12.5%	25.1%	13.3%
Kauai	1992	16,981	60.3%	17.7%	13.7%	8.1%
	1997	18,817	44.9%	18.7%	24.7%	11.7%
	2003	20,460	51.8%	16.8%	18.0%	13.3%
	2006	21,971	57.6%	10.8%	21.6%	10.0%
	2011	23,201	46.0%	17.3%	24.2%	12.6%
State	1992	338,385	58.0%	14.5%	18.4%	9.1%
	1997	376,574	53.5%	18.5%	19.1%	8.9%
	2003	410,794	54.7%	18.5%	17.5%	9.5%
	2006	435,818	54.2%	11.3%	22.7%	11.8%
	2011	455,311	51.4%	10.4%	27.7%	10.5%

Source: Housing Demand Survey, 1992, 1997, 2003, 2006, and 2011
Note: "Not enough information" households include those with no shelter payment and those that did not provide sufficient information to calculate a shelter-to-income ratio.
Note: Sum of County figures may not equal the State total due to rounding.



9.1 Strategy for Addressing Housing Needs.

- **Mixed finance public-private partnership redevelopment**

Rent revenue, operating and capital funding from federal and state sources are not sufficient to maintain and modernize Hawaii's public housing. In order to bring additional capital into the system, HPHA is bringing in private developers as partners, which allows the housing authority to maintain public housing while turning over renovations and operation to the private company. The private developer is required to maintain the same number of public housing units, while adding other types of housing. The result is a mixed income community with all levels of housing types. This mixed-finance, public-private partnership model is being used to redevelop Kuhio Park Terrace. Through the KPT project, HPHA has learned how to successfully redevelop distressed properties with a private sector partner, and plans to apply this model to other HPHA properties.

- **Grant Funds**

There are a variety of Federal and State grant programs that can be utilized to make program and capital improvements. HPHA will seek resident services and self-sufficiency program funds, community investment grants, Choice Neighborhoods Initiative Planning & Implementation grants, energy improvement, and capital improvement grants, to name a few. Staff will also investigate the potential for the agency to participate in the Rental Assistance Demonstration program.

- **Personnel**

Much of the workforce of the HPHA has turned over in recent years. The agency is evaluating its organizational structure, and concentrating on hiring new staff and providing extensive, up-to-date training to ensure the best services to our tenants.

- **Pilot or demonstration programs**

The HPHA will review any new pilot programs or demonstration programs that are made available by HUD or other entities that will help the HPHA to address housing needs after careful analysis and evaluation of the benefits to the State of Hawaii, and will seek the concurrence of the Board and RAB to implement the programs, including but not limited to the rental assistance demonstration program.



10.0 Additional Information. Describe the following, as well as any additional information HUD has requested.

(a) Progress in Meeting Mission and Goals:

- Elderly designation: HPHA wants to designate 3 elderly high rise buildings as elderly only. We are in the process of obtaining funds to hire a consultant to do the studies and processes necessary to obtain HUD approval.
- Resident Self-Sufficiency: vacant positions in the Property Management Branch are being filled to assist with access to resident services and case management.
- Self-Sufficiency Programs: HPHA is adding two positions to the Resident Services section to coordinate additional self-sufficiency services for residents.
- Asset Management: HPHA has a HUD Technical Assistance consultant team reviewing the current AMP structure. When their report is final we will make AMP structure changes based on the findings.
- Reducing public housing vacancies: In 2012, the HPHA was authorized to hire exempt from civil service employees to repair vacant units. To date, the HPHA has hired 27 employees under this civil service exemption, significantly reducing public housing unit vacancies (Act 159, Session Laws of Hawaii 2012).

(b) Significant Amendment and Substantial Deviation/Modification. Provide the PHA's definition of "significant amendment" and "substantial deviation/modification"

In accordance with 24 CFR §903.7(r)(2) which requires public housing authorities to identify the basic criteria the agency will use to determine a substantial deviation from its 5-Year Plan and significant amendments or modification to the 5-Year Plan and Annual Plan, the following definitions are used:

Substantial Deviation: A substantial change in the goals identified in the Five-Year Plan. For example, making a formal decision not to pursue a listed goal; or substituting an entirely different set of activities to achieve the goal.

Significant Amendment/Modification: Adding or eliminating major strategies to address housing needs and to major policies (e.g., policies governing eligibility, selection or admissions and rent determination) or programs (e.g., demolition or disposition, designation, homeownership programs or conversion activities); or modifying a strategy such that a substantial transfer of resources away from others is necessary in order to carry it out.

For Capital Fund Program projects that deviate from the Capital Fund Program Five-Year Action Plan and the Capital Fund Program Annual State/Performance and Evaluation Reports, only projects that meet the following criteria shall require 5-Year and Annual Plan Amendment: the amount of funds being required exceeds \$10 Million; number of units being worked on comprises more than 15% of a developments ACC unit count; or work requires the relocation of more than two neighboring occupied units. Where work is not specifically budgeted, monetary placeholders will be provided in lieu of specific development language.



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| 11.0 | <p>Required Submission for HUD Field Office Review. In addition to the PHA Plan template (HUD-50075), PHAs must submit the following documents. Items (a) through (g) may be submitted with signature by mail or electronically with scanned signatures, but electronic submission is encouraged. Items (h) through (i) must be attached electronically with the PHA Plan. Note: Faxed copies of these documents will not be accepted by the Field Office.</p> <ul style="list-style-type: none">(a) Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i> (which includes all certifications relating to Civil Rights)(b) Form HUD-50070, <i>Certification for a Drug-Free Workplace</i> (PHAs receiving CFP grants only)(c) Form HUD-50071, <i>Certification of Payments to Influence Federal Transactions</i> (PHAs receiving CFP grants only)(d) Form SF-LLL, <i>Disclosure of Lobbying Activities</i> (PHAs receiving CFP grants only)(e) Form SF-LLL-A, <i>Disclosure of Lobbying Activities Continuation Sheet</i> (PHAs receiving CFP grants only)(f) Resident Advisory Board (RAB) comments. Comments received from the RAB must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the recommendations and the decisions made on these recommendations.(g) Challenged Elements(h) Form HUD-50075.1, <i>Capital Fund Program Annual Statement/Performance and Evaluation Report</i> (PHAs receiving CFP grants only)(i) Form HUD-50075.2, <i>Capital Fund Program Five-Year Action Plan</i> (PHAs receiving CFP grants only) |
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FOR ACTION

MOTION: To Amend the Federal Public Housing Program's Admissions and Continued Occupancy Policy and the Section 8 Housing Choice Voucher Program's Administrative Plan Regarding to Adopt Temporary Compliance Assistance Guidelines, and to Authorize the Executive Director to Undertake All Steps Necessary to Effect such Changes

I. FACTS

- A. The Hawaii Public Housing Authority (HPHA) would like to implement a substantive change to the Section 8 Housing Choice Voucher (HCV) Program's Administrative Plan (Admin Plan) and the Federal Public Housing Program's Admissions and Continued Occupancy Policy (ACOP) in order to maximize the use of U.S. Department of Housing and Urban Development (HUD) funding and assist families more efficiently.
- B. On January 22, 2013, HUD issued Temporary Compliance Assistance guidelines to reduce burden and create flexibility for public housing agencies in the administration of the Public Housing and Section 8 HCV Programs. The temporary guidelines are designed to increase efficiencies, minimizing the use of resources for program administration during this period of decreased resources available to PHAs.

II. DISCUSSION

- A. This HUD guidance is considered discretionary and public housing agencies must obtain Board approval and amend their policy documents to implement the HUD guidance. HUD intends to pursue more permanent changes to increase flexibility and reduce administrative burden.
- B. Currently, PHAs are statutorily required to verify income and calculate rent annually, including for elderly and disabled families on fixed incomes. HUD has determined, however, that the requirement to undertake the complete process of income verification and rent determination for families on fixed incomes is not necessary given the infrequency of changes to their incomes.

C. The HPHA would like to adopt two of the temporary guidelines which will be available to PHAs until March 31, 2014.

1. Allow households to self-certify having assets of less than \$5,000.

The Notice PIH 2013-03(HA) provides:

“Tenants with assets below \$5,000 typically generate minimal income from these assets which results in small changes to tenant rental payments. However, PHAs spend significant time verifying such assets which strains PHA budgets, and leads to increased staff errors. This provision is intended to simplify the requirements associated with determining a participant’s annual income.

Families with assets are required to report all assets annually. The amount of interest earned on those assets is included as income used to calculate the tenant’s rent obligation. Currently, where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate.

This notice allows a PHA to accept a family’s declaration of the amount of assets of less than \$5,000, and the amount of income expected to be received from those assets. The PHA’s application and reexamination documentation, which is signed by all adult family members, can serve as the declaration. Where the family has net family assets equal to or less than \$5,000, the PHAs does not need to request supporting documentation (e.g. bank statements) from the family to confirm the assets or the amount of income expected to be received from those assets. Where the family has net family assets in excess of \$5000, the PHA must obtain supporting documentation (e.g. bank statements) from the family to confirm the assets. Any assets will continue to be reported on HUD Form 50058.”

Adoption of this temporary compliance assistance would allow the HPHA to accept a family’s declaration of the amount of assets of less than \$5,000, and the amount of income expected to be received from those assets. No supporting documentation is required.

The HPHA’s Section 8 Administrative Plan, Chapter 7, Part I, Section D on Third-party Written and Oral Verification and HPHA’s

Public Housing ACOP, Chapter 7, Part I, Section D Third-party Written and Oral Verification currently provide as follows:

“The PHA will use review of documents in lieu of requesting third-party verification when the market value of an individual asset is less than \$500 *and* the family has original documents that support the declared amount.”

These provisions must be amended to modify the current language to read as follows:

“For any family declaring assets valued at \$5,000 or less the PHA will accept both the value of the assets and the amount the assets are expected to produce from the Family Annual/Update Report form, when this method is allowed by HUD. No other documentation or verification is required by the family or the PHA. The HPHA’s application and reexamination documentation, which is signed by all adult family members, will serve as the declaration.”

2. Allow optional streamlined annual reexaminations for elderly families and disabled families on fixed incomes.

The Notice PIH 2013-03(HA) provides:

“PHAs are statutorily required to verify income and calculate rent annually, including for elderly and disabled families on fixed incomes. The requirement to undertake the complete process for income verification and rent determination for families on fixed incomes is not necessary given the infrequency of changes to their incomes. Further, this requirement requires considerable staff time and PHA resources. This provision is intended to simplify the requirements associated with determining the annual income of participants on fixed incomes.

PHAs may opt to conduct a streamlined reexamination of income for elderly families and disabled families when 100 percent of the family’s income consists of fixed income. In a streamlined reexamination, PHAs will recalculate family incomes by applying any published cost of living adjustments to the previously verified income amount.”

Adoption of this temporary compliance assistance would reduce the administrative burden on HPHA to conduct annual reexaminations for elderly families and disabled families on fixed incomes.

The HPHA's Section 8 Administrative Plan, Chapter 11, Part I, Section C on Conducting Annual Re-examinations currently requires:

"The information provided by the family generally must be verified in accordance with the policies in Chapter 7 [on verification procedures]. Unless the family reports a change, or the agency has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include:

- Legal identity
- Age
- Social security numbers
- A person's disability status
- Citizenship or immigration status"

The HPHA's Public Housing ACOP, Chapter 11, Section B on Annual Recertifications currently requires:

"For tenants who pay an income-based rent, the PHA shall reexamine a tenant's annual income, assets, family composition, and any other matter necessary to determine tenant's rent and eligibility for continued occupancy at least once every twelve (12) months."

These provisions must be amended to include in the current language to read as follows:

"In addition, income verification and rent determination for elderly and disabled families on fixed incomes do not need to be re-verified on an annual basis. The HPHA will send the Family Annual Update Report form to each qualifying family. If no changes are reported, the HPHA will obtain updated income information and process the annual recertification without re-verification of income or redetermination of rent. If changes to the household are reported, the family will be required to go through the normal recertification process."

- D. The proposed language may be subject to review by the Department of the Attorney General.

III. RECOMMENDATION

That the Adopt Amendments to the Section 8 Housing Choice Voucher Program's Administrative Plan and the Federal Public Housing Program's Admissions and Continued Occupancy Policy to Adopt Temporary Compliance Assistance Guidelines and to Authorize the Executive Director to Undertake All Steps Necessary to Effect such Changes

Attachment A: Notice PIH 2013-03 (HA)

Prepared by: Stephanie Fo, Section 8 Subsidy Programs Branch Chief SF
Joanna Renken, Supervising Public Housing Manager JR

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

David Gierlach
Chairperson

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

Special Attention:

Directors of HUD Regional and Field
Offices of Public Housing; PIH Program Center
Coordinators; Public Housing Agencies

NOTICE PIH 2013-03 (HA)

Issued: January 22, 2013

Expires: March 31, 2014

Subject: Public Housing and Housing Choice Voucher Programs – Temporary
Compliance Assistance

1. **Purpose:** This Notice establishes temporary guidelines for public housing agencies (PHAs) in fulfilling certain Public Housing (PH) and Housing Choice Voucher (HCV) program requirements during this period of decreased resources available to PHAs. These guidelines are intended to facilitate the ability of PHAs to continue, without interruption and with minimal burden, the delivery of rental assistance to eligible families in their communities. The temporary provisions established by this Notice will be available to PHAs until March 31, 2014.

The economic downturn that commenced in 2008 and which continues has only increased the need for housing assistance. Increased demand for housing assistance without corresponding increased resources strains the operations of PHAs, and jeopardizes their ability to assist families at a time when families most need housing assistance. Increasing administrative flexibility should allow PHAs to deliver rental assistance more efficiently and expeditiously. Reduction of administrative burden is anticipated to allow PHAs to better manage their programs within current allocated budget authority. The temporary guidelines are also designed to increase efficiencies, minimizing the use of resources for program administration. HUD intends to pursue more permanent changes to increase flexibility and reduce administrative burden and will be informed by PHAs' use of the temporary compliance provisions of this Notice.

2. **Applicability:** This Notice applies to both the PH and HCV programs, except where noted.
3. **Temporary Provisions:**

Allow option to use participants' actual past income in verifying income.

Projecting expected income and obtaining the additional documentation necessary to project income places an unnecessary burden on PHA staff time and resources when compared to the minimal annual change in tenant incomes. Further, projecting income can lead to PHA staff errors that result in improper rent determinations. This

provision is intended to simplify the requirements associated with determining a participant's annual income (24 CFR 5.609(a)(2)).

In determining annual income, PHAs may choose to use either actual past income or projected future income. Currently, annual income includes income that is anticipated to be received from a source outside the family during the 12-month period following the effective date of admission or annual reexamination. This Notice provides PHAs with the option of determining annual income based on past actual income received or earned within the last 12 months. If a PHA operates both PH and HCV programs, this option is available for both of their programs.

For the purpose of verifying income reported in HUD's Enterprise Income Verification (EIV) system, PHAs that choose to use actual past income must use the most recent 12 months of income information available in EIV. Because this EIV report will give actual earnings data verified by a third party, the program participant is no longer required to provide third party documentation (e.g., paystubs, payroll summary report, unemployment monetary benefit notice).

If there has been a change in circumstances for a tenant, or a tenant disputes the EIV-reported income information and is unable to provide acceptable documentation to resolve the dispute, the PHA must request written third-party verification. For example, if a program participant lost his/her job, changed jobs, or reduced their hours in the months subsequent to the time period covered in EIV, the PHA must use, at the participant's request, the more recent income information verified by participant provided third-party documentation (e.g., paystubs, payroll summary report, unemployment monetary benefit notice) or through written third-party verification, which reflects the new or current work circumstance.

PHAs must continue to verify income from sources not available in EIV. However, PHAs must use the same time period for both wage and non-wage income. For example, if a PHA uses EIV information from July 2011 to June 2012 for the purpose of verifying income from wages, the PHA must use the same time period for any non-wage income.

Allow households to self-certify as to having assets of less than \$5,000.

Tenants with assets below \$5,000 typically generate minimal income from these assets which results in small changes to tenant rental payments. However, PHAs spend significant time verifying such assets which strains PHA budgets, and leads to increased staff errors. This provision is intended to simplify the requirements associated with determining a participant's annual income (24 CFR 5.609(b)(3), 982.516(a)(2)(ii), 960.259(c)).

Families with assets are required to report all assets annually. The amount of interest earned on those assets is included as income used to calculate the tenant's rent obligation. Currently, where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family

assets or a percentage of the value of such assets based on the current passbook savings rate.

This Notice allows a PHA to accept a family's declaration of the amount of assets of less than \$5,000, and the amount of income expected to be received from those assets. The PHA's application and reexamination documentation, which is signed by all adult family members, can serve as the declaration. Where the family has net family assets equal to or less than \$5000, the PHAs does not need to request supporting documentation (e.g. bank statements) from the family to confirm the assets or the amount of income expected to be received from those assets. Where the family has net family assets in excess of \$5000, the PHA must obtain supporting documentation (e.g. bank statements) from the family to confirm the assets. Any assets will continue to be reported on HUD Form 50058.

Allow optional streamlined annual reexaminations for elderly families and disabled families on fixed incomes.

PHAs are statutorily required to verify income and calculate rent annually, including for elderly and disabled families on fixed incomes. The requirement to undertake the complete process for income verification and rent determination for families on fixed incomes is not necessary given the infrequency of changes to their incomes. Further, this requirement requires considerable staff time and PHA resources. This provision is intended to simplify the requirements associated with determining the annual income of participants on fixed incomes (24 CFR 982.516, 960.257).

PHAs may opt to conduct a streamlined reexamination of income for elderly families and disabled families when 100 percent of the family's income consists of fixed income. In a streamlined reexamination, PHAs will recalculate family incomes by applying any published cost of living adjustments to the previously verified income amount.

For purposes of this notice, the term 'fixed income' includes income from:

1. Social Security payments to include Supplemental Security Income (SSI) and Supplemental Security Disability Insurance (SSDI);
2. Federal, State, local, and private pension plans; and
3. Other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits, and other similar types of periodic receipts that are of substantially the same amounts from year to year.

