HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING
1002 North School Street, Building A Boardroom
Honolulu, Hawaii 96817
May 19, 2016
9:00 a.m.

AGENDA

I. CALL TO ORDER/ESTABLISHING QUORUM

II. APPROVAL OF MINUTES

Regular Meeting Minutes, April 21, 2016
Executive Session Minutes, March 17, 2016 (not for public distribution)

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 per agenda item.

IV. FOR ACTION

A. **MOTION**: To *(1)* Repeal Chapter 181 of Title 15, Hawai‘i Administrative Rules (“HAR”), entitled “Resident Advisory Board”; *(2)* Adopt Proposed New Chapter 2032 of Title 17, HAR, entitled “Resident Advisory Board” which is substantially based on Chapter 15-181, HAR, and includes the proposed amendments to Chapter 15-181, HAR, previously adopted by the Hawaii Public Housing Authority’s (HPHA) Board of Directors on January 21, 2016, and sets forth the rules and requirements for HPHA’s Resident Advisory Board which is an advisory Board that offers recommendations on the HPHA’s Five Year and Annual Public Housing Agency Plan and nominations for the resident member to the HPHA’s Board of Directors; and *(3)* Authorize the Executive Director to Conduct Public Hearings and Undertake All Other Actions Necessary under Chapter 91, Hawai‘i Revised Statutes, and Administrative Directive No. 09-01 to Implement the Repeal and Adoption of New Rules, including Making Non-Substantive Revisions to Formatting as May be Required

B. **MOTION**: To *(1)* Repeal Chapter 195 of Title 15, Hawai‘i Administrative Rules (“HAR”), entitled “Section 8 Homeownership Option Program”; *(2)* Adopt Proposed New Chapter 2036 of Title 17, HAR, entitled “Section 8

Homeownership Option Program" which is substantially based on Chapter 15-195, HAR, and includes the proposed amendments to Chapter 15-195, HAR, previously adopted by the Hawaii Public Housing Authority's (HPHA) Board of Directors on January 21, 2016, and sets forth the rules and requirements for HPHA's Section 8 Homeownership Program which is a federally funded homeownership program which utilizes Section 8 voucher payments to cover mortgage payments; and *(3)* Authorize the Executive Director to Conduct Public Hearings and Undertake All Other Actions Necessary under Chapter 91, Hawai'i Revised Statutes, and Administrative Directive No. 09-01 to Implement the Repeal and Adoption of New Rules, including Making Non-Substantive Revisions to Formatting as May be Required

C. **MOTION**: To *(1)* Repeal Chapter 193 of Title 15, Hawai'i Administrative Rules ("HAR"), entitled "State-Aided Family Public Housing Projects"; *(2)* Adopt Proposed New Chapter 2034 of Title 17, HAR, entitled "State-Aided Family Public Housing Projects" which is substantially based on Chapter 15-193, HAR, and includes the proposed amendments to Chapter 15-193, HAR, previously adopted by the HPHA Board of Directors on January 21, 2016, and sets forth the rules and requirements for HPHA's State-Aided Family Public Housing Program which is a general occupancy rental housing program that offers rental housing to a qualified person or family; and *(3)* Authorize the Executive Director to Conduct Public Hearings and Undertake All Other Actions Necessary under Chapter 91, Hawai'i Revised Statutes, and Administrative Directive No. 09-01 to Implement the Repeal and Adoption of New Rules, including Making Non-Substantive Revisions to Formatting as May be Required

NOTE: Proposed Repeal of Chapter 15-181, HAR, Chapter 15-195, HAR and Chapter 15-193, HAR and Adoption of New Chapter 17-2032, HAR, Chapter 17-2036, HAR and Chapter 17-2034, HAR being considered by the HPHA Board of Directors above may be viewed in person on or about May 20, 2016 at the HPHA's Offices located as follows:

HPHA's Administrative Offices, 1002 N. School Street, Honolulu
Oahu: Puuwai Momi Office, 99-132 Kohomua Street, Aiea
Oahu: Kalihi Valley Homes Office, 2250 Kalena Drive, Honolulu
Oahu: Mayor Wright Homes Office, 521 N. Kukui Street, Honolulu
Oahu: Kalakaua Homes Office, 1545 Kalakaua Avenue, Honolulu
Oahu: Punchbowl Homes Office, 730 Captain Cook Avenue, Honolulu
Oahu: Hale Poai Office, 1001 N. School Street, Honolulu
Oahu: Waimaha-Sunflower Office, 85-186 McArthur Street, Waianae
Oahu: Koolau Village Office, 45-1027 Kamau Place, Kaneohe
Oahu: Kauhale Nani Office, 310 North Cant Street, Wahiawa
Oahu: Palolo Valley Homes Office, 2107 Ahe Street, Honolulu
Oahu: Kuhio Homes Office, 1475 Linapuni Street, Honolulu
Hawaii Office, 600 Wailoa Street, Hilo, Hawaii
Hawaii Office, 78-6725 Malolea Street, Kailua-Kona, Hawaii

Hawaii Office, 65-1191 Opelo Road, Kamuela, Hawaii
Kauai Office, 4726 Malu Road, Kapaa, Hawaii
Maui Office, 2015 Holowai Place, Wailuku, Hawaii
Molokai Office, Maunaloa Molokai; or

May be viewed on the internet on or about May 20, 2016 on the Lieutenant Governor's website at: http://ltgov.hawaii.gov/the-office/administrative-rules/
The proposed changes were discussed in detail at the January 21, 2016 Board meeting and have also been posted on the HPHA's website as part of the Board meeting packet for January 21, 2016.

D. **MOTION**: To (1) Adopt Proposed Rules under the Governor's Proclamation, dated October 16, 2015 and Supplementary Proclamations, Entitled "Special Rent Supplement Program Rules" Which is Substantially Based on Chapter 15-184, Hawaii Administrative Rules (HAR), and Which Include the Rules and Requirements for HPHA's Special Rent Supplement Program, a Program Established to Provide Rent Subsidies to Qualified Homeless Person(s) or Family; and (2) to Authorize the Executive Director to Undertake All Other Actions Necessary to Implement the Special Rent Supplement Program for the Homeless, Including Promulgating the Rules Pursuant to Section 127A-25, Hawaii Revised Statutes

E. **MOTION**: To Adopt Board Resolution No.16-04 Authorizing the Executive Director to Enter Into a Predevelopment Agreement with Retirement Housing Foundation, for the Mixed Income Transit Oriented Development Redevelopment of the Hawaii Public Housing Authority's Administrative Offices located at 1002 North School Street, Honolulu Hawaii 96817; and to Undertake All Actions Necessary to Implement the Predevelopment Agreement

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(8), and 103D-105 to discuss, deliberate or make a decision on information that must be kept confidential, 92-5(a)(3) to deliberate concerning the authority of persons designated by the Board to negotiate the acquisition of public property, 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 on the Predevelopment Agreement.

V. FOR INFORMATION/FOR DISCUSSION

A. Finance Task Force Report

VI. REPORTS

- Financial Report for the Month of March 2016 and Update on the Status of the HPHA's Budget for Operating and Capital Funds for FY 2016-2017. The March 2016 Financial Report is provided to the board in the monthly packet.
- The Report on Contracts Executed During April 2016 and Planned Solicitations for May 2016 is provided to the Board in the monthly packet. No formal report is planned.
- Property Management and Maintenance Services Lease up Status and Eviction Hearings for the Month of April 2016
- Construction Management Activities, including Obligation and Expenditure Status for the Federal Capital Fund Program (CFP) and the State Capital Improvement Program (CIP), Kuhio Park Terrace and Kalihi Valley Homes Construction Activity
- Section 8 Subsidy Programs Voucher Lease Up and Report on Status of HQS Inspections for the Month of April 2016. The Section 8 Report is provided to the Board in the monthly packet. No formal report is planned.
- Status of Redevelopment at Mayor Wright Homes with MWH Partners, Redevelopment of 1002 N. School Street with Retirement Housing Foundation, and the Redevelopment of Kuhio Park Terrace with the Michaels Development Company.
- Update on Legislative Activities, including Bills that Passed or Died, Conference Committee Discussions and Activities, and Potential Impact of Legislation on the HPHA; Comments and Recommendations on Bills to the Office of the Governor
- Status of New Application and Waitlist Portal for the HPHA's Section 8 and Public Housing Program, including special waitlists, eligibility requirements, and the opening and closing of waitlists

If any person requires special needs (i.e., large print, taped materials, sign language interpreter, etc.) please call Ms. Jonessa Burns at (808) 832-4694 by close of business three days prior to the meeting date. Meals will be served to the Board and support staff as an integral part of the meeting.