Allow PHAs to establish a payment standard of not more than 120 percent of the fair market rent (FMR) without HUD approval as a reasonable accommodation.

Under current regulations, PHAs must request a waiver from a HUD Field Office for exception payment standards above 110% of the FMR; this process takes considerable administrative time for the PHA and, in some cases, the processing time for the waiver prevents the family from leasing the unit. Under this provision, PHAs

may approve a payment standard of not more than 120 percent of the FMR without HUD approval if required as a reasonable accommodation for a family that includes a person with disabilities. This provision applies to the HCV program only and allows a PHA to establish a payment standard within limits currently permitted but designated for approval only by a HUD Field Office (24 CFR 982.503(c)(2)(B)(ii)). For any voucher unit assisted under the program, PHAs must perform a rent reasonableness determination in accordance with the section 8(o)(10) of the U.S. Housing Act of 1937 and the HCV program regulations. Therefore, PHAs who utilize this provision must maintain documentation that the PHA performed the required rent reasonableness analysis. In addition, the PHA must maintain documentation that that the unit has the feature(s) required to meet the needs of the person with disabilities.

4. **Adoption of Temporary Provisions:** A PHA that chooses to adopt any provisions described in this Notice must notify HUD by email at PIHTemporaryCompliance@hud.gov. This email should also include either the Field Office Public Housing Director or the Program Center Coordinator as a recipient.

Any temporary provision made available to a PHA under this Notice that a PHA elects to apply must be adopted in the PHA's HCV program administrative plan (24 CFR 982.54) or PH program tenant selection policies (24 CFR 960.202 and 960.257(c)). In cases where changes to policies are determined by the PHA to be an amendment to the PHA's Annual Plan that is significant, as defined by the PHA, the PHA must comply with the amendment provisions of 24 CFR 903.21, including soliciting public comment and consulting with the resident advisory board.

5. **Paperwork Reduction Act:** The information collection requirements contained in this Notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control numbers 2577-0220 and 0169. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.
6. **Further Information:** Any questions pertaining to this Notice may be addressed to Todd Thomas, (202)402-5849, or by electronic mail at Todd.C.Thomas@hud.gov about the Public Housing program or Caroline Crouse, (202)402-4595, or by electronic mail at Caroline.P.Crouse@hud.gov about the Housing Choice Voucher program.

/s/

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

FOR ACTION

MOTION: To Amend the Section 8 Housing Choice Voucher Program's Administrative Plan and Chapter 15-185-25 Hawaii Administrative Rules to Remove Waitlist Preferences and to Authorize the Executive Director to Take All Actions Necessary to Implement the Amendment, including Holding Public Hearings

I. FACTS

- A. This For Action is the result of the Hawaii Public Housing Authority's Board of Directors approval to amend the Five Year and Annual Public Housing Agency (PHA) Plan on January 17, 2013, which included the removal of existing preferences and allowed the HPHA to award housing choice vouchers to applicants by date and time of the application.
- B. According to U.S. Department of Housing and Urban Development (HUD) PIH notice 2012-15 regarding Streamlining Administrative Practices in the Housing Choice Voucher program. The establishment of local preferences for the selection of families admitted to the program is a PHA option. PHAs needing to reduce administrative burdens could elect to eliminate all local preferences and house families solely by date and time of application. This approach eliminates the staff time needed to verify the preferences and the ongoing monitoring of the waiting list to ensure compliance with the preference system. The PHA would be required to amend the Section 8 Administrative Plan to reflect the policy adopted.
- C. Amendments to Chapter 15-185-25, Hawaii Administrative Rules (HAR), are necessary to effectuate the removal of the preferences, once approved by the Board of Directors.
- D. Once the Board of Directors approves removal of preferences for Section 8 waitlist clients the HPHA will hold public hearings to amend the HAR and update the HPHA Section 8 Administrative Plan.

II. DISCUSSION

- A. The proposed amendment to Chapter 15-185-25, HAR would update the rules regarding preferences to determine eligibility for housing assistance. All clients would be called up from the waitlist according to the date and

time of their application. The Hawaii Administrative Rules will be amended as follows:

§15-185-25 Local preferences. (a) Eligible applicants shall be ~~given preference for certification~~ certified in the order of the dates of their applications if ~~at the time they are seeking housing assistance, they fall within the following preference categories.~~ (and times in which they are received.)

All preferences or references to placement by preferences subsequently listed in §15-185-25, - 26, - 29 will be deleted as detailed in Attachment A.

- B. The proposed amendment to the Section 8 HCV Admin. Plan will also be updated to remove all preferences for eligibility as follows:

PHA Policy

~~Each preference is of equal weight and an applicant who qualifies for any of the preferences shall receive a voucher before any other applicant who is not so qualified regardless of (1) Place on the waiting list; of (2) date or time of submission of an application.~~ (Eligible applicants shall be certified in the order of the dates and times in which they are received.)

All preferences or references to placement by preferences subsequently listed in the Administrative Plan will be deleted as detailed in Attachment B.

- C. The HPHA met and discussed the preference changes with the Resident Advisory Board in September 2012. The Resident Advisory Board approved the changes to the preference criteria.
- D. The removal of waitlist preferences will streamline the application process and remove administrative burdens from the leasing staff thus saving time and resources resulting in fast processing of families.

III. RECOMMENDATION

To Amend the Section 8 Housing Choice Voucher Program's Administrative Plan and Chapter 15-185-25 Hawaii Administrative Rules to Remove Waitlist Preferences and to Authorize the Executive Director to Take All Actions Necessary to Implement the Amendment, including Holding Public Hearings

Attachment A: §15-185-25 to §15-185-29 Hawaii Administrative Rules

Attachment B: 4-III.C. Section 8 Administrative Plan

Prepared by: Stephanie Fo, Acting Section 8 Branch Chief 

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

David Gierlach
Chairperson

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

(c) An applicant determined to be ineligible for admission or participation in the program shall be accorded an opportunity to request for an informal review as set forth in section 15-185-71. [Eff

DEC 03 2001] (Auth: HRS §201G-15) (Imp: HRS §201G-15; 24 C.F.R. §982.554)

§15-185-25 Local preferences. (a) Eligible applicants shall be given preference for certification in the program in the order of the dates of their applications if, at the time they are seeking housing assistance, they fall within the following preference categories: are received.

~~(1) The following preferences shall be given first priority but have equal weight within this group:~~

- ~~(A) Involuntarily displaced;~~
- ~~(B) Victims of domestic violence; or~~
- ~~(C) Homeless.~~

~~(2) The following preferences shall be given second priority but have equal weight within this group:~~

- ~~(A) Living in substandard housing; or~~
- ~~(B) Paying more than fifty per cent of annual income for rent.~~

~~(3) The following are other preferences that have equal weight:~~

- ~~(A) Working families and those unable to work because of age or disability;~~
- ~~(B) Veterans and veterans' surviving spouse;~~
- ~~(C) Residents who live or work in the jurisdiction (by county); or~~
- ~~(D) Victims of reprisals or hate crimes.~~

~~(b) Each preference in each priority group is of equal weight and an applicant who qualifies for any of the preferences shall receive assistance before any other applicant who is not so qualified regardless of:~~

- ~~(i) Place on the waiting list; or~~

(2) Date or time of submission of an application.

(c) An applicant who is an elderly, disabled or displaced family with up to two members in the household shall be given preference over all other single applicants, regardless of the other single applicant's local preference.

(d) An applicant shall not receive preference if any adult member of the applicant family is a person who was evicted or terminated from any housing program operated by the corporation during the past three years because of drug-related criminal activities unless the adult member has successfully completed a rehabilitation program approved by the corporation. [Eff DEC 03 200] (Auth: HRS §201G-15) (Imp: HRS §201G-15; 24 C.F.R. §§5.405, 5.410, 5.415, 5.420, 5.425, 5.430, and 982.207)

§15-185-26 Waiting list. (a) The corporation shall maintain separate waiting lists for each of the islands of Oahu, Kauai, Maui, Molokai and Lanai, and for the west Hawaii-north Kohala district to south Kona district and the east Hawaii-Ka'u district to the Hamakua district, which is community wide in scope.

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

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

~~(1) Applicable local preference, and~~

(2) Date and time of application's receipt.

(d) An applicant must notify the corporation, at least annually, of any change that may affect the applicant's place on the waiting list and the corporation's ability to contact applicant. Changes include, but are not limited to, familial status,

financial status, preference status, mailing address and current residence.

(e) An applicant may continue to be on the waiting list even though the applicant is a tenant in or receiving housing assistance from another housing program. [Eff DEC 03 2001 (Auth: HRS §201G-15) (Imp: HRS §201G-15; 24 C.F.R. §982.204)]

§15-185-27 Removal from the waiting list. An applicant shall be removed from the waiting list for any one of the following reasons:

- (1) The applicant requests that applicant's name be removed;
- (2) The applicant fails to notify the corporation of applicant's continued interest for housing at least once every twelve months;
- (3) The applicant no longer meets the eligibility criteria set forth in section 15-185-22;
- (4) The applicant fails to respond to the corporation's reasonable contact efforts. Two written notices to the last known address shall constitute reasonable effort to contact;
- (5) The applicant fails without good cause to keep a scheduled interview or to provide requested information necessary to determine eligibility;
- (6) The applicant refuses a voucher for housing assistance; or
- (7) The applicant misrepresents any material information to the corporation on the application or otherwise. [Eff DEC 03 2001 (Auth: HRS §201G-15) (Imp: HRS §201G-15; 24 C.F.R. §982.204(c))]

§15-185-28 Closing and reopening the waiting list. (a) The corporation may suspend the acceptance of applications and close the waiting list, in whole

or in part, when it is determined that there are enough applicants on the waiting list to fill anticipated openings for the next twenty-four months.

(b) The corporation may publicly announce any closure and reopening of the application taking process pursuant to section 15-185-4. If the list is opened for only a limited time, the opening announcement shall include the closing date and not require further notice. Publicly announce may include, but is not limited to, publishing notices in a newspaper of general circulation and minority newspapers or notifying social service organizations.

(c) During periods when the waiting list is closed, the corporation is not required to maintain a list of persons to be notified when application taking is reopened. [Eff **DEC 03 2001**] (Auth: HRS §201G-15) (Imp: HRS §201G-15; 24 C.F.R. §982.206)

§15-185-29 Final application process - selection and certification. (a) Selection for certification shall be from the established waiting list and shall be based on the following:

- ~~(1) Applicable local preferences, and~~
- (2) Date and time of receipt of application.

(b) Applicants shall be provided with a briefing packet containing all required materials and shall be informed of their responsibilities prior to acceptance of a voucher. A voucher shall not be issued unless the applicant or an authorized representative attends a briefing and signs the voucher.

(c) A voucher holder shall be responsible for finding a qualified dwelling unit of appropriate size prior to the expiration of the voucher.

(d) A voucher shall expire at the end of sixty days from issuance unless within that timeframe, the family submits a request for lease approval, in which case the sixty day time limit shall be suspended while the corporation determines whether to approve the lease.

(e) An applicant may request an extension to the initial sixty day time period if the voucher is about

4-III.C. SELECTION METHOD

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the PHA will use [24 CFR 982.202(d)].

~~Local Preferences [24 CFR 982.207, HCV p. 4-16]~~

~~PHAs are permitted to establish local preferences, and to give priority to serving families that meet these criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the PHA to establish other local preferences, at its discretion. Any local preferences established must be consistent with the PHA plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources.~~

PHA Policy

~~Each preference is of equal weight and an applicant who qualifies for any of the preferences shall receive a voucher before any other applicant who is not so qualified regardless of (1) Place on the waiting list; or (2) date or time of submission of an application.~~

~~The PHA will offer a preference to any family that is:~~

- ~~▪ Involuntarily Displaced: Involuntarily displaced applicants are applicants who have been involuntarily displaced and are not living in standard, permanent replacement housing, or will be involuntarily displaced with no more than 12 months from the date of verification by the PHA.~~

~~Families are considered involuntarily displaced if they are required to vacate housing as a result of:~~

- ~~1. A disaster (fire, flood, earthquake, etc.) that has caused the unit to be uninhabitable.~~
- ~~2. Federal, state or local government action related to code enforcement, public improvement or development.~~
- ~~3. Action by a housing owner which is beyond an applicant's ability to control, and which occurs despite the applicant's having met all previous conditions of occupancy, and is other than a rent increase.~~

~~If the owner is an immediate family relative and there has been no previous rental agreement and the applicant has been part of the owner's family immediately prior to application, the applicant will not be considered involuntarily displaced.~~

~~For purposes of the definitional element, reasons for an applicant having to vacate a housing unit include, but are not limited to:~~

~~Conversion of an applicant's housing unit to non-rental or non-residential use;~~

~~Closure of an applicant's housing unit for rehabilitation or non-residential use;~~

~~Notice to an applicant that s/he must vacate a unit because the owner wants the unit for the owner's personal or family use or occupancy;~~

~~Sale of a housing unit in which an applicant resides under an agreement that the unit must be vacant when possession is transferred; or~~

~~Any other legally authorized act that results, or will result, in the withdrawal by the owner of the unit or structure from the rental market.~~

- ~~4. To avoid reprisals because the family provided information on criminal activities to a law enforcement agency and, after a threat assessment, the law enforcement agency recommends rehousing the family to avoid or reduce risk of violence against the family.~~

~~The family must be part of a Witness Protection Program, or the HUD Office or law enforcement agency must have informed the PHA that the family is part of a similar program.~~

~~The PHA will take precautions to ensure that the new location of the family is concealed in cases of witness protection.~~

- ~~5. By hate crimes if a member of the family has been the victim of one or more hate crimes, and the applicant has vacated the unit because of the crime or the fear of such a crime has destroyed the applicant's peaceful enjoyment of the unit.~~

~~A hate crime is actual or threatened physical violence or intimidation that is directed against a person or his property and is based on the person's race, color, religion, sex, national origin, disability or familial status, including sexual orientation and occurred within the last 12 months or is of a continuing nature.~~

- ~~6. Displacement by non-suitability of the unit when a member of the family has a mobility or other impairment that makes the person unable to use critical elements of the unit and the owner is not legally obligated to make changes to the unit.~~

~~Critical elements are: entry and egress of the unit and building/a sleeping area/a full bathroom/a kitchen if the person with a disability must do their own food preparation/other.~~

- ~~7. Due to HUD disposition of a multifamily project under Section 203 of the Housing and Community Development Amendments of 1978.~~

~~In order to receive the displacement preference, applicants who have been displaced must not be living in "standard, permanent replacement housing."~~

~~Standard replacement housing is defined as housing that is decent, safe and sanitary, in accordance with the Housing Quality Standards, that is adequate for the family size according to local and state code, and that the family is occupying pursuant to a written or oral lease or occupancy agreement.~~

~~Standard replacement housing does not include transient facilities, hotels, motels, temporary shelters, and (in the case of Victims of Domestic Violence) housing occupied by the individual who engages in such violence.~~

~~It does not include any individual imprisoned or detained pursuant to State Law or an Act of Congress. Shared housing with family or friends is considered temporary and is not considered standard replacement housing.~~

FOR ACTION

MOTION: To Authorize the Executive Director to Review the Allowable Uses and Operations of all Community Facilities Owned by the Hawaii Public Housing Authority Statewide and Take All Action Necessary to Ensure that the Facilities are not Underutilized and/or Operating at a Deficit

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 related to the Hawaii Public Housing Authority's Community Facilities

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

**Executive Director's Board Status Report
February 2013 / March 2013**

Major Programs

A. Public Housing

- The Property Management Branch's vacancy activity consisted of the following:

	Federal	State	Reason
New Move-ins from the Waitlist	32	12	
Internal Transfers	6	3	7 – RRA*, 2 – H&S*
Vacancy (tenants who vacated from the program)	11	7	

*RRA – Request for Reasonable Accommodation
H&S – Health & Safety (unit deemed uninhabitable due to flooding, loss of electrical power, etc.)

As of February 28, 2013, HPHA has a total of 120 approved RRA tenants statewide (Oahu – 114, Maui – 2, Hilo – 2 and Kauai – 2). These approved internal RRA tenants are waiting for a transfer to a suitable unit.

- Program Progress from January 2013 to the end of February 2013:
 - Overall occupancy increased from 92.94% to 93.58%. HPHA's target occupancy rate is 97%.
 - Non vacated delinquencies were reduced from 1,043 families owing approximately \$578,000 to 609 families owing approximately \$319,000 in back rent

- Formal Grievance Hearings held:

Oahu – 4 (3 – AMP 44, 1 – AMP 31)
Hilo – 3 (AMP 37)

The Property Management Branch scheduled and heard seven (7) formal grievance hearing cases due to tenants being in violation of the rental agreement. The violations included drinking on property, theft, drug use, assault and terroristic threatening.

- Continue to implement the no smoking policy in public housing. Secured \$40,000 in support funds from Department of Health for educational literature and signage.

- Continue updating inventory of backflow preventers; updating inspections; secured training and now have 2 certified backflow inspectors on staff.
- Completed a detailed materials inventory that is now required monthly by the OED. By providing an accurate physical count at the end of each month, it'll help the AMPs reduce loss due to theft, point out errors in the inventory system, and properly reflect the assets in the financial records and to provide data to make better management decisions.
- Continue review of amendments/revisions to the Hawaii Administrative Rules for public housing, grievances, and evictions. Determine whether associated changes need to be made in the Admissions and Continued Occupancy Policy.
- The staff has been directed to stop large purchases and travel that can be deferred due to the sequestration. Managers are currently revising their budget projections to include possible funding cuts.

B. Section 8 Subsidy Programs

- Voucher lease up update: Staff screened and issued (not leased):
 - 23 veterans with VASH vouchers statewide;
 - 4 Port-In's from other states or neighbor islands;
 - 5 Kuhio Park Terrace applicants;
 - 1 applicant for Palolo Homes; and
 - 6 Housing Choice Vouchers for families from the waitlist.

HPHA is currently assisting 1978 families. Additional voucher Lease up activities have stopped except for the veteran's vouchers due to the effects of sequestration

- 226 inspections were completed by HPHA staff in February 2013.
- The program spent \$1,969,495 in payments for the month of February 2013.

Beginning January 2013, HUD redefined the different categories allotted for each voucher type into one lump sum. Previously, the Section 8 Branch was reporting the usage of housing choice vouchers only. The amounts reflected in the boxes under January now reflect the lump sum awarded by HUD and the expenditures for Veterans Vouchers (VASH), Housing Choice Vouchers (HCV), Port outs (families who move away from Oahu), Project Based Section 8 (Kuhio Park Terrace and Palolo Valley Homes), Non Elderly Disabled (NED) and Homeownership (families who use the voucher to purchase a home). From Oct 2012 to Feb 2013, we expended 98.93% of funds received.

- HPHA expended 83% of \$50,021 received from the State relating to the rent supplement program. Rent supplement assistance program is administered by

the HPHA on every island. Efforts are being made to increase lease up of rent supplement subsidy on all islands.

- The Family Self Sufficiency (FSS) program assisted 94 Section 8 clients in February 2013. One family graduated from the program and received an escrow disbursement of \$3271. Two families increased their income. Sixty families currently have an escrow account.

C. Construction Management Branch

For Construction Management Branch Activities, see Program Reports

Administrative Services

A. Compliance Office

- Resolved 23 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 (0);
 - c. Installation of air conditioning (2); and
 - d. Service animal (2)
- HPHA continues to work on the filing of Declarations of Trust for all of the federally assisted public housing projects.
- 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.
- Prepared for the implementation of the revised changes to the HPHA reasonable accommodations policy.

B. Planning and Evaluation Office (PEO)

- Annual Plan public hearing to occur at four properties statewide on March 11, 2013 at 6:00 p.m.
- Continue to work on amendments and updates to 17-2028, Hawaii Administrative Rules and 17-2020, Hawaii Administrative Rules
- Choice Neighborhoods Task Force Kick-Off Meetings March 13, 2013. The goal is to develop a transformation plan for potential improvements of the Kuhio Homes and Low Rise Units, as well as the surrounding neighborhood, with the hopes of attaining a \$30 million Choice Neighborhoods Implementation Grant.

Legislative

- Participated in task force meetings
- Refined and submitted legislative proposals for inclusion in administrative package
- Coordinated responses to legislative requests for information and testimony for subject matter committees
- Working with the Governor's Policy Office on Legislative proposals
- Continue meeting with various Departments and affected organizations on HPHA's proposed legislations

C. Fiscal Management Office

For Fiscal Management Office Activities, see Financial reports.

- Continue to work on completing the single audit with the auditors.
- Work with the Office of the Executive Director to secure allotment of FY 2013 funds pending release by the Department of Budget and Finance.
- Continue to analyze the fiscal impact of sequestration on HPHA's Public Housing and Section 8 program and administrative operations.
- Continue reconciliation of the wall-to-wall physical inventory and fixed asset report

D. Contracts and Procurement

For Solicitations and Contracts Issued in February 2013 see Program Reports.

Central Stores Requisitions/Purchase Orders/pCards Processed:

Type	Feb	Jan	% change	FYTD
Central Stores Requisitions	18	13	38%	161
Purchase Orders	81	70	16%	1,243
pCard (Total)	23	23	0%	237

E. Information Technology Office

- Coordinated remote assistance from Emphasys support to address ongoing issues with Elite Low Income Public Housing (LIPH) modules.

F. Hearings Office

- 20 Eviction cases heard for February 2013 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.

G. Personnel

Staffing as of February 1, 2013, Full-time Equivalent positions:

Filled positions:	282
Vacant positions:	86
Total FTEs:	368

As of March 1, 2013 HPHA imposed a temporary hiring freeze as a result of the sequestration by the federal government and OED reviewing and approving on a case to case basis.

Tenant Aides (19 hours)	13
New Hires:	6
Termination/resigned:	2

Note: 89-day hires (temp) 3

- Personnel Office will contact managers and identify critical positions to fill within their allotted budget for staffing.

Safety & Worker's Compensation

- No workers compensation injury for February 2013
- Light Duty staff accepted from the Department of Transportation to provide assistance in the Central Maintenance.

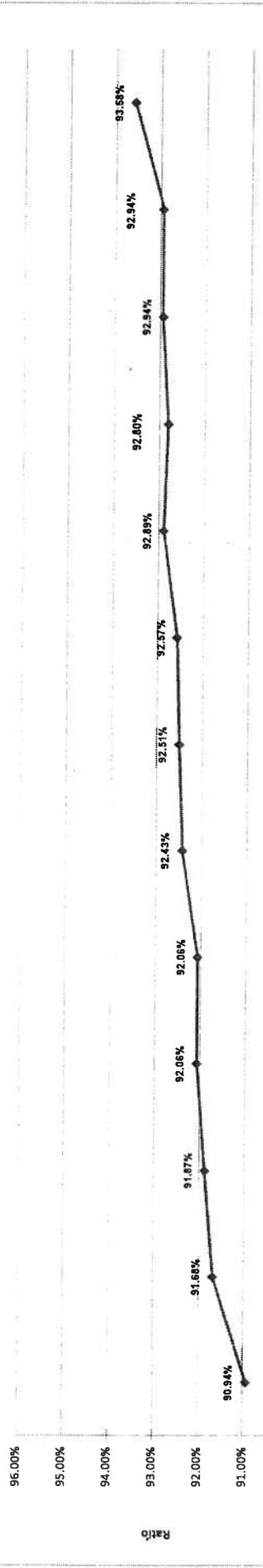
FEDERAL PUBLIC HOUSING

Occupancy from February 2012 to February 2013

Cumulative (12 Months)	
Units	61,060
Tenants	56,415
Ratio	92.41%

	Feb-12			Mar-12			Apr-12			May-12			Jun-12			Jul-12			Aug-12			Sep-12			Oct-12			Nov-12			Dec-12			Jan-13			Feb-13											
	Total Units	Occ Units	Ratio																																													
Hawaii	621	533	85.83%	621	533	85.83%	621	536	86.31%	621	541	87.12%	621	541	87.12%	620	534	86.13%	620	534	86.13%	620	534	86.13%	620	534	86.13%	620	534	86.13%	620	534	86.13%	620	534	86.13%	620	534	86.13%									
Kaui	319	273	85.58%	319	272	85.27%	318	277	87.11%	318	274	86.16%	318	274	86.16%	318	275	86.48%	318	275	86.48%	318	275	86.48%	318	275	86.48%	318	275	86.48%	318	275	86.48%	318	275	86.48%	318	275	86.48%	318	275	86.48%						
Maui	196	150	76.53%	196	152	77.55%	196	155	78.59%	196	158	80.61%	196	158	80.61%	196	158	80.61%	196	158	80.61%	196	158	80.61%	196	158	80.61%	196	158	80.61%	196	158	80.61%	196	158	80.61%	196	158	80.61%	196	158	80.61%	196	158	80.61%			
Ohu	3,555	3,310	93.11%	3,554	3,343	94.08%	3,553	3,338	93.95%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%	3,553	3,343	94.09%
Total	4,681	4,266	90.94%	4,690	4,300	91.68%	4,688	4,307	91.87%	4,688	4,316	92.06%	4,688	4,316	92.06%	4,687	4,322	92.43%																														
Hawaii	620	546	88.06%	620	551	88.87%	619	564	91.11%	620	571	92.10%	620	576	92.90%	620	576	92.90%	620	576	92.90%	620	576	92.90%	620	576	92.90%	620	576	92.90%	620	576	92.90%	620	576	92.90%	620	576	92.90%	620	576	92.90%	620	576	92.90%			
Kaui	318	274	86.16%	315	272	86.35%	315	274	86.98%	321	281	87.54%	321	278	86.60%	321	276	86.29%	321	276	86.29%	321	276	86.29%	321	276	86.29%	321	276	86.29%	321	276	86.29%	321	276	86.29%	321	276	86.29%	321	276	86.29%	321	276	86.29%			
Maui	186	172	92.47%	186	176	94.62%	186	175	93.55%	186	172	92.47%	186	170	91.40%	186	170	91.40%	186	170	91.40%	186	170	91.40%	186	170	91.40%	186	170	91.40%	186	170	91.40%	186	170	91.40%	186	170	91.40%	186	170	91.40%	186	170	91.40%			
Ohu	3,553	3,344	94.12%	3,553	3,337	93.92%	3,553	3,337	93.92%	3,574	3,348	93.98%	3,574	3,360	94.04%	3,574	3,360	94.04%	3,574	3,360	94.04%	3,574	3,360	94.04%	3,574	3,360	94.04%	3,574	3,360	94.04%	3,574	3,360	94.04%	3,574	3,360	94.04%	3,574	3,360	94.04%	3,574	3,360	94.04%	3,574	3,360	94.04%			
Total	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%	4,718	4,385	92.94%																														

Occupancy Rate



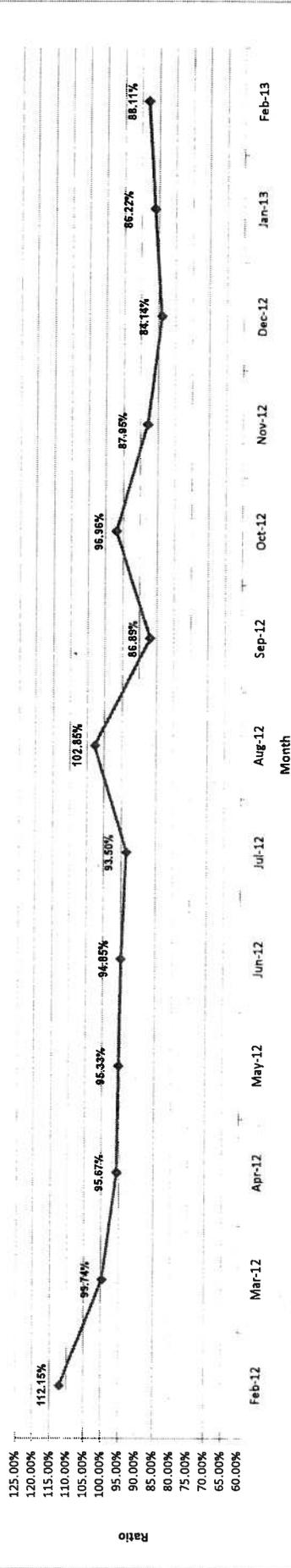
FEDERAL PUBLIC HOUSING

Rent Collection from February 2012 to February 2013

	Feb-12			Mar-12			Apr-12			May-12			Jun-12			Jul-12			Cumulative (12 Months) 02/12 - 02/13		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$113,942.00	\$129,386.25	114.05%	\$112,348.50	\$111,155.13	98.94%	\$112,335.00	\$109,297.72	97.30%	\$110,138.00	\$105,928.84	96.18%	\$101,718.68	\$97,508.52	95.86%	\$107,350.00	\$103,718.74	96.67%	\$1,962,857.23	\$1,407,585.77	71.71%
Kauai	\$74,418.00	\$53,535.27	72.07%	\$74,359.33	\$81,552.35	109.67%	\$74,405.02	\$77,063.89	103.58%	\$72,300.18	\$72,300.18	100.00%	\$68,375.34	\$64,400.50	94.23%	\$68,659.02	\$67,380.13	98.15%	\$14,962,857.23	\$10,777,585.77	71.71%
Maini	\$43,797.00	\$47,665.60	108.83%	\$43,703.00	\$42,816.67	97.97%	\$43,463.00	\$39,083.89	89.89%	\$37,367.85	\$38,811.11	103.86%	\$30,148.70	\$22,929.55	76.05%	\$42,751.00	\$41,534.18	97.15%	\$85,271.46	\$85,271.46	100.00%
Oahu	\$898,462.79	\$96,986.76	10.80%	\$918,878.90	\$910,771.32	99.12%	\$933,096.95	\$864,433.44	92.64%	\$897,513.54	\$859,399.38	95.82%	\$1,058,442.10	\$1,004,633.79	94.85%	\$932,406.22	\$863,659.38	92.63%	\$1,151,188.24	\$1,076,242.43	93.50%
Total	\$1,130,639.78	\$1,267,983.88	112.15%	\$1,148,289.73	\$1,146,295.47	99.74%	\$1,184,329.97	\$1,113,810.24	94.13%	\$1,113,130.41	\$1,113,130.41	100.00%	\$1,058,442.10	\$1,004,633.79	94.85%	\$1,151,188.24	\$1,076,242.43	93.50%	\$1,151,188.24	\$1,076,242.43	93.50%

	Aug-12			Sep-12			Oct-12			Nov-12			Dec-12			Jan-13			Feb-13		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio
Hawaii	\$105,021.00	\$118,374.62	112.71%	\$104,312.00	\$98,977.76	94.89%	\$105,107.00	\$109,533.35	104.21%	\$115,419.00	\$105,516.58	91.42%	\$118,865.48	\$100,465.11	84.55%	\$120,935.00	\$107,016.94	88.49%	\$121,050.10	\$108,138.56	89.33%
Kauai	\$68,634.69	\$74,684.13	108.81%	\$68,257.00	\$56,174.97	82.30%	\$68,464.00	\$67,007.85	97.82%	\$70,712.00	\$57,227.00	80.93%	\$72,785.00	\$56,716.29	78.01%	\$72,979.00	\$61,222.92	83.89%	\$72,407.00	\$59,848.00	82.65%
Maini	\$43,521.00	\$43,313.67	100.90%	\$44,672.00	\$38,615.46	86.44%	\$46,129.00	\$43,639.11	94.60%	\$48,300.00	\$39,965.48	82.73%	\$47,318.00	\$38,117.48	80.56%	\$47,832.00	\$40,745.13	85.18%	\$49,676.67	\$44,266.72	89.11%
Oahu	\$920,586.61	\$93,441.75	10.17%	\$908,055.31	\$783,953.25	86.33%	\$906,469.10	\$871,733.02	96.17%	\$953,683.92	\$842,175.47	88.31%	\$937,133.33	\$733,989.88	78.23%	\$944,175.97	\$813,564.69	86.17%	\$958,059.49	\$846,874.46	88.32%
Total	\$1,137,773.30	\$1,170,884.17	102.85%	\$1,126,169.10	\$1,081,943.13	96.08%	\$1,126,169.10	\$1,081,943.13	96.08%	\$1,188,114.92	\$1,044,904.53	87.95%	\$1,175,907.82	\$983,933.86	84.14%	\$1,165,921.97	\$1,022,548.66	88.22%	\$1,201,893.26	\$1,058,127.74	88.11%

Rent Collection Rate



STATE PUBLIC HOUSING

Occupancy from February 2012 to February 2013

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

Cumulative (12 Months)	
Units	11,227
Tenants	10,729
Ratio	95.59%

	Aug-12			Sep-12			Oct-12			Nov-12			Dec-12			Jan-13			Feb-13		
	Total Units	Occ Units	Ratio																		
Hawaii	56	48	85.71%	56	46	82.14%	56	46	82.14%	56	47	83.93%	56	48	85.71%	56	49	87.50%	56	49	87.50%
Kauai	26	24	92.31%	26	24	92.31%	26	24	92.31%	26	25	96.15%	26	24	92.31%	26	22	84.62%	26	22	84.62%
Mauai	32	29	90.63%	32	28	87.50%	32	28	87.50%	32	26	81.25%	32	25	78.13%	32	25	78.13%	32	25	78.13%
Oahu	749	728	97.20%	749	725	96.93%	749	730	97.46%	749	725	96.93%	749	724	96.40%	749	729	97.07%	749	729	97.07%
Total	863	829	96.06%	863	827	95.83%	863	829	96.06%	865	823	95.14%	865	821	94.81%	865	825	95.38%	865	824	95.26%

Occupancy Rate



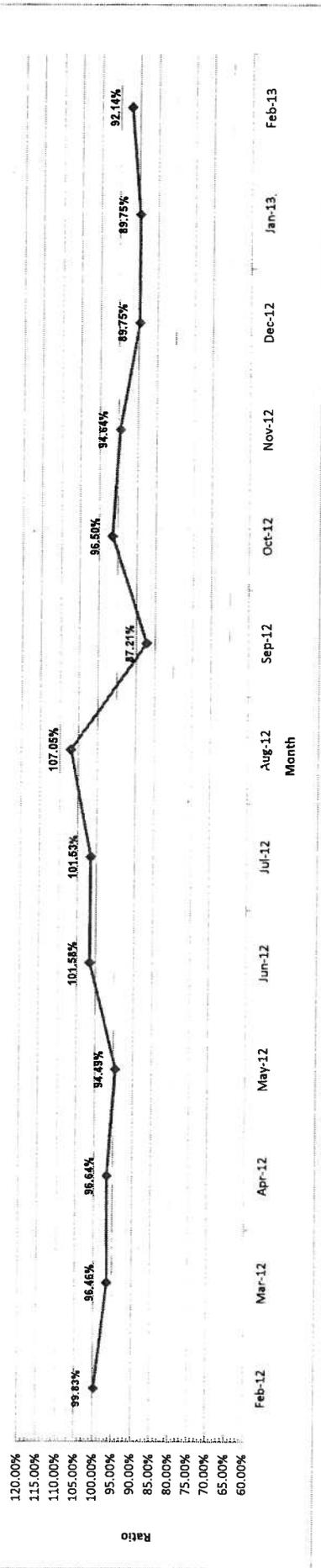
STATE PUBLIC HOUSING

Rent Collection from February 2012 to February 2013

Cumulative (12 Months) 02/12 - 02/13	
Charges	\$ 3,301,181.12
Collections	\$ 3,167,356.65
Total	\$ (133,824.47)
Ratio	95.95%