Pages 5-13 were removed because they contained confidential information.

Approved by the Executive Director
May 19, 2016

FOR ACTION

MOTION: To *(1)* Repeal Chapter 181 of Title 15, Hawai'i Administrative Rules ("HAR"), entitled "Resident Advisory Board"; *(2)* Adopt Proposed New Chapter 2032 of Title 17, HAR, entitled "Resident Advisory Board" which is substantially based on Chapter 15-181, HAR, and includes the proposed amendments to Chapter 15-181, HAR, previously adopted by the Hawaii Public Housing Authority's (HPHA) Board of Directors on January 21, 2016, and sets forth the rules and requirements for HPHA's Resident Advisory Board which is an advisory Board that offers recommendations on the HPHA's Five Year and Annual Public Housing Agency Plan and nominations for the resident member to the HPHA's Board of Directors; and *(3)* Authorize the Executive Director to Conduct Public Hearings and Undertake All Other Actions Necessary under Chapter 91, Hawai'i Revised Statutes, and Administrative Directive No. 09-01 to Implement the Repeal and Adoption of New Rules, including Making Non-Substantive Revisions to Formatting as May be Required

I. FACTS

A. The Hawaii Public Housing Authority (HPHA) Resident Advisory Board is governed by a variety of federal, state, and agency statutes and rules, such as the Code of Federal Regulations and Chapter 356D, Hawaii Revised Statutes (HRS).

B. Act 196, Session Laws of Hawaii (SLH) 2005, as amended by Act 180, SLH 2006, separated the housing financing and development functions from the Housing and Community Development Corporation of Hawaii (HCDCH) resulting in the creation of the Hawaii Housing Finance and Development Corporation (HHFDC), and the Hawaii Public Housing Authority (HPHA). Act 196 became effective on July 1, 2006. Act 196 provided that all HCDCH administrative rules would remain in effect until amended.

C. Sections 356D-4 and 356D-13, HRS (Attachment A), authorize the HPHA to adopt administrative rules with the force and effect of law to govern the Resident Advisory Board (RAB).

D. The HPHA has consistently managed the Resident Advisory Board in accordance with Chapter 15-181 "Resident Advisory Board", Hawaii Administrative Rules (HAR).

II. DISCUSSION

A. On January 21, 2016, the HPHA Board of Directors adopted substantive changes to Chapter 15-181, "Resident Advisory Board," HAR, to, place the administrative rules chapter governing the Resident Advisory Board under Title 17, to correctly reflect that the HPHA is administratively attached to the Department of Human Services, by renumbering Chapter 15-181, HAR, to Chapter 17-2031, HAR, and add new definitions and sections, and amend and repeal various sections to better govern the Resident Advisory Board;

B. Upon further review, the Department of the Attorney General recommended the repeal of Chapter 15-181, HAR, and adoption of new proposed Chapter 17-2032, HAR, to be adopted as a new chapter under Title 17, due to the extensive amendments to Chapter 15-181, HAR, previously adopted by the HPHA Board on January 21, 2016, which includes but is not limited to:

1. Changing title numbers from Title 15, HAR, to Title 17, HAR; changing subtitle numbers from Subtitle 14, HAR, to Subtitle 5, HAR; and changing chapter numbers from Chapter 181, HAR, to Chapter 2032, HAR;
2. Changing the state department to which HPHA is administratively attached, from Department of Business, Economic Development and Tourism, to Department of Human Services;
3. Changing certain Subchapter titles;
4. Revising section 17-2032-21(a), HAR: The proposed amendments add that all RAB expenses shall be part of an approved budget, and expenditures shall require written approval by the Executive Director, for clarity;
5. Revising section 17-2032-21(b), HAR to reduce the minimum number of members to serve on the RAB and the number of representatives from each geographic area to increase the likelihood of having a full board;
6. Clarifying section 17-2032-21(c), HAR to provide that the HPHA shall appoint resident councils or representatives to serve on the RAB, consistent with 24 C.F.R. 903.13(b)(2);
7. Clarifying section 17-2032-44, HAR regarding the contents of the RAB agenda;
8. Revising section 17-2032-61, HAR to provide a minimum and maximum number of RAB nominees for the public resident member of the HPHA Board of Directors, and the qualifications of a nominator of the public resident member of the HPHA Board of Directors, for clarity.