	Feb-12			Mar-12			Apr-12			May-12			Jun-12			Jul-12			Aug-12			Sep-12			Oct-12			Nov-12			Dec-12			Jan-13			Feb-13		
	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio	Charges	Collected	Ratio						
Hawaii	\$ 17,779.00	\$ 18,461.00	103.84%	\$ 17,154.00	\$ 15,435.00	89.99%	\$ 15,823.00	\$ 14,386.00	90.79%	\$ 14,147.00	\$ 11,952.00	84.51%	\$ 14,040.00	\$ 11,505.00	81.94%	\$ 14,040.00	\$ 11,505.00	81.94%	\$ 14,040.00	\$ 11,505.00	81.94%	\$ 14,040.00	\$ 11,505.00	81.94%	\$ 15,886.00	\$ 10,349.50	65.14%	\$ 15,886.00	\$ 10,349.50	65.14%	\$ 16,969.50	\$ 13,565.50	79.95%						
Kauai	\$ 4,980.00	\$ 4,831.00	97.01%	\$ 5,096.00	\$ 6,646.00	130.67%	\$ 5,096.00	\$ 3,650.00	71.62%	\$ 5,182.00	\$ 3,826.00	73.83%	\$ 5,182.00	\$ 4,157.00	80.22%	\$ 5,182.00	\$ 4,157.00	80.22%	\$ 5,182.00	\$ 4,157.00	80.22%	\$ 5,182.00	\$ 4,157.00	80.22%	\$ 5,886.00	\$ 4,476.00	76.04%	\$ 5,886.00	\$ 4,476.00	76.04%	\$ 4,726.81	\$ 4,240.81	89.69%						
Mauai	\$ 4,901.00	\$ 6,354.00	129.65%	\$ 5,096.00	\$ 6,577.00	129.05%	\$ 5,632.00	\$ 5,373.00	95.40%	\$ 5,748.00	\$ 5,367.00	93.37%	\$ 5,376.00	\$ 5,376.00	100.00%	\$ 5,376.00	\$ 5,376.00	100.00%	\$ 5,376.00	\$ 5,376.00	100.00%	\$ 5,376.00	\$ 5,376.00	100.00%	\$ 4,782.00	\$ 3,197.00	66.85%	\$ 4,782.00	\$ 3,197.00	66.85%	\$ 4,744.00	\$ 3,803.00	80.16%						
Other	\$ 226,763.00	\$ 224,341.74	98.93%	\$ 227,314.00	\$ 216,995.75	95.46%	\$ 226,343.00	\$ 220,786.72	97.55%	\$ 226,638.00	\$ 216,596.73	95.57%	\$ 225,516.00	\$ 232,969.84	103.31%	\$ 225,516.00	\$ 240,423.68	106.65%	\$ 225,516.00	\$ 240,423.68	106.65%	\$ 225,516.00	\$ 240,423.68	106.65%	\$ 231,450.52	\$ 213,525.93	92.26%	\$ 231,450.52	\$ 213,525.93	92.26%	\$ 234,886.90	\$ 219,180.72	93.31%						
Total	\$ 254,423.00	\$ 253,967.74	99.83%	\$ 254,650.00	\$ 246,843.75	96.96%	\$ 252,884.00	\$ 244,375.72	96.64%	\$ 251,715.00	\$ 237,844.73	94.49%	\$ 250,114.00	\$ 254,071.84	101.58%	\$ 250,114.00	\$ 258,028.68	103.15%	\$ 250,114.00	\$ 258,028.68	103.15%	\$ 250,114.00	\$ 258,028.68	103.15%	\$ 258,006.52	\$ 231,548.43	89.75%	\$ 258,006.52	\$ 231,548.43	89.75%	\$ 261,359.21	\$ 240,810.03	92.14%						

Rent Collection Rate



**Federal LIPH
HPHA Project Overview Report
February 2013**

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	341	20	93.94%	3	1	1	1
31P-KVH	373	337	36	90.35%	2	1	1	0
32P-MWH	364	356	7	97.80%	2	0	0	1
33P-Kam/Kaamanu	373	364	8	97.59%	2	0	0	1
34P-Kalakaua	583	571	3	97.94%	5	0	3	9
35P-Kalanihiua	587	580	7	98.81%	3	5	1	0
37P-Hilo	322	289	32	89.75%	7	3	1	1
38P-Kauai	321	281	24	87.54%	3	0	0	14
39P-Maui	196	165	24	84.18%	2	7	0	7
40P-KPT	168	167	1	99.40%	0	0	0	0
43P-Kona	202	200	1	99.01%	3	1	1	1
44P-Leeward Oahu	260	230	27	88.46%	2	1	1	3
45P-Windward Oahu	235	218	4	92.77%	0	2	1	4
46P-Kamuela	103	98	2	95.15%	4	2	1	2
49P-Central Oahu	150	123	27	82.00%	1	0	0	0
50P-Palolo	118	95	23	80.51%	0	0	0	0
Total	4,718	4,415	246	93.58%	39	23	11	44

AMP	Non Vacated Delinquencies**			Collection Rate		
	Count of Families	30-90 Days	Over 90 Days	Charges	Collected	Ratio
30P-Aiea	62	34,120.13	42,971.95	\$ 134,627.00	\$ 108,253.73	80.41%
31P-KVH	61	20,228.45	13,534.09	\$ 99,310.35	\$ 78,068.34	78.61%
32P-MWH	27	14,752.88	17,373.32	\$ 106,992.19	\$ 97,037.25	90.70%
33P-Kam/Kaamanu	36	10,708.11	21,752.17	\$ 89,426.56	\$ 78,128.78	87.37%
34P-Kalakaua	24	5,581.66	18,229.83	\$ 136,857.00	\$ 132,511.33	96.82%
35P-Kalanihiua	18	4,850.59	3,220.41	\$ 154,157.84	\$ 148,441.47	96.29%
37P-Hilo	16	3,854.00	1,424.00	\$ 62,195.00	\$ 55,959.17	89.97%
38P-Kauai	27	11,456.28	19,561.09	\$ 72,407.00	\$ 59,848.00	82.65%
39P-Maui	16	7,833.00	3,664.00	\$ 49,676.67	\$ 44,266.72	89.11%
40P-KPT	22	12,052.00	1,861.76	\$ 66,431.59	\$ 50,497.73	76.01%
43P-Kona	20	1,770.00	2,332.00	\$ 38,431.10	\$ 34,469.39	89.55%
44P-Leeward Oahu	41	10,675.03	15,092.99	\$ 55,532.00	\$ 44,844.31	80.75%
45P-Windward Oahu	9	2,429.72	2,006.00	\$ 58,754.96	\$ 55,905.10	95.15%
46P-Kamuela	10	3,437.76	4,888.00	\$ 20,362.00	\$ 17,710.00	86.98%
49P-Central Oahu	8	2,934.00	2,904.00	\$ 34,119.00	\$ 30,943.42	90.69%
50P-Palolo	5	281.00	2,296.46	\$ 22,651.00	\$ 22,243.00	98.20%
Total	402	146,964.61	173,112.07	\$ 1,201,993.26	\$ 1,059,127.74	88.11%

* 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
February 2013**

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	587	35	93.62%	14	6	3	4	Average Income	42	0.35%	6.25	3.05
Kauai	321	281	24	87.54%	3	0	0	14	Low Income (80%)	142	1.17%	2.77	1.92
Maui	196	165	24	84.18%	2	7	0	7	Very Low Inc. (50%)	927	7.66%	2.83	1.89
Oahu	3,574	3,382	163	94.63%	20	10	8	19	Extremely Low Inc. (30%)	10,996	90.82%	2.54	1.75
Total	4,718	4,415	246	93.58%	39	23	11	44		12,107	100.00%	2.58	1.77

Island	Non Vacated Delinquencies***				Collection Rate ****		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
Hawaii	46	\$ 9,061.76	22	\$ 8,644.00	\$ 121,050.10	\$ 108,138.56	89.33%
Kauai	27	\$ 11,456.28	17	\$ 19,561.09	\$ 72,407.00	\$ 59,848.00	82.65%
Maui	16	\$ 7,833.00	8	\$ 3,664.00	\$ 49,676.67	\$ 44,266.72	89.11%
Oahu	310	\$ 118,613.57	160	\$ 141,242.98	\$ 958,859.49	\$ 846,874.46	88.32%
Total	399	\$ 146,964.61	207	\$ 173,112.07	\$ 1,201,993.26	\$ 1,059,127.74	88.11%

* 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).

**** Lower Collection rate due to mailing label errors.

**State LIPH
HPHA Project Overview Report
February 2013**

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%	0	0	0	0
2202-Puahala Homes	128	116	3	90.63%	0	2	0	7
2204-Kawallehua	26	22	3	84.62%	0	0	0	1
2205-Kahale Mua	32	25	3	78.13%	1	2	0	4
2206-Lokahi	30	24	6	80.00%	2	1	0	0
2207-Ke Kumu Elua	26	25	0	96.15%	1	1	0	0
2401-Hale Po'ai	206	205	0	99.51%	2	0	0	0
2402-La'ioia	109	104	0	95.41%	5	3	3	2
2403-Kamalu-Ho'olulu	221	219	1	99.10%	4	2	1	0
2404-Halia Hale	41	39	1	95.12%	0	1	0	0
Total	865	824	17	95.26%	15	12	4	14

Project	Non Vacated Delinquencies**				Collection Rate		
	Count of Families	30-90 Days	Over 90 Days	Count of Families	Charges	Collected	Ratio
2201-Hauiki	6	\$ 5,152.29	\$ 2	2	\$ 20,132.50	\$ 16,309.20	81.01%
2202-Puahala Homes	23	\$ 5,140.32	\$ 10	10	\$ 43,139.00	\$ 30,931.12	71.70%
2204-Kawallehua	2	\$ 894.00	\$ 1	1	\$ 4,728.81	\$ 4,240.81	89.68%
2205-Kahale Mua	5	\$ 1,305.00	\$ 3	3	\$ 4,744.00	\$ 3,803.00	80.16%
2206-Lokahi	5	\$ 2,187.00	\$ 3	3	\$ 10,349.50	\$ 8,687.50	83.94%
2207-Ke Kumu Elua	4	\$ 3,085.00	\$ 3	3	\$ 6,640.00	\$ 4,898.00	73.77%
2401-Hale Po'ai	0	\$ -	\$ -	0	\$ 60,168.00	\$ 59,851.00	99.47%
2402-La'ioia	1	\$ 425.00	\$ (334.00)	2	\$ 36,083.40	\$ 36,840.40	102.10%
2403-Kamalu-Ho'olulu	0	\$ (725.00)	\$ 725.00	1	\$ 64,659.00	\$ 64,534.00	99.81%
2404-Halia Hale	0	\$ -	\$ -	0	\$ 10,715.00	\$ 10,715.00	100.00%
Total	46	\$ 17,463.61	\$ 25	25	\$ 261,359.21	\$ 240,810.03	92.14%

* 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
February 2013**

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	49	6	87.50%	3	2	0	0	Average Income	29	0.34%	7.63	3.50
Kauai	26	22	3	84.62%	0	0	0	1	Low Income (80%)	74	0.87%	2.62	1.86
Mauai	32	25	3	78.13%	1	2	0	4	Very Low Inc. (50%)	587	6.89%	2.80	1.85
Oahu	751	728	5	96.94%	11	8	4	9	Extremely Low Inc. (30%)	7,832	91.90%	2.43	1.64
Total	865	824	17	95.26%	15	12	4	14		8,522	100.00%	2.47	1.67

Island	Non Vacated Delinquencies***				Collection Rate		
	Count of Families	30-90 Days	Count of Families	Over 90 Days	Charges	Collected	Ratio
Hawaii	9	\$ 5,272.00	6	\$ 6,189.00	\$ 16,989.50	\$ 13,585.50	79.96%
Kauai	2	\$ 894.00	1	\$ 2,070.00	\$ 4,728.81	\$ 4,240.81	89.68%
Mauai	5	\$ 1,305.00	3	\$ 11,743.00	\$ 4,744.00	\$ 3,803.00	80.16%
Oahu	30	\$ 9,992.61	15	\$ 88,302.27	\$ 234,896.90	\$ 219,180.72	93.31%
Total	46	\$ 17,463.61	25	\$ 108,304.27	\$ 261,359.21	\$ 240,810.03	92.14%

* 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	9/1/2012				
To	1/1/2013				
As of	2/21/2013				
PHA Code	HI901				
PHA Name	Hawaii Public Housing Authority				
	<u>Sep-12</u>	<u>Oct-12</u>	<u>Nov-12</u>	<u>Dec-12</u>	<u>Jan-13</u>
Homeownership	11	11	11	11	11
Homeownership HAP	\$11,674	\$11,702	\$11,567	\$11,584	\$11,624
2008 and 2009 Non-Elderly Disabled	166	164	161	163	157
2008 and 2009 Non-Elderly Disabled HAP	\$140,090	\$141,671	\$139,304	\$137,529	\$135,288
Portable Vouchers Paid	26	27	25	25	24
Portable Voucher HAP	\$19,908	\$20,615	\$19,169	\$18,808	\$17,231
Tenant Protection	145	147	146	144	144
HAP Tenant Protection	\$263,538	\$268,541	\$267,606	\$264,723	\$264,770
Veteran's Affairs Supported Housing (VASH) Voucher	182	189	194	197	200
Veteran's Affairs Supported Housing (VASH) HAP	\$133,106	\$139,597	\$143,628	\$145,788	\$147,571
All Other Vouchers	1,392	1,404	1,420	1,416	1,431
HAP All Other Vouchers	\$1,580,512	\$1,367,495	\$1,378,253	\$1,374,719	\$1,393,734
FSS Escrow Deposits	\$19,327	\$6,969	\$7,299	\$5,995	\$6,367
All Voucher HAP Expenses After the First of Month	\$10,786	\$17,368	\$29,328	\$33,953	\$15,459
Total Vouchers	1,922	1,942	1,957	1,956	1,967
HAP Total	\$2,178,941	\$1,973,958	\$1,989,286	\$1,987,104	\$1,970,218
Number of Vouchers Under Leased (HAP Contract) on the last day of the Month	1,923	1,955	1,975	1,967	1,970
New vouchers issued but not under HAP contracts as of the last day of the month	80	14	40	33	32
Portability - In	1	4	9	12	14
Portability - In	\$1,031	\$6,660	\$12,537	\$17,379	\$20,723
Number of Vouchers Covered by Project-Based AHAPs and HAPs	455	455	455	455	455
Fraud Recovery - Amount Booked this Month	\$176	\$384	\$184	\$345	\$123
Interest or other income earned this month from the investment of HAP funds and Net Restricted Assets	\$15	\$16	\$7	\$14	\$18
FSS Escrow Forfeitures				\$3,168	\$0
Number of Hard-to-House Families Leased	17	24	32	19	14
FSS Coordinator	\$5,252	\$5,252	\$5,252	\$5,252	\$5,252
FSS Coordinator Expenses Not Covered by FSS Grant	\$15,699	\$21,044	\$14,748	\$12,344	\$12,748
Administrative Expense	\$199,591	\$189,729	\$142,416	\$208,066	\$136,662
Audit	\$5,226	\$5,226	\$5,226	\$5,226	\$5,226
Net Restricted Assets (NRA) as of the Last Day of the Month	\$2,131,251	\$1,241,635	\$1,402,419	\$1,569,466	\$1,780,392
Unrestricted Net Assets (UNA) as of the Last Day of the Month	\$2,217,050	\$2,151,107	\$2,138,179	\$2,068,257	\$2,059,786
Cash/Investment as of the Last Day of the Month - Voucher Program Only	\$3,488,356	\$2,464,576	\$2,394,871	\$2,282,067	\$2,389,176
Date	9/1/2012	10/1/2012	11/1/2012	12/1/2012	1/1/2013

HEARINGS OFFICE-STATEWIDE FEDERAL EVICTION REFERRALS-February 28, 2013

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	108	85	23	49	23	1	3	32	76

January 2012 - February 2013

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
Jan 13	9	7	2	4	1	1	0	3	6
Feb 13	20	13	7	11	7	0	0	2	18
TOTALS	163	129	34	71	38	2	5	5	116

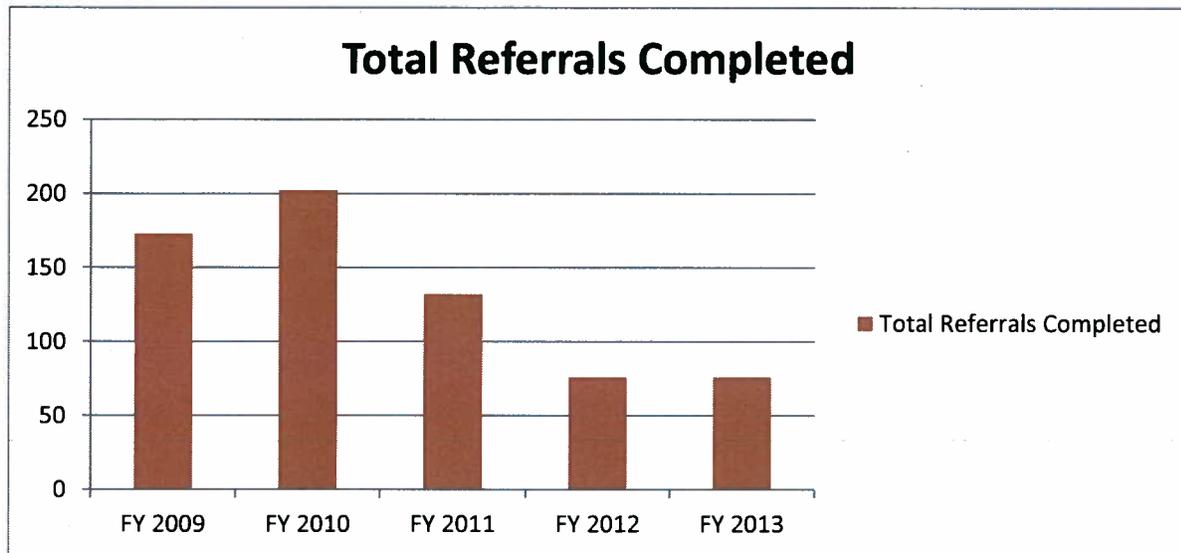
**Total # of Cases Heard for the Month of February 2013: 20
(Oahu & Neighbor Islands)**

Decisions Rendered:	Rent Violations	Other Violations
Eviction	5	6
Evict w/cond	7	0
10-day cure	0	0
Dismissal	0	0
Continued	1	1
Total	13	7

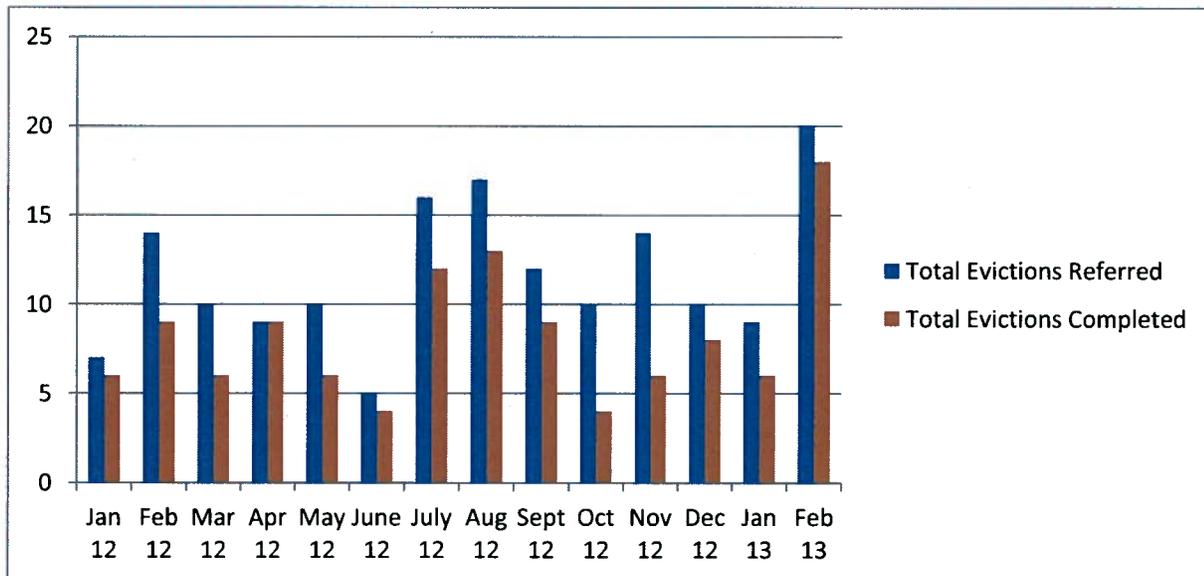
Delinquent balances for rent cases ordered evicted for month of February 2013:

AMP 33	Mayor Wright Homes	\$963
AMP 37	Hilo	\$1,990
AMP 44	Waianae	\$9,909

Fiscal Years 2009-2013



January 2012 - February 2013



Prepared and Reviewed by Renee Blondin-Nip on February 28, 2013

Planning and Evaluation Office Report

Information Office Activities (Media Inquiries)

- Received inquiry from the Governor's Office in regards to a press release for Capital Improvement Projects that the Hawaii Public Housing Authority are still moving forward with. Those projects are:
 1. \$7,000,000 - Kalihi Valley Homes, Oahu - Work to complete Phase IV site and dwelling improvements, including renovations to make the property ADA compliant and energy efficient; the HPHA recently completed the full remodeling of 23 of the 42 residential buildings.
 2. \$1,900,000 - Puahala Homes, Oahu - Work to complete Phase 1B abatement and modernization of Buildings 4, 5 and 6 of the 128-unit complex, including interior renovations of the units and energy efficient retrofits.
 3. \$1,800,000 - Kaahumanu Homes, Oahu - Construction for complete site improvements, including spall repair, painting for 19 buildings, interior renovations, security fencing, and roadway and sidewalk improvements for ADA compliance.
 4. \$600,000 - Hauiki Homes, Oahu - Completion of construction for site work and roof repairs, including sidewalk and stair repairs of the 46-unit public housing project in Kalihi for ADA compliance.

Legislative

- The Legislative Timetable has reached the "First Crossover" point. This is the last day for "Third Reading" of bills in the originating body.

Duplicate Administration Bills

House Bill 742 and Senate Bill 1112 - 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.

House Bill 740 and Senate Bill 88 - Prohibits possessing or keeping, while on any sidewalk or common area within a public housing project, any bottle, can, or other receptacle containing any intoxicating liquor which has been opened, has a broken seal, or the contents of which have been partially removed. Also adds "state low-income housing project" to the definition of a public housing project for purposes of liquor control.

House Bill 514 and Senate Bill 86 - Moves the State income tax and obligations exemption for public housing agencies from the laws governing the Hawaii Housing Finance and Development Corporation to the laws governing the Hawaii Public Housing Authority.

House Bills:

HB888 Disposition of Provides the process by which the Hawaii Public Housing
HMS Personal Authority may dispose of abandoned or seized property that it
Property on has acquired on state public housing projects.
Public Housing
Properties

HB87 Public Housing Broadens criminal trespass in the first degree to include a
Rhoads person who enters or remains unlawfully in or upon the
premises of a public housing project after a reasonable
request or warning to leave by housing authorities or a police
officer. Excludes an invited guest, unless the guest is violating
a law or rule.

HB518 HD1 Housing Appropriates funds for the state rent supplement program for
Jordan working individuals or families who are ready to rent
permanent housing in order to obtain and maintain permanent
housing. Excludes individuals or families who receive public
assistance or other government benefits or entitlements from
qualifying to receive moneys under this Act. Effective July 1,
2013. (HB518 HD1)

HB532 HD1 Public Housing In determining eligibility for state low-income housing, requires
Cabanilla the value of all motor vehicles registered to a unit's tenants to
be considered in calculating income and asset limits. Provides
exclusion for a certain threshold value amount.

HB536 Public Housing Disqualifies from state low-income housing any applicant or
Cabanilla tenant if the applicant, tenant, or a household member owns or
acquires a home within the State.

HB742 HD1 Public Housing Allows Hawaii Public Housing Authority (HPHA) to assign to a
Cabanilla collection agency, accounts for vacated units in state low-
income public housing projects that are delinquent for at least
90 days; provided that HPHA may delete the delinquent
accounts from its accounts receivable records. (HB742 HD1)

HB1119 The Public Appropriates funds to the HPHA to leverage funds for the
Cabanilla Housing redevelopment of the Mayor Wright homes.
Authority

Senate Bills

<u>SB84</u> <u>Chun</u> <u>Oakland</u>	Public Housing	Expands the scope of the definition of "public housing project" to include any housing project controlled or managed by the Hawaii public housing authority pursuant to federally assisted housing.
<u>SB1118</u> <u>HMS</u>	The Hawaii Public Housing Authority	Authorizes the Hawaii Public Housing Authority Board of Directors to set the salaries of the executive director, the executive assistant, and other key management personnel subject to federal limitations.
<u>SB94</u> <u>HMS</u>	Adding the Executive Director of the Hawaii Public Housing Authority to the Membership of the Hawaii Interagency Council on Homelessness	Adds the Executive Director of the Hawaii Public Housing Authority to the membership of the Hawaii Interagency Council on Homelessness.
<u>SB82</u> <u>Chun</u> <u>Oakland</u>	The Hawaii Public Housing Authority	Clarifies the power of the Hawaii public housing authority to sell, lease, rent, hold, maintain, use, and operate certain properties. Authorizes the authority to receive all gifts provided they benefit public housing residents. Requires that the acceptance of gifts with an estimated value of \$1,000 or more be approved or confirmed by the board. Authorizes the authority to use volunteer services. Exempts the authority from various state laws for the use of volunteer services.
<u>SB83</u> <u>Chun</u> <u>Oakland</u>	The Hawaii Public Housing Authority	Authorizes the Hawaii public housing authority to retain dwelling units in housing projects for lease or rent by nonprofit organizations and government agencies and to provide for the development of community facilities for lease or rent to nonprofit organizations and government agencies.
<u>SB305</u> <u>Chun</u> <u>Oakland</u>	Development of Public Housing	Authorizes the Hawaii public housing authority to develop public housing projects. Authorizes the Hawaii public housing authority to develop commercial and industrial properties in connection with the development of public housing dwelling units.

SB312
Espero

RELATING TO
THE
DEPARTMENT
OF PUBLIC
SAFETY
SHERIFF
DIVISION
ENTERING
INTO
AGREEMENTS
TO PROVIDE
SECURITY AT
PUBLIC
HOUSING
PROJECTS
OPERATED
BY THE
PUBLIC
HOUSING
AUTHORITY.

Authorizes the department of public safety sheriff division to enter into agreements with the public housing authority to provide security services to protect the residents, staff, buildings, and lands of the authority.

SB814
Chun
Oakland

State Low-
Income Public
Housing

Authorizes the Hawaii public housing authority to allow law enforcement officers who would not otherwise be eligible to occupy a state low-income public housing project, to reside in a state low-income public housing for the purpose of increasing security and safety for the public housing development residents.

- Received an inquiry from Councilmember Carol Fukunaga and Representative Sylvia Luke in regards to feral chicken concerns at Punchbowl Homes. A response has been drafted, and will be sent to both legislators shortly.
- Received an inquiry from Senator Glenn Wakai who would like to have a tour of the Kuhio Park Terrace Towers. Will discuss with the Executive Director to coordinate a tour date.

HAWAII PUBLIC HOUSING AUTHORITY

Board Report – January 2013

AGENCY TOTAL – Variance Analysis based on any increase or (decrease) of 10% with the month of January 2013 being the basis for the variances.

INCOME STATEMENT

A. REVENUES:

HUD Operating Subsidies

For the month of January 2013, HUD Operating Subsidies reflected a decrease resulting from delayed payment to the Kuhio Park Terrace Towers property due negotiation on utilities. The Michaels Development Company and HPHA were working with HUD to establish a baseline utility expense level for the new AMP. Since there was no historical data to work from for the new AMP, the payment for utilities was delayed. (In March 2013, the issue was resolved and payment of utilities will be made by HUD and reflected in the March report.)

The current year operating subsidy amounts are in line with the prior year subsidy, except for the delay in KPT's first quarter payment.

The year to date budget reflects a 9% decrease from actual payments reflecting HUD's recapture of voucher subsidy nationwide. HUD is forcing public housing agencies to utilize their net restricted assets, rather than providing new subsidy amounts. Additionally, the HPHA had anticipated increases in subsidy for 2013 in the Housing Choice Voucher program as lease up of vouchers occurred.

General Fund

The variance reflected in the January report is due to the restriction of general fund monies imposed upon State agencies due to the nationwide fiscal crisis. HPHA budget did not reflect these amounts as we were unaware of the amount that would be restricted.

B. EXPENSES:

Administrative

The current year to date and monthly decreases from budget in Administrative Expenses result primarily from budgeted positions not filled. The increase in cost from prior year reflects positions that were filled earlier in the fiscal year.

Protective Services

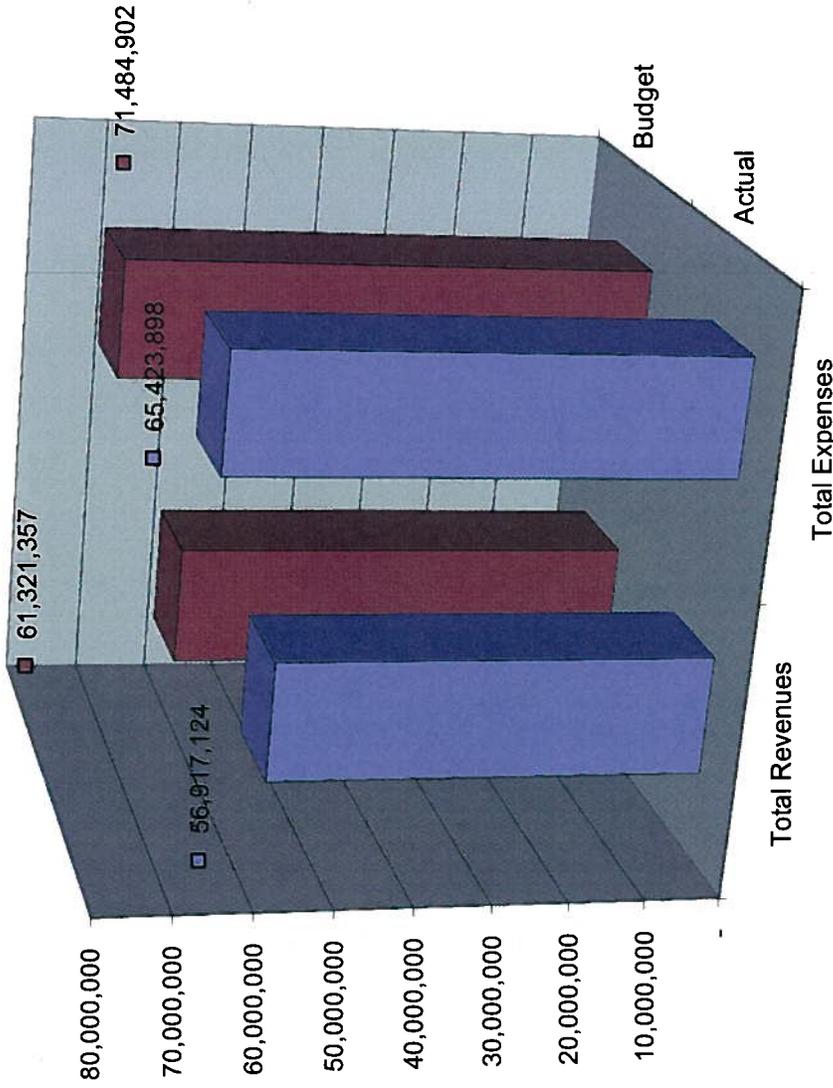
Expenses for protective services were higher due to the increased need for unbudgeted security services for the holidays and non-school days and emergencies. However, when compared to the prior year's expense, expenditures for protection services and emergencies are in line with current year.

OVERVIEW – Current Fiscal Year:

Due to the federal budget sequestration, HUD has notified Hawaii Public Housing Authority (HPHA) of substantial cuts to its Section 8 Housing Choice Voucher and federal Public Housing operating subsidies which will have significant impact to HPHA Operating Budget. HPHA is awaiting formal communication from HUD on the subsidies projections for this calendar year. Currently, the Executive Director and staff are reviewing the severe impact of the cuts as anticipated and developing a strategy to cope with the impact.

HPHA is also awaiting the approval of the Construction in Progress administrative revenue offset which if approved will provide substantial revenues in offsetting the subsidy cuts.

HPHA JANUARY 31, 2012 Actual VS Budget



	Total Revenues	Total Expenses
Actual	56,917,124	65,423,898
Budget	61,321,357	71,484,902

**CONSOLIDATED BALANCE SHEET
HAWAII PUBLIC HOUSING AUTHORITY
FUND FROM 130 TO 150, 007, 020, 024, 181, 265, 318, 337, 400
FOR PERIOD ENDING JANUARY 31, 2013
AGENCY TOTAL**

	<u>JANUARY</u>	<u>DECEMBER</u>	<u>Increase (Decrease)</u>
ASSETS:			
Cash	60,311,300	60,492,847	(181,547)
Receivables:			
Accrued Interest	646,349		
Tenant Receivables	2,237,926		
Other	1,567,929		
Less Allowance for Doubtful Accounts	(1,595,297)		
Total receivables	2,856,906	2,998,103	(141,197)
Prepaid Expenses	2,349,994	2,428,249	(78,255)
Inventories	958,493	948,264	10,229
Interprogram Due From	19,417,086	19,560,000	(142,914)
Interprogram Due To	(259)	(316)	57
Total Current Assets	85,893,522	86,427,147	(533,625)
Property, Plant & Equipment:			
Land	21,451,327		
Buildings	521,387,435		
Furniture & Equipment	5,736,829		
Motor vehicles	2,838,537		
Construction in Progress	32,907,207		
Less: Accumulated Depreciation	(310,873,364)	274,611,710	(1,163,739)
Notes, Loans & Mortgage Receivable-Non Current	46,928,157	46,928,157	-
Other Long term assets	-	-	-
Total Assets	406,269,650	407,967,014	(1,697,364)

**CONSOLIDATED BALANCE SHEET
HAWAII PUBLIC HOUSING AUTHORITY
FUND FROM 130 TO 150, 007, 020, 024, 181, 265, 318, 337, 400
FOR PERIOD ENDING JANUARY 31, 2013
AGENCY TOTAL**

	<u>JANUARY</u>	<u>DECEMBER</u>	<u>Increase (Decrease)</u>
LIABILITIES AND EQUITY:			
Accounts Payable	395,204	803,281	(408,077)
Accrued Expenses	231,976	200,824	31,152
Accrued Salaries & Wages	639,379	639,379	(0)
Accrued Vacation	774,455	774,455	-
Tenant Security Deposits	733,731	734,739	(1,009)
Other Liabilities & Deferred Income	48,760,094	48,519,290	240,804
Interprogram Due To	10,835,129	10,356,907	478,222
Total Current Liabilities	62,369,967	62,028,875	341,093
Accrued Pension and OPEB Liability	13,949,102	13,949,102	-
Accrued Compensated Absences - Non Current	1,469,039	1,469,039	-
Accrued Expenses	122,302	116,568	5,734
Net Assets:			
Restricted Net Assets		15,009,295	(12,164,778)
Unrestricted Net Assets	2,844,517	322,051,498	11,970,000
Net Income Year to Date	334,021,498	(6,657,362)	(1,849,412)
Total Equity	328,359,240	330,403,431	(2,044,191)
Total Liabilities & Equity	406,269,650	407,967,014	(1,697,365)

**HAWAII PUBLIC HOUSING AUTHORITY
REPAIRS & MAINTENANCE GENERAL FUND
ACTUAL VS BUDGET COMPARISON
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2013
(Amounts in Full Dollars)**