9. Revising section 17-2032-62, HAR to provide a minimum and maximum number of RAB nominees for the public resident member of the HPHA Board of Directors, and the Governor's selection and appointment of the nominees, for clarity.
10. Other substantive revisions;

to comply with the procedures set forth in Chapter 91, HRS, Hawai'i Administrative Rules Drafting Manual, and for the purposes of clarity.

C. This motion is to reflect the Board's intent to repeal Chapter 15-181, HAR, and adopt new proposed Chapter 17-2032, HAR, with the same substantive changes that were adopted by the HPHA Board of Directors at the regular board meeting on January 21, 2016;

D. The proposed draft rules in the form attached as Attachment B, repealing Chapter 15-181, HAR, and adopting proposed new Chapter 17-2032, HAR, have been reviewed and approved by the Department of the Attorney General.

E. Attachment C shows the differences between proposed new Chapter 17-2032, HAR, and Chapter 15-181, HAR, to be repealed, upon which new Chapter 17-2032, HAR, is substantially based, and which were approved in substance by the HPHA Board of Directors on January 21, 2016.

F. Once approved by the HPHA Board of Directors, the agency must request permission to take the proposed Rule to public hearing from the Governor. The HPHA staff must give thirty days notice to the public and hold hearings on the Islands of Kauai, Oahu, Maui, and Hawaii.

G. Following approval from the Governor to hold public hearings on the proposed amendments, the Executive Director will hold public hearings on the Islands of Kauai, Oahu, Maui, and Hawaii at a date and locations to be determined.

H. Based on testimony received during the public viewing and comment period, the Executive Director will make any non-substantive amendments to the draft amendments to and compilation of the Rule prior to or following the public hearing.

I. After the public hearings, the Executive Director will transmit amendments to Chapter 15-181, HAR, to the Governor for final approval provided that no substantive amendments are made. Staff anticipates the following updated approximate schedule of the process:

Action	Timeframe
Board For Action (adopt amendments)	May 19, 2016

Request to Governor for public hearing	May 20, 2016
Receive Governor authorization	June 23, 2016
Publish hearing notice (30 day notice)	June 30, 2016
Public Hearing	August 1, 2016
Finalize Rule/Transmit to Governor for Adoption	August 15, 2016
Rule effective	October 1, 2016

III. RECOMMENDATION

That The Board *(1)* Repeal Chapter 181 of Title 15, Hawai'i Administrative Rules ("HAR"), entitled "Resident Advisory Board"; *(2)* Adopt Proposed New Chapter 2032 of Title 17, HAR, entitled "Resident Advisory Board" which is substantially based on Chapter 15-181, HAR, and includes the proposed amendments to Chapter 15-181, HAR, previously adopted by the Hawaii Public Housing Authority's (HPHA) Board of Directors on January 21, 2016, and sets forth the rules and requirements for HPHA's Resident Advisory Board which is an advisory Board that offers recommendations on the HPHA's Five Year and Annual Public Housing Agency Plan and nominations for the resident member to the HPHA's Board of Directors; and *(3)* Authorize the Executive Director to Conduct Public Hearings and Undertake All Other Actions Necessary under Chapter 91, Hawai'i Revised Statutes, and Administrative Directive No. 09-01 to Implement the Repeal and Adoption of New Rules, including Making Non-Substantive Revisions to Formatting as May be Required

Attachment A:	Sections 356D-4, Hawaii Revised Statutes
Attachment B:	Draft Rules repealing Chapter 15-181, Hawaii Administrative Rules, and adopting new Chapter 17-2032, Hawaii Administrative Rules
Attachment C:	Ramseyer format draft showing changes to Chapter 15-181, Hawaii Administrative Rules, for illustration purposes

Prepared by: Kiriko Oishi, Chief Compliance Officer

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

Pono Shim
Chairperson

Attachment A

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

(1) Sue and be sued;

(2) Have a seal and alter the same at pleasure;

(3) Make and execute contracts and other instruments necessary or convenient to the exercise of its powers;

(4) Adopt bylaws and rules in accordance with chapter 91 for its organization, internal management, and to carry into effect its purposes, powers, and programs;

(5) Sell, lease, rent, hold, maintain, use, and operate any property, real, personal, or mixed, tangible or intangible, in support of its purposes, powers, and programs; provided that the sale of real property shall be subject to legislative approval;

(6) Receive by gift, grant, devise, bequest, or otherwise from any source, any property, real, personal, or mixed, intangible or tangible, absolutely or in trust, to be used and disposed of, either the principal or the income thereof, for the benefit only of the residents assisted by its programs; provided that no gift to the authority that has an estimated value of $1,000 or more shall be accepted unless approved or confirmed by the board; and

(7) Engage the services of volunteers as deemed appropriate by the authority without regard to chapter 76, 89, 90, 103, or 103D.