	MONTH OF JANUARY, 2013			YEAR TO DATE ENDING JANUARY 31, 2013		
	Actual	Budget	Variance Amount %	Actual	Budget	Variance Amount %
REVENUES						
Dwelling Rental Income	\$ -	\$ -	0%	\$ -	\$ -	0%
HUD Operating Subsidies	-	-	0%	-	-	0%
COCC Fee Income	-	-	0%	-	-	0%
General Fund	(379,974)	-	0%	501,720	926,183	-46%
Grant Income	-	-	0%	-	-	0%
Other Income	-	-	0%	-	-	0%
Total Revenues	(379,974)	-	0%	501,720	926,183	-46%
EXPENSES						
Administrative	1,570	-	0%	22,583	170,958	87%
Asset Management Fees	-	-	0%	-	-	0%
Management Fees	-	-	0%	-	-	0%
Bookkeeping Fees	-	-	0%	-	-	0%
Housing Assistance Payments	-	-	0%	-	-	0%
Tenant Services	-	-	0%	-	-	0%
Utilities	-	-	0%	-	-	0%
Maintenance	-	-	0%	-	224,034	100%
Protective Services	-	-	0%	-	-	0%
Insurance	-	-	0%	-	-	0%
General Expenses	-	-	0%	-	-	0%
Total Expenses	1,570	-	0%	22,583	394,992	94%
Net Income(Loss)	\$(381,545)	\$-	0%	\$479,136	\$531,191	0%
CASH BASIS:						
Net Income(loss) per Above	\$ (381,545)	\$ -	0%	\$ 479,136	\$ 531,191	0%
Add back non cash items:						
Depreciation Expense	-	-	0%	-	-	0%
Bad Debt Expense	-	-	0%	-	-	0%
TOTAL CASH BASIS	\$(381,545)	\$-	0%	\$479,136	\$531,191	0%

STATE RENT SUPPLEMENT PROGRAM
 ACTUAL VS BUDGET COMPARISON
 FOR THE SEVEN MONTHS ENDING JANUARY 31, 2013
 (Amounts in Full Dollars)

MONTH OF JANUARY, 2013				YEAR TO DATE ENDING JANUARY 31, 2013							
	Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
REVENUES											
Dwelling Rental Income	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
HUD Operating Subsidies	-	-	-	0%	-	-	-	0%	-	-	0%
COCC Fee Income	-	-	-	0%	-	-	-	0%	-	-	0%
General Fund	78,305	69,525	8,780	13%	553,145	486,675	66,470	14%	494,934	58,212	12%
Grant Income	-	-	-	0%	-	-	-	0%	-	-	0%
Other Income	6,000	2,500	3,500	140%	38,358	17,500	20,858	119%	41,345	(2,987)	-7%
Total Revenues	84,305	72,025	12,280	17%	591,503	504,175	87,328	17%	536,279	55,224	10%

EXPENSES											
Administrative	6,598	8,082	1,484	18%	49,754	56,574	6,820	12%	47,256	(2,499)	-5%
Asset Management Fees	-	-	-	0%	-	-	-	0%	-	-	0%
Management Fees	642	800	158	20%	4,683	5,600	917	16%	5,670	987	17%
Bookkeeping Fees	402	500	98	20%	2,935	3,500	565	16%	3,553	619	17%
Housing Assistance Payments	41,096	54,000	12,904	24%	312,078	378,000	65,922	17%	381,552	69,474	18%
Tenant Services	-	-	-	0%	-	-	-	0%	-	-	0%
Utilities	1,260	735	(525)	-71%	5,518	5,145	(373)	-7%	4,929	(589)	-12%
Maintenance	-	-	-	0%	-	-	-	0%	-	-	0%
Protective Services	-	-	-	0%	-	-	-	0%	-	-	0%
Insurance	22	24	2	7%	156	168	12	7%	159	3	2%
General Expenses	-	-	-	0%	(821)	-	821	0%	-	821	0%
Total Expenses	50,021	64,141	14,120	22%	374,303	448,987	74,684	17%	443,120	68,817	16%
Net Income(Loss)	\$ 34,285	\$ 7,884	\$ 26,401	335%	\$ 217,200	\$ 55,188	\$ 162,012	294%	\$ 93,159	\$ 124,041	133%

CASH BASIS:											
Net Income(loss) per Above	\$ 34,285	\$ 7,884	\$ 26,401	335%	\$ 217,200	\$ 55,188	\$ 162,012	294%	\$ 93,159	\$ 124,041	133%
Add back non cash items:	-	-	-	0%	-	-	-	0%	-	-	0%
Depreciation Expense	-	-	-	0%	-	-	-	0%	-	-	0%
Bad Debt Expense	-	-	-	0%	-	-	-	0%	-	-	0%
TOTAL CASH BASIS	\$ 34,285	\$ 7,884	\$ 26,401	335%	\$ 217,200	\$ 55,188	\$ 162,012	294%	\$ 93,159	\$ 124,041	133%

State Rent Operating Subsidies is funded on a Quarterly Basis.

**PROJECT BASED CONTRACT ADMINISTRATION
ACTUAL VS BUDGET COMPARISON
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2013
(Amounts in Full Dollars)**

	MONTH OF JANUARY, 2013			YEAR TO DATE ENDING JANUARY 31, 2013		
	Actual	Budget	Variance Amount %	Actual	Budget	Variance Amount %
\$	1,867,540	2,200,000	(332,460) -15%	14,364,028	15,400,000	(1,035,972) -7%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	97,453	112,680	(15,227) -14%	682,589	788,760	(106,171) -13%
	1,964,993	2,312,680	(347,687) -15%	15,046,617	16,188,760	(1,142,143) -7%
	3,553	17,260	13,707 79%	49,606	120,820	71,214 59%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	1,867,540	2,133,960	266,420 12%	14,364,028	14,937,720	573,692 4%
	77,616	87,600	9,984 11%	546,151	613,200	67,049 11%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	641	710	69 10%	4,886	4,970	84 2%
	1,964,350	2,239,530	290,180 13%	14,964,671	15,676,710	712,039 5%
	\$ 15,643	\$ 73,150	\$ (57,507) -79%	\$ 81,946	\$ 512,050	\$ (430,104) -84%
	\$ 15,643	\$ 73,150	\$ (57,507) -79%	\$ 81,946	\$ 512,050	\$ (430,104) -84%
	-	-	0%	-	-	0%
	-	-	0%	-	-	0%
	\$ 15,643	\$ 73,150	\$ (57,507) -79%	\$ 81,946	\$ 512,050	\$ (430,104) -84%
	\$ 15,643	\$ 73,150	\$ (57,507) -79%	\$ 81,946	\$ 512,050	\$ (430,104) -84%

	Actual	Budget	Variance Amount %	Prior Year	Variance Amount %
Dwelling Rental Income	\$ -	\$ -	\$ -	\$ -	\$ -
HUD Operating Subsidies	14,364,028	15,400,000	(1,035,972) -7%	14,751,296	(387,267) -3%
Management Fees	-	-	-	-	-
Bookkeeping Fees	-	-	-	-	-
Asset Management Fees	-	-	-	-	-
Capital Fund Admin Fee	-	-	-	-	-
CMSS Front Line Service Fee	-	-	-	-	-
ARRA Funds Admin Fee	-	-	-	-	-
COCC Fee Income	-	-	-	-	-
General Fund	-	-	-	-	-
Grant Income	-	-	-	-	-
Other Income	-	-	-	725,618	(43,029) -6%
Total Revenues	15,046,617	16,188,760	(1,142,143) -7%	15,476,914	(430,296) -3%
EXPENSES					
Administrative	49,606	120,820	71,214 59%	51,342	1,736 3%
Asset Management Fees	-	-	-	-	-
Management Fees	-	-	-	-	-
Bookkeeping Fees	-	-	-	-	-
Housing Assistance Payments	14,364,028	14,937,720	573,692 4%	14,751,296	387,267 3%
Tenant Services	546,151	613,200	67,049 11%	504,673	(41,478) -8%
Utilities	-	-	-	-	-
Maintenance	-	-	-	-	-
Protective Services	-	-	-	-	-
Insurance	-	-	-	-	-
General Expenses	4,886	4,970	84 2%	4,008	(877) -22%
Total Expenses	14,964,671	15,676,710	712,039 5%	15,311,319	346,648 2%
Net Income(Loss)	\$ 81,946	\$ 512,050	(430,104) -84%	\$ 165,594	\$ (83,649) -51%

	Actual	Budget	Variance Amount %	Prior Year	Variance Amount %
CASH BASIS:					
Net Income(loss) per Above	\$ 81,946	\$ 512,050	(430,104) -84%	\$ 165,594	(83,649) -51%
Add back non cash items:					
Depreciation Expense	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-
TOTAL CASH BASIS	\$ 81,946	\$ 512,050	(430,104) -84%	\$ 165,594	\$ (83,649) -51%

HAWAII PUBLIC HOUSING AUTHORITY
 VETERANS AFFAIRS SUPPORTIVE HOUSING
 ACTUAL VS BUDGET COMPARISON
 FOR THE SEVEN MONTHS ENDING JANUARY 31, 2013
 (Amounts in Full Dollars)

MONTH OF JANUARY, 2013				YEAR TO DATE ENDING JANUARY 31, 2013			
Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%
REVENUES							
-	-	\$	0%	409,117	1,377,628	\$	0%
53,000	196,804	(143,804)	-73%	409,117	1,377,628	(968,511)	-70%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
53,000	196,804	(143,804)	-73%	409,117	1,377,628	(968,511)	-70%
EXPENSES							
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
154,840	196,804	41,964	21%	1,001,716	1,377,628	375,912	27%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
154,840	196,804	41,964	21%	1,001,716	1,377,628	375,912	27%
\$ (101,840)	\$ -	\$ (101,840)	0%	\$ (592,599)	\$ -	\$ (592,599)	0%
\$ (101,840)	\$ -	\$ (101,840)	0%	\$ (592,599)	\$ -	\$ (592,599)	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
\$ (101,840)	\$ -	\$ (101,840)	0%	\$ (592,599)	\$ -	\$ (592,599)	0%
CASH BASIS:							
\$ (101,840)	\$ -	\$ (101,840)	0%	\$ (592,599)	\$ -	\$ (592,599)	0%
-	-	-	0%	-	-	-	0%
-	-	-	0%	-	-	-	0%
\$ (101,840)	\$ -	\$ (101,840)	0%	\$ (592,599)	\$ -	\$ (592,599)	0%

**CENTRAL OFFICE COST CENTER
ACTUAL VS BUDGET COMPARISON
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2013
(Amounts in Full Dollars)**

	MONTH OF JANUARY, 2013			YEAR TO DATE ENDING JANUARY 31, 2013							
	Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
REVENUES											
Dwelling Rental Income	-	-	\$ -	0%	-	-	\$ -	0%	-	-	0%
HUD Operating Subsidies	-	-	-	0%	-	-	-	0%	-	-	0%
Management Fees	316,860	242,237	74,623	31%	2,104,100	1,696,249	407,851	24%	1,942,040	162,060	8%
Bookkeeping Fees	54,110	36,060	18,050	50%	377,167	252,420	124,747	49%	366,276	10,891	3%
Asset Management Fees	-	13,315	(13,315)	-100%	93,205	93,205	-	0%	-	93,205	0%
Capital Fund Admin Fee	-	-	-	0%	-	-	-	0%	-	-	0%
CMSS Front Line Service Fee	-	25,000	(25,000)	-100%	-	175,000	(175,000)	-100%	182,012	(182,012)	-100%
ARRA Funds Admin Fee	-	-	-	0%	-	-	-	0%	-	-	0%
COCC Fee Income	-	-	-	0%	-	-	-	0%	-	-	0%
General Fund	-	539,583	(539,583)	-100%	-	1,952,081	(1,952,081)	-100%	-	-	0%
Grant Income	-	-	-	0%	-	-	-	0%	-	-	0%
Other Income	13,388	4,167	9,221	221%	(92,723)	29,169	(121,892)	-418%	52,504	(145,226)	-277%
Total Revenues	384,358	860,362	(476,004)	-55%	2,481,749	4,198,124	(1,716,375)	-41%	2,542,831	(61,082)	-2%

EXPENSES											
Administrative	483,108	684,612	201,504	29%	3,612,378	4,641,973	1,029,595	22%	2,688,185	(924,193)	-34%
Asset Management Fees	-	-	-	0%	-	-	-	0%	-	-	0%
Management Fees	-	-	-	0%	-	-	-	0%	-	-	0%
Bookkeeping Fees	-	-	-	0%	-	-	-	0%	-	-	0%
Housing Assistance Payments	-	-	-	0%	-	-	-	0%	-	-	0%
Tenant Services	55	1,250	1,195	96%	271	8,750	8,479	97%	32	(239)	-756%
Utilities	18,937	10,249	(8,688)	-85%	91,873	71,743	(20,130)	-28%	63,434	(28,439)	-45%
Maintenance	188,604	96,472	(92,132)	-96%	1,042,226	787,502	(254,724)	-32%	542,412	(499,813)	-92%
Protective Services	1,446	354	(1,092)	-309%	16,195	2,478	(13,717)	-554%	3,925	(12,270)	-313%
Insurance	1,730	3,598	1,868	52%	45,578	25,186	(20,392)	-81%	12,300	(33,278)	-271%
General Expenses	(7,552)	14,188	21,740	153%	114,921	48,795	(66,126)	-136%	121,665	6,744	6%
Total Expenses	686,328	810,723	124,395	15%	4,923,441	5,586,427	662,986	12%	3,431,954	(1,491,487)	-43%
Net Income(Loss)	\$ (301,970)	\$ 49,639	\$ (351,609)	-708%	\$ (2,441,692)	\$ (1,388,303)	\$ (1,053,389)	-76%	\$ (889,122)	\$ (1,552,569)	-175%

CASH BASIS:											
Net income(loss) per Above	\$ (301,970)	\$ 49,639	\$ (351,609)	-708%	\$ (2,441,692)	\$ (1,388,303)	\$ (1,053,389)	-76%	\$ (889,122)	\$ (1,552,569)	-175%
Add back non cash items:											
Depreciation Expense	832	667	165	25%	5,827	4,669	1,158	25%	4,684	1,143	24%
Bad Debt Expense	-	-	-	0%	-	-	-	0%	-	-	0%
TOTAL CASH BASIS	\$ (301,137)	\$ 50,306	\$ (351,443)	-699%	\$ (2,435,864)	\$ (1,383,634)	\$ (1,052,230)	-76%	\$ (884,438)	\$ (1,551,426)	-175%

**STATE ELDERLY PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2013
(Amounts in Full Dollars)**

	MONTH OF JANUARY, 2013			YEAR TO DATE ENDING JANUARY 31, 2013							
	Actual	Budget	Variance Amount	%	Actual	Budget	Variance Amount	%	Prior Year	Variance Amount	%
REVENUES											
Dwelling Rental Income	\$ 164,729	\$ 163,538	\$ 1,191	1%	\$ 1,158,368	\$ 1,144,766	\$ 13,602	1%	\$ 1,144,795	\$ 13,573	1%
HUD Operating Subsidies	-	-	-	0%	-	-	-	0%	-	-	0%
Management Fees	-	-	-	0%	-	-	-	0%	-	-	0%
Bookkeeping Fees	-	-	-	0%	-	-	-	0%	-	-	0%
Asset Management Fees	-	-	-	0%	-	-	-	0%	-	-	0%
Capital Fund Admin Fee	-	-	-	0%	-	-	-	0%	-	-	0%
CMSS Front Line Service Fee	-	-	-	0%	-	-	-	0%	-	-	0%
ARRA Funds Admin Fee	-	-	-	0%	-	-	-	0%	-	-	0%
COCC Fee Income	-	-	-	0%	-	-	-	0%	-	-	0%
General Fund	-	-	-	0%	-	-	-	0%	-	-	0%
Grant Income	-	-	-	0%	-	-	-	0%	-	-	0%
Other Income	407,015	4,463	402,552	9020%	883,652	31,241	852,411	2728%	623,280	260,371	42%
Total Revenues	571,744	168,001	403,743	240%	2,042,020	1,176,007	866,013	74%	1,768,075	273,944	15%
EXPENSES											
Administrative	69,709	27,506	(42,203)	-153%	131,556	274,623	143,067	52%	158,156	26,600	17%
Asset Management Fees	-	-	-	0%	-	-	-	0%	-	-	0%
Management Fees	32,834	32,776	(58)	0%	230,416	164,980	(65,436)	-40%	231,518	1,102	0%
Bookkeeping Fees	4,245	4,296	51	1%	29,790	30,072	282	1%	29,933	143	0%
Housing Assistance Payments	-	-	-	0%	-	-	-	0%	-	-	0%
Tenant Services	-	325	325	100%	-	2,275	2,275	100%	-	-	0%
Utilities	90,044	108,750	18,706	17%	671,380	761,250	89,870	12%	702,830	31,450	4%
Maintenance	337,007	254,019	(82,988)	-33%	649,663	1,778,133	1,128,470	63%	515,252	(134,412)	-26%
Protective Services	993	4,000	3,007	75%	2,035	28,000	25,965	93%	301	(1,734)	-576%
Insurance	21,717	7,308	(14,409)	-197%	74,729	51,156	(23,573)	-46%	66,110	(8,619)	-13%
General Expenses	116,602	115,155	(1,447)	-1%	815,774	806,085	(9,689)	-1%	806,132	(9,642)	-1%
Total Expenses	673,150	554,135	(119,015)	-21%	2,605,342	3,896,574	1,291,232	33%	2,510,230	(95,112)	-4%
Net Income(Loss)	\$ (101,406)	\$ (386,134)	\$ 284,728	74%	\$ (563,322)	\$ (2,720,567)	\$ 2,157,245	79%	\$ (742,155)	\$ 178,832	24%
CASH BASIS:											
Net Income(loss) per Above	\$ (101,406)	\$ (386,134)	\$ 284,728	74%	\$ (563,322)	\$ (2,720,567)	\$ 2,157,245	79%	\$ (742,155)	\$ 178,832	24%
Add back non cash items:											
Depreciation Expense	116,602	115,155	(1,447)	-1%	816,214	806,085	(10,129)	-1%	806,131	10,083	1%
Bad Debt Expense	-	-	-	0%	(440)	-	440	0%	1	(441)	-43664%
TOTAL CASH BASIS	\$ 15,196	\$ (270,979)	\$ 283,281	105%	\$ 252,451	\$ (1,914,482)	\$ 2,147,556	112%	\$ 63,977	\$ 188,474	295%

**FEDERAL LOW RENT PROGRAM
ACTUAL VS BUDGET COMPARISON
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2013**
(Amounts in Full Dollars)

	MONTH OF JANUARY, 2013			YEAR TO DATE ENDING JANUARY 31, 2013		
	Actual	Budget	Variance Amount %	Actual	Budget	Variance Amount %
REVENUES						
Dwelling Rental Income	1,130,146	1,161,680	\$ (31,534) -3%	7,660,280	8,131,760	\$ (471,480) -6%
HUD Operating Subsidies	1,757,393	1,912,972	(155,579) -8%	12,830,612	13,390,816	(560,204) -4%
COCC Fee Income	-	-	0%	-	-	0%
General Fund	-	-	0%	-	-	0%
Grant Income	295,085	78,579	216,506 276%	917,964	550,053	367,911 67%
Other Income	26,293	39,328	(13,035) -33%	188,873	275,521	(86,648) -31%
Total Revenues	3,208,916	3,192,559	16,357 1%	21,597,729	22,348,150	(750,421) -3%
EXPENSES						
Administrative	330,538	483,436	152,898 32%	2,279,034	3,601,869	1,322,835 37%
Asset Management Fees	-	13,012	13,012 100%	-	91,084	91,084 100%
Management Fees	245,986	254,948	8,962 4%	1,610,902	1,784,642	173,740 10%
Bookkeeping Fees	31,733	39,485	7,753 20%	220,898	276,431	55,534 20%
Housing Assistance Payments	-	-	0%	-	-	0%
Tenant Services	286	10,684	10,398 97%	1,244	70,388	69,144 98%
Utilities	1,283,873	914,262	(369,611) -40%	6,341,408	6,399,834	58,426 1%
Maintenance	1,015,272	1,229,773	214,502 17%	6,585,637	8,947,001	2,361,364 26%
Protective Services	320,832	160,839	(159,993) -99%	1,095,674	1,149,723	54,049 5%
Insurance	58,402	63,016	4,614 7%	443,470	441,120	(2,350) -1%
General Expenses	912,968	872,567	(40,401) -5%	7,150,671	6,126,965	(1,023,706) -17%
Total Expenses	4,199,889	4,042,022	(157,867) -4%	25,728,938	28,889,057	3,160,119 11%
Net Income(Loss)	\$ (990,972)	\$ (849,463)	\$ (141,509) -17%	\$ (4,131,209)	\$ (6,540,907)	\$ (2,409,698) 37%
CASH BASIS:						
Net Income(loss) per Above	\$ (990,972)	\$ (849,463)	(141,509) -17%	\$ (4,131,209)	\$ (6,540,907)	\$ (2,409,698) 37%
Add back non cash items:						
Depreciation Expense	980,690	811,510	(169,180) -21%	6,930,959	5,690,916	(1,240,043) -22%
Bad Debt Expense	-	25,331	25,331 100%	77,044	177,317	100,273 57%
TOTAL CASH BASIS	\$ (10,282)	\$ (12,622)	\$ 2,340 19%	\$ 2,876,794	\$ (672,674)	\$ 3,549,468 528%
						\$ (1,332,802) -32%

HAWAII PUBLIC HOUSING AUTHORITY
 FEDERAL LOW RENT PROGRAM BY AMPS
 ACTUAL VS BUDGET COMPARISON
 FOR THE SEVEN MONTHS ENDING JANUARY 31, 2013
 (Amounts in Full Dollars)

MONTH OF JANUARY, 2013

YEAR TO DATE ENDING JANUARY 31, 2013

	Actual	Budget	Variance	
			Amount	%
\$	327,473	302,544	\$ 24,929	8%
	325,121	297,096	28,025	9%
	375,146	306,530	68,616	22%
	253,526	251,409	2,117	1%
	352,498	351,817	681	0%
	402,444	345,946	56,498	16%
	141,838	149,025	(7,187)	-5%
	171,375	191,146	(19,771)	-10%
	121,695	116,078	5,617	5%
	96,146	193,749	(97,603)	-50%
	120,821	124,642	(3,821)	-3%
	159,159	172,681	(13,522)	-8%
	135,359	152,417	(17,058)	-11%
	53,510	61,225	(7,715)	-13%
	89,413	84,230	5,183	6%
	83,391	92,024	(8,633)	-9%
\$	3,208,916	3,192,559	\$ 16,357	1%

ACCRUAL BASIS

	Actual	Budget	Variance	
			Amount	%
Asset Management Project - 30	1,997,403	2,117,814	\$ (120,411)	-6%
Asset Management Project - 31	1,907,670	2,079,672	(172,002)	-8%
Asset Management Project - 32	2,247,574	2,145,935	101,639	5%
Asset Management Project - 33	1,618,506	1,759,863	(141,357)	-8%
Asset Management Project - 34	2,416,219	2,462,719	(46,500)	-2%
Asset Management Project - 35	2,626,619	2,421,622	204,997	8%
Asset Management Project - 37	983,860	1,043,175	(59,315)	-6%
Asset Management Project - 38	1,228,760	1,338,028	(109,268)	-8%
Asset Management Project - 39	837,411	812,546	24,865	3%
Asset Management Project - 40	1,260,702	1,356,243	(95,541)	-7%
Asset Management Project - 43	807,351	872,494	(65,143)	-7%
Asset Management Project - 44	1,160,807	1,208,767	(47,960)	-4%
Asset Management Project - 45	934,796	1,066,919	(132,123)	-12%
Asset Management Project - 46	391,396	428,575	(37,179)	-9%
Asset Management Project - 49	580,823	589,610	(8,787)	-1%
Asset Management Project - 50	597,831	644,168	(46,337)	-7%
Total Revenues	\$ 21,597,729	\$ 22,348,150	\$ (750,421)	-3%

	Actual	Budget	Variance	
			Amount	%
Prior Year	\$ 1,914,547	\$ 1,914,547	\$ 82,856	4%
	1,795,453	1,795,453	112,216	6%
	2,158,240	2,158,240	89,335	4%
	1,674,892	1,674,892	(56,386)	-3%
	2,392,777	2,392,777	23,441	1%
	2,451,540	2,451,540	175,079	7%
	1,031,869	1,031,869	(48,010)	-5%
	1,305,714	1,305,714	(76,954)	-6%
	807,605	807,605	29,890	4%
	1,161,613	1,161,613	99,090	9%
	800,450	800,450	6,900	1%
	1,124,987	1,124,987	35,819	3%
	940,864	940,864	(6,067)	-1%
	366,071	366,071	25,326	7%
	554,467	554,467	26,356	5%
	575,917	575,917	21,914	4%
Total Revenues	\$ 21,057,006	\$ 21,057,006	\$ 540,723	3%

NET INCOME(LOSS)

	Actual	Budget	Variance	
			Amount	%
Asset Management Project - 30	(767,866)	(1,062,905)	\$ 295,039	28%
Asset Management Project - 31	(709,772)	(723,796)	14,024	2%
Asset Management Project - 32	139,712	(219,513)	359,225	164%
Asset Management Project - 33	(154,249)	(511,253)	357,005	70%
Asset Management Project - 34	191,590	(198,425)	390,015	197%
Asset Management Project - 35	13,734	(468,765)	482,499	103%
Asset Management Project - 37	(1,134,871)	(1,114,052)	(20,819)	-2%
Asset Management Project - 38	11,991	(102,734)	114,725	112%
Asset Management Project - 39	(419,238)	(358,664)	(60,574)	-17%
Asset Management Project - 40	56,090	(47,968)	104,058	217%
Asset Management Project - 43	(442,979)	(138,119)	(304,860)	-221%
Asset Management Project - 44	(255,740)	(540,880)	285,140	53%
Asset Management Project - 45	(287,360)	(418,164)	130,804	31%
Asset Management Project - 46	(244,923)	(220,430)	(24,492)	-11%
Asset Management Project - 49	(299,655)	(430,859)	131,204	30%
Asset Management Project - 50	172,324	15,620	156,704	1003%
Total Net Income(Loss)	\$ (4,131,209)	\$ (6,540,907)	\$ 2,409,698	37%

	Actual	Budget	Variance	
			Amount	%
Asset Management Project - 30	(83,606)	(150,294)	(2,452)	-2%
Asset Management Project - 31	(28,364)	(103,037)	19,431	19%
Asset Management Project - 32	(52,992)	(1,459)	(26,905)	-1844%
Asset Management Project - 33	(20,298)	(45,980)	(7,012)	-15%
Asset Management Project - 34	(3,215)	(28,844)	8,546	30%
Asset Management Project - 35	(155,540)	(65,434)	62,219	95%
Asset Management Project - 37	(24,663)	(157,580)	2,040	1%
Asset Management Project - 38	(65,092)	(10,487)	(14,176)	-135%
Asset Management Project - 39	(134,042)	(40,811)	(24,281)	-59%
Asset Management Project - 40	(75,360)	(5,366)	(128,676)	-2398%
Asset Management Project - 43	(68,558)	(18,267)	(57,093)	-313%
Asset Management Project - 44	(41,887)	(75,596)	7,038	9%
Asset Management Project - 45	(61,618)	(58,271)	16,384	28%
Asset Management Project - 46	(55,938)	(31,490)	(30,128)	-96%
Asset Management Project - 49	32,947	(60,198)	4,260	7%
Asset Management Project - 50		3,651	29,296	802%
Total Net Income(Loss)	\$ (990,972)	\$ (849,463)	\$ (141,509)	-17%

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

FOR THE SEVEN MONTHS ENDING JANUARY 31, 2013
(Amounts in Full Dollars)

MONTH OF JANUARY, 2013

YEAR TO DATE ENDING JANUARY 31, 2013

CASH BASIS

	MONTH OF JANUARY, 2013		YEAR TO DATE ENDING JANUARY 31, 2013		Variance Amount	%	Prior Year Amount	Variance Amount	%
	Actual	Budget	Actual	Budget					
\$	327,473	\$ 302,544	\$ 1,997,403	\$ 2,117,814	\$ (120,411)	-6%	\$ 1,914,547	\$ 82,856	4%
	325,121	297,096	1,907,670	2,079,672	(172,002)	-8%	1,795,453	112,216	6%
	375,146	306,530	2,247,574	2,145,935	101,639	5%	2,158,240	89,335	4%
	253,526	251,409	1,618,506	1,759,863	(141,357)	-8%	1,674,892	(56,386)	-3%
	352,498	351,817	2,416,219	2,462,719	(46,500)	-2%	2,392,777	23,441	1%
	402,444	345,946	2,626,619	2,421,622	204,997	8%	2,451,540	175,079	7%
	141,838	149,025	983,860	1,043,175	(59,315)	-6%	1,031,869	(48,010)	-5%
	171,375	191,146	1,228,760	1,338,028	(109,268)	-8%	1,305,714	(76,954)	-6%
	121,695	116,078	837,411	812,546	24,865	3%	807,605	29,806	4%
	96,146	193,749	1,260,702	1,356,243	(95,541)	-7%	1,161,613	99,090	9%
	120,821	124,642	807,351	872,494	(65,143)	-7%	800,450	6,900	1%
	159,159	172,681	1,160,807	1,208,767	(47,960)	-4%	1,124,987	35,819	3%
	135,359	152,417	934,796	1,066,919	(132,123)	-12%	940,864	(6,067)	-1%
	53,510	61,225	391,396	428,575	(37,179)	-9%	366,071	25,326	7%
	89,413	84,230	580,823	589,610	(8,787)	-1%	554,467	26,356	5%
	83,391	92,024	597,831	644,168	(46,337)	-7%	575,917	21,914	4%
Total Revenues	\$ 3,208,916	\$ 3,192,559	\$ 21,597,729	\$ 22,348,150	\$ (750,421)	-3%	\$ 21,057,006	\$ 540,723	3%

NET INCOME(LOSS)

Asset Management Project - 30	(51,923)	(34,066)	(17,857)	(46,037)	203,272	82%	(26,314)	(19,722)	-75%
Asset Management Project - 31	77,711	49,658	28,053	412,593	336,747	75,846	307,115	105,478	34%
Asset Management Project - 32	(14,381)	12,524	(26,905)	254,899	(121,632)	376,531	688,863	(433,963)	-63%
Asset Management Project - 33	8,953	6,294	2,659	291,120	(145,335)	436,455	508,372	(217,252)	-43%
Asset Management Project - 34	18,974	6,937	12,037	468,591	52,042	416,549	756,876	(288,286)	-38%
Asset Management Project - 35	66,999	(25,344)	92,343	512,268	(188,135)	700,403	541,785	(29,517)	-5%
Asset Management Project - 37	728	(34,122)	34,850	(24,833)	(249,846)	225,013	324,110	9,277	27%
Asset Management Project - 38	(4,450)	9,538	(13,988)	229,224	56,109	173,115	34,549	(95,326)	-29%
Asset Management Project - 39	(12,862)	(30,253)	17,391	(48,826)	(284,758)	235,932	50,643	(99,469)	-196%
Asset Management Project - 40	(134,042)	(4,643)	(129,399)	56,187	(42,907)	99,094	(163,704)	219,891	134%
Asset Management Project - 43	(3,436)	25,215	(28,651)	65,224	166,255	(101,031)	94,903	(29,679)	-31%
Asset Management Project - 44	18,469	18,180	289	355,345	115,552	239,793	486,018	(130,673)	-27%
Asset Management Project - 45	22,493	6,107	16,386	161,748	32,482	129,266	303,052	(141,904)	-47%
Asset Management Project - 46	(22,286)	(8,769)	(13,517)	12,548	(61,383)	83,931	46,176	(23,628)	-51%
Asset Management Project - 49	(15,332)	(14,686)	(646)	(14,170)	(112,275)	98,105	93,589	(107,759)	-115%
Asset Management Project - 50	34,104	4,808	29,296	180,912	23,719	157,193	231,742	(50,830)	-22%
Total Net Income(Loss)	\$ (10,282)	\$ (12,622)	\$ 2,340	\$ 2,876,794	\$ (672,674)	\$ 3,549,468	\$ 4,209,555	\$ (1,332,761)	-32%

**Contract & Procurement Office
Monthly Status Report for February 2013**

Solicitations Issued in February 2013:

- . None

Contracts Executed in February 2013:

Contract No.	Contractor & Description	Supp. Amount	Total Amount
CMS 13-02	Insynergy Engineering, Inc. Provide Design and Consultant Services to Inspect and Assess All Existing Major Systems Including Boilers, Water Heaters, Heat Pumps, Booster Pumps, Backflow Preventers, Fire Prevention Systems and Solar Hot Water Systems Located Under Asset Management Projects 34, 35 and Management Unit 42 on the Island of Oahu End Date: 120 Calendar Days from Notice to Proceed		\$32,062.00
CMS 13-03	D&C Construction, Inc. Provide Labor, Materials, and Equipment for Repair to Sewer Line at Puahala Homes (AMP 31) on the Island of Oahu Completion Date: 45 Calendar Days after Notice To Proceed		\$93,878.00
CMS 10-17-SC02	Clifford Projects Inc. Furnish Additional Design and Consultant Services to Include Obtaining of a National Pollutant Discharge Elimination System Permit, Provide Air Monitoring and Testing and Decrease in Contract Administration Services for Modernization of Palolo Valley Homes (AMP 50) on the Island of Oahu End Date: February 20, 2014	(\$45,459.89)	\$2,784,293.30
CMS 10-25-SC05	Goodfellow Brothers, Inc. Furnish Additional Labor, Materials and Equipment for Large Capacity Cesspool Conversion at Kalaheo Homes and Hale Hoolulu (AMP 38) on the Island of Kauai Completion Date: April 27, 2013	\$13,900.00	\$1,178,313.57

Contract No.	Contractor & Description	Supp. Amount	Total Amount
CMS 10-27-SC01	GYA Architects, Inc. No Cost Extension of Time of 360 Calendar Days for Renovation of Vacant Units – Statewide – Group B (38 units) End Date: January 29, 2014	n/a	\$443,707.59
CMS 12-10-SC01	Summit Construction, Inc. Furnish Additional Labor, Materials, and Equipment for Modernization of Salt Lake Apartments – Phase I (AMP 30) on the Island of Oahu Completion Date: November 30, 2013	\$6,433.00	\$1,395,321.00
PMB 13-01	Rainbow Chevrolet, Inc. dba Cutter Chevrolet Furnish and Deliver Eight New Full Size Pick-Up Trucks for the HPHA's Central Maintenance Services Section End Date: May 16, 2013		\$234,138.00

CONSTRUCTION MANAGEMENT BRANCH

Status Report

Vacant Units Type C

March 1, 2013

Completed Activities

- **Wahiawa Terrace 1 unit (5-8)**

Planned Activities

- **Puuwai Momi – 9 units**
 - **(7 Units)** Units 6I, 18G, 18H, 18L, 18J, 18K, 18L. Building 6 and 18 have roof leaks. CMB is working on specifications to put out on HePS for temporary repair, estimated post date 4/30/13. After the roof is temporarily repaired, either HPHA Special teams or the AMP will work on the interiors.
 - **(2 Units)** Units 8C, 8D: DAGS to complete punchlist items.
- **Hale Laulima - 2 units**
 - Units 8B & 8D. HPHA Special Teams to work on these units. 8D construction start date 2/25/13, 8B estimated start date 3/4/13.
- **Group C Vacant Units on Oahu - 10 units**
 - Waipahu I - 1 unit (5)
 - Kuhio Homes - 1 unit (13A)
 - Kuhio Park Terrace Lowrise – 2 units (1538D, 1540D)
 - Nanakuli Homes – 2 units (5, 8)
 - Maili II – 2 units (9, 13)
 - Waimaha Sunflower – 2 units (308, G301)
 - Design consultant selected, IOM to be routed for approval to negotiate with consultant.
- **Kalihi Valley Homes - 34 units**
 - 9 Units (24A through J) – Contractor Rainforest G trying to finish work. Contractor is almost bankrupt, subcontractors are not paid. Estimated date of completion 5/31/13.
 - 25 Units (20D, E, G, J, 21F, 30J, 32C, 34E, 36C, D, E, 37C, 39A, 41C, D, E, 42J, 43D, E, G, H, J, 44F, G, J) – Various units vacant due to leaking roofs. HPHA CMB did site investigations and determined that the roofs cannot be temporarily repaired, it must be removed which will include abatement. Project Engineer is working to reorganize consultant scope and phasing to tackle the roofs first in the next phase of the modernization.
- **Group B Vacant Units on Oahu – 32 units**
 - Kauioikalani - 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)
 - 40% complete.
 - Estimated completion May 2013 for Nanakuli Homes and Maili II.