(b) In addition to other powers conferred upon it, the authority may do all things necessary and convenient to carry out the powers expressly provided in this chapter. [L 2006, c 180, pt of §2; am L 2013, c 148, §1]

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

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

(c) All fees collected for administering the program may be deposited into an appropriate special fund of the authority and may be used to cover the administrative expenses of the authority. [L 2006, c 180, pt of §2]

Attachment B

DEPARTMENT OF HUMAN SERVICES

Repeal of Chapter 15-181 and
Adoption of Chapter 17-2032
Hawaii Administrative Rules

April 21, 2016

1. Chapter 181 of Title 15, Hawaii Administrative Rules, entitled "Resident Advisory Board" is repealed.

2. Chapter 2032 of Title 17, Hawaii Administrative Rules, entitled "Resident Advisory Board" is adopted.

HAWAII ADMINISTRATIVE RULES

TITLE 15

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM

SUBTITLE 14

HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII

CHAPTER 181

RESIDENT ADVISORY BOARD

Repealed

§§15-181-1 to 15-181-75 Repealed. [ ]

HAWAII ADMINISTRATIVE RULES

TITLE 17

DEPARTMENT OF HUMAN SERVICES

SUBTITLE 5

HAWAII PUBLIC HOUSING AUTHORITY

CHAPTER 2032

RESIDENT ADVISORY BOARD

Subchapter 1 General Provisions

§17-2032-1 Purpose
§17-2032-2 Definitions
§17-2032-3 Scope of Responsibilities
§17-2032-4 Applicability of rules
§17-2032-5 Gender and number
§§17-2032-6 to 17-2032-20 (Reserved)

Subchapter 2 Resident Advisory Board Membership

§17-2032-21 Resident Board
§17-2032-22 Terms of office
§17-2032-23 Removal from office
§§17-2032-24 to 17-2032-30 (Reserved)

Subchapter 3 Resident Advisory Board Officers

§17-2032-31 Officers
§17-2032-32 Election of Officers
§§17-2032-33 to 17-2032-40 (Reserved).

Subchapter 4 Resident Advisory Board Meetings

Contents

§17-2032-41 Meetings
§17-2032-42 Manner of voting
§17-2032-43 Agenda §17-2032-44 Notice
§17-2032-45 Minutes
§17-2032-46 Quorum and number of votes necessary for action
§17-2032-47 Disqualification of member of resident advisory board
§17-2032-48 Video or teleconferencing
§§17-2032-49 to 17-2032-50 (Reserved)

Subchapter 5 Proceedings Before the Resident Advisory Board

§17-2032-51 General rule
§17-2032-52 Public Housing Agency Plan
§§17-2053-6 to 17-2032-60 (Reserved)

Subchapter 6 Recommendation of Nominees to Serve as a Public Resident Member of the Authority Board of Directors

§17-2032-61 Nominees for public resident member for the authority's board of directors
§17-2032-62 Recommendation of the resident advisory board
§§17-2032-63 to 17-2032-70 (Reserved)

Subchapter 7 Records and Fees

§17-2032-71 Retention of documents
§17-2032-72 Access to resident advisory board records
§17-2032-73 Limitation on access to resident advisory board records
§17-2032-74 Fees
§17-2032-75 Severability

Historical Note. Chapter 2032 of Title 17 Hawaii Administrative Rules, is substantially based upon Chapter 15-181, Hawaii Administrative Rules.
[Eff:]

SUBCHAPTER 1

GENERAL PROVISIONS

§17-2032-1 Purpose. These rules govern the establishment, operation and responsibilities of the resident advisory board or boards to comply with the requirements of the federal Quality Housing and Work Responsibility Act of 1998; and set forth a process for nominations for the resident member to the authority's board of directors.
[Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS HRS §356D-5; 24 C.F.R. 903.13)

§17-2032-2 Definitions. Whenever used in this chapter, unless otherwise specifically defined:

"Authority" means