- **Wahiawa Terrace – 4 units (3-1, 5-1, 7-6, 3-7)**
 - DAGS to provide HPHA with man hours and completion date by March 8, 2013.
- **Kauaiokalani - 1 unit (304)**
 - Repairs for fire damage to the exterior of Unit 304 is currently in design phase. CMB is incorporating the interior renovation into the modernization.
- **Palolo Valley Homes Major Modernization – 44 units (rolling relocation)**
 - Building 20 – Units A through H (8 units)
 - Construction started 11/13/12, estimated completion May 2013.
 - Building 16 and 17 (12 units)
 - Construction started January 2013, estimated completion August 2013.
 - This major modernization includes 44 units.
- **Ho'okipa Kahalu'u, Kauhale O'hana Accessibility Modernization – 3 units**
 - ADA design consultant selected, contract being negotiated
 - Ho'okipa Kahalu'u - 2 units (G-102, G202)
 - Kauhale O'hana – 1 unit (201)
- **Kahale Mua – 2 units (17, 24A)**
 - Part of a major modernization that is in design, tentative bid date April 2013.
- **Vacant Units on Maui - 5 units**
 - 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 scope.
- **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 3/22/13 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 (9L, 14R)**
 - ADA project in design, 60% complete.
 - Estimated bid date 6/15/13.
- **Vacant Units at Kapaa - 3 units (3R, 14L, 17L)**
 - Bid opening was 2/22/13. Construction Management Branch reviewing bids.
- **Lanakila Homes – 46 units (Building 55 – 75, 106 – 115)**
 - Scheduled for renovation, HPHA to un-demo with HUD.
- **Lanakila Homes – 6 units (59 L/R, 61 L/R, 62 L/R)**
 - Part of overall modernization with the 46 units that need to be un-demoed with HUD.
- **Pomaikai, Pahala, Hale Aloha O Puna – 14 units**
 - Design in process.
 - Estimated bid date 9/1/2013.

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

Issues/Concerns:

- **DAGS MOU ends May 10, 2013. CMB scoped three Wahiawa Terrace units, lists will be sent to DAGS for completion dates and expected hours. Concern is that there may not be enough time for DAGS to finish before expiration of MOU.**

VACANT UNITS TYPE C STATEWIDE 03/01/13														
Island	AMP	HPHA No.	Project	No. of Units	Unit Numbers	Category	Estimated Consultant Contract Award	Estimated Bid Date	Estimated Construction Contract Award	Estimated Completion of Construction	HUD Letter Sent	HUD Approval	Status/Comments	PE
Oahu	30	1026	Puuwai Momi	2	8C & 8D	DAGS		6/1/2013	6/30/13	3/8/13 est			Final walkthrough 2/20/13. HPHA had items for DAGS to complete. Reschedule turnover to next week after work is complete, estimated 3/8/13.	C. Abara
Oahu	30	1026	Puuwai Momi	7	6I, 18G, 18H, 18I, 18J, 18K, 18L	Design	NA	6/1/2013	6/30/13	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.	C. Abara
Oahu	30	1027	Hale Lailima	2	8B, 8D	HPHA ST	NA	6/1/2013	6/30/13	7/31/2013 est			HPHA Special Teams working on units. 8B start construction 2/25/13. 8D start construction 3/1/13.	B. Arashiro
Oahu	30	1038	Waipahu I	1	5	Gp C	NA	6/1/2013	6/30/13	6/30/2014 est			Design consultant selected, IOM to be routed for approval to start negotiations.	C. Abara
Oahu	31	1005	Kalihi Valley Homes	9	24-227A, B, C, D, E, F, G, H, J,	Mod.	8/1/2008		8/18/09	5/31/2013 est	3/6/12	No	GYA Architects. General Contractor: Rainforest G - RFG behind schedule.	L. Izumi (S. Ibrahim)
Oahu	31	1005	Kalihi Valley Homes	6	30J, 32C, 34E, 37C, 39A, 42J	Design	NA	4/1/2013 est	6/1/2013 est	12/31/2013 est	N/A	N/A	Contract in negotiation to be part of Phase IVB Modernization.	L. Izumi (S. Ibrahim)
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			5/20/14 est	5/20/15 est	N/A	N/A	Contract in negotiation to be part of Phase IVB Modernization.	L. Izumi (S. Ibrahim)
Oahu	40	1007	Kuhio Homes	1	13A	Gp C	NA	6/1/2013	6/30/13	12/31/2013 est			Design consultant selected, IOM to be routed for approval to start negotiations.	C. Abara
Oahu	40	1010	Kuhio Park Terrace	4	1518D, 1520D, 1530D, 1532D	Demo	NA	NA	NA	--			Demo (Vacant HUD approved Demo DISPO)	
Oahu	40	1010	Kuhio Park Terrace	2	1538D, 1540D	Gp C	NA	6/1/2013	6/30/13	5/1/2014 est			Design consultant selected, IOM to be routed for approval to start negotiations.	C. Abara S. Kregel
Oahu	44	1035	Nanakuli Homes	2	5, 8	Gp C	NA	NA	NA	12/31/2014 est			Design consultant selected, IOM to be routed for approval to start negotiations.	M. Kawamura
Oahu	44	1035	Nanakuli Homes	4	01, 02, 06, 34	Gp B	11/1/2010	6/22/2011	9/12/11	May 2013 est	2/9/12	No	Consultant: GYA Architects. General Contractor: Society Contracting. Estimated completion May 2013.	C. Abara
Oahu	44	1057	Waimaha-Sunflower	3	B128, B220, B320	Gp B	11/1/2010	6/22/2011	9/12/11	August 2013 est	2/9/12	No	Consultant: GYA Architects. General Contractor: Society Contracting. Estimated completion August 2013.	C. Abara
Oahu	44	1057	Waimaha-Sunflower	2	308, G301	Gp C	NA	NA	NA	12/31/2014 est			Design consultant selected, IOM to be routed for approval to start negotiations.	M. Kawamura
Oahu	44	1091	Kauiokealani	1	304	Design	1/31/2014	6/30/2014	1/3/2015	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. To be combined with the modernization.	M. Kawamura
Oahu	44	1091	Kauiokealani	4	101, 201, 303, 301	Gp B	11/1/2010	6/22/2011	9/12/11	August 2013 est	2/9/12	No	Consultant: GYA Architects. General Contractor: Society Contracting. Estimated completion August 2013.	C. Abara
Oahu	44	1108	Maiki II	2	9, 13	Gp C	NA	NA	NA	12/31/2014 est			Design consultant selected, IOM to be routed for approval to start negotiations.	M. Kawamura
Oahu	44	1108	Maiki II	2	19, 24	Gp B	11/1/2010	6/22/2011	9/12/11	May 2013 est	2/9/12	No	Consultant: GYA Architects. General Contractor: Society Contracting. Estimated completion May 2013.	C. Abara

Island	AMP	HPHA No.	Project	No. of Units	Unit Numbers	Category	Estimated Consultant Contract Award	Estimated Bid Date	Estimated Construction Contract Award	Estimated Completion of Construction	HUD Letter Sent	HUD Approval	Status/Comments	PE
Oahu	45	1072	Ho'okipa - Kahalu'u	2	G-102, G-202	Design	3/29/2013	3/28/2014	7/25/14	7/31/15 est			ADA design contract being negotiated.	S. Krekel
Oahu	45	1090	Kauhale O'hana	1	201	Design	3/29/2013	3/28/2014	7/25/14	7/31/15 est			Consultant selected, negotiating consultant proposal. This unit is part of accessibility modernization.	S. Krekel
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	11/1/2010	6/22/2011	9/12/11	August 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 August 2013	C. Abara
Oahu	49	1015	Wahiawa Terrace	4	3-1, 5-1, 7-6, 3-7	DAGS	NA	NA		12/31/2013 est	11/27/12	Yes	DAGS to provide completion timeframe from scope of work provided by HPHA.	M. Kawamura
Oahu	49	1050	Kupuna Home O Wai'alua	2	17, 18	Grp B	11/1/2010	6/22/2011	9/12/11	August 2013 est	2/9/12	No	Consultant: GYA Architects, General Contractor: Society Contracting. Estimated completion August 2013.	C. Abara
Oahu	50	1008	Paiolo Valley Homes	3	14F, 15D, 18A	Mod.	6/3/2010	4/16/2012	6/5/12	March 2014 est	12/28/12	Yes	Construction started 11/13/12 for major modernization of Buildings 14-20. First phase is Building 20. Second phase is Building 16 & 17. These units are currently vacant and will not be occupied until the modernization is complete. Estimated completion March 2014.	L. Izumi (D. Gibo)
Oahu	50	1008	Paiolo Valley Homes	12	16A-F, 17A-F	Mod.	6/3/2010	4/16/2012	6/5/12	August 2013 est	12/28/12	Yes	Start of construction for Buildings 16 & 17 - Jan. 2013. Estimated completion August 2013.	L. Izumi (D. Gibo)
Oahu	50	1008	Paiolo Valley Homes	8	20A-H	Mod.	6/3/2010	4/16/2012	6/5/12	May 2013 est	12/21/12	Yes	Start of construction for Building 20 - Nov. 2012. Estimated completion May 2013.	L. Izumi (D. Gibo)

Island	AMP	HPHA No.	Project	No. of Units	Unit Numbers	Category	Estimated Consultant Contract Award	Estimated Bid Date	Estimated Construction Contract Award	Estimated Completion of Construction	HUD Letter Sent	HUD Approval	Status/Comments	PE
Molokai	39	1088	Kahale Mua	2	17, 24A	Consult Contr	5/2/2011	4/15/2013	7/15/13	7/15/2014 est		Yes	Reike, Suniland, Kono Architects working on bid documents, tentative bid April 2013.	L. Goldman
Maui	39	1016	David Malo Circle	2	725C, 745A	Design	3/31/2013	1/31/2014	5/2014 est	3/2015 est		725C - No	Consultant selected, negotiating contract.	L. Izumi (M. Kawamura)
Maui	39	1044	Piliiani Homes	1	1028-F5	Design	6/30/2013	4/30/2014	10/2014 est	10/2015 est			Part of Piliiani modernization.	L. Izumi (M. Kawamura)
Maui	39	1092	Makani Kai Hale	2	24, 34	Design	3/31/2013	1/31/2014	5/2014 est	3/2015 est			To be included in David Malo Modernization project.	L. Izumi (M. Kawamura)
Kauai	38	1018	Kapaa	3	3R, 14L, 17L	Design	NA	1/10/2013	5/10/13	8/21/2013 est			Bid opened 2/22/13.	S. Krekel
Kauai	38	1019	Hale Ho'olulu	1	B1	Consult Contr	6/24/2010	2/22/2013	6/28/13	12/7/2014 est			Group 70 working on bid documents.	S. Krekel
Kauai	38	1022	Kalaheo	3	1B, 4A, 4B	Consult Contr	6/24/2010	2/22/2013	6/28/13	2/7/2014 est			Group 70 working on bid documents.	S. Krekel
Kauai	38	1055	Hale Ho'omanewa	2	9L, 14R	Consult Contr	5/12/2010	6/15/2013	9/15/13	4/2014 est			Current ADA project w/ Richard Matsunaga & Associates Architects Inc.	L. Goldman
Hawaii	37	1004	Lanakila Homes II	6	59L-R, 61L-R, 62L-R	Consult Contr	NA	3/1/2013	5/1/13	12/31/2014 est			Buildings 59, 61, & 62 un-demooed, to be part of major modernization	M. Kawamura
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	NA	1/1/2014	4/1/14	12/31/2014 est			Scheduled for Renovation, need to un-demo with HUD.	M. Kawamura
Hawaii	37	1014	Lanakila Homes III	20		Demo	NA	3/1/2014	6/1/14	12/31/2014 est			Scheduled for Renovation, need to un-demo with HUD.	M. Kawamura
Hawaii	37	1029	Pomaikai	8	925D, E, F, 935A, D, E, F, H	Consult Contr	6/4/2012	9/1/2013	11/1/13	11/30/2014 est			Design in process	M. Kawamura
Hawaii	37	1045	Pahala	2	3F, 5A	Consult Contr	6/4/2012	3/1/2014	5/1/14	6/30/2015 est			Design in process	M. Kawamura
Hawaii	37	1051	Hale Aloha O Puna	4	7A, 7C, 8B, 9A	Consult Contr	6/4/2012	12/1/2013	2/1/14	3/31/2015 est		7-C No	Design in process	M. Kawamura
Hawaii	46	1097	Ke Kumu Ekolu	1	B2202	Design	NA	NA	NA	6/7/13 est			Construction Management provided specifications to AMP, work to be done by AMP.	S. Ibrahim

215

Total Verified Type C Vacant Units by County:

Oahu 118
Maui 5
Molokai 2
Kauai 9
Hawaii 21
155

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

28
10
45
0
83

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
32
0
6
2
72

CONSTRUCTION MANAGEMENT BRANCH
Status Report
Large Capacity Cesspool Conversions (LCCC) Statewide
March 1, 2013

Completed Activities

- Bid opened on 2/15/13 for “5-year Maintenance of Individual Wastewater Systems (IWS) and Underground Injection Control (UIC) Seepage Pits”. All bids for AMP 37, 38 & 43 are being reviewed. Bid for AMP 46 will be re-issued due to lack of bids.

Planned Activities

- HPHA is preparing for the final status report regarding the CA/FO requirements' completion to submit to EPA.
- Remaining items outstanding at Kalaheo and Hale Ho`olulu on Kaua`i (Group 1 cesspools) are the operation and maintenance manuals and the maintenance schedule recommendations from the contractor. The HPHA has reviewed and is requesting additional information from the contractor.
- On-going - The Hawai`i Housing Finance & Development Corporation (HHFDC) and Hawai`i Public Housing Authority (HPHA) will enter into a Memorandum of Agreement (MOA) to address the cost-sharing of maintenance and repair of the sewer lateral shared by the two agencies but located on the La`ilani property on the Big Island (owned by the HHFDC). The Hawaii Housing Finance and Development Corporation (HHFDC) returned the reviewed document on 1/10/2013, and it was sent for final reviews to our Attorney General on 1/23/2013.
- On-going - The Attorney General's office has been assisting in drafting the necessary documents requesting the cancellation of the Executive Orders (EO's) relating to the Hawaii Public Housing Authority's (HPHA) responsibilities of the Teacher's Cottages in Maui and Hawaii counties, issuing management and control to the Department of Education (DOE) in reference to Consent Agreement/Final Order (CA/FO) requirements of the Environmental Protection Agency (EPA). The final documents requesting transfer of the Executive Order was sent to the Department of Land and Natural Resources (DLNR) on October 9, 2012.

Trends/Issues

- **Underground Injection Control (UIC) Annual Reporting** is past due on most projects with underground injection control seepage pits. The HPHA procured a consultant to provide site-specific specifications for compliance with annual reporting requirements. The bid is expected to be awarded in March of 2013, and the annual reports will require 3 months of logging and preparation for submittal following the award.

Risks

- **Group 2** cesspools had a March 2009 deadline. The Environmental Protection Agency (EPA) was notified on 7/18/2012 that Kealakehe and on 7/3/2012 that Hale Hau`oli on the Big Island were connected to the County sewer lines and were backfilled. Though the HPHA is well beyond the March 2009 deadline, David Albright, head of the EPA regional office in San Francisco, indicated that penalizing Hawai`i Public Housing Authority (HPHA) for delays is not a top enforcement priority and that he believes that there is no need to amend the CA/FO to amend deadline dates.

STATUS REPORT ON LARGE CAPACITY CESSPOOL CONVERSIONS, HPHA

(prepared 3/01/2013)

Group 2--All @ Big Island		# CPS	Status as of March 2013		CD*
1	KAIMALINO	Kailua-Kona	6	IWS ATO # 42659, 42660, 42661, 42662, 42663 dated 12/6/10 on file Out of the 6 cesspools, 5 converted to seepage pits and 1 was backfilled and abandoned. The renewal permit for the seepage pits DOH UIC Permit--UH 1706 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	LA'ILANI	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 March 2013		CD*
6	NOELANI 1	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)	Kealakekua	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)	Kealakekua	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	HONOKAA TC	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	6/08
	TMK 3-4-5-001-011				
15					11/08

STATUS REPORT ON LARGE CAPACITY CESSPOOL CONVERSIONS, HPHA

(prepared 3/01/2013)

45 UIC -- Underground Injection Control; IWS-- Individual Wastewater System
(Okahara & Associates is Consultant of Record for Hawaii projects)

Status as of March 2013

CPs

Group 1 @ Kauai

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-UK 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 UK-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

CPs

Status as of March 2013

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 March 2013

a	Lokahi Housing TMK 3-2-4-052-020	Hilo	8	16 septic tanks (IWS) total; 5 are being 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 February 2013.	2/13
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.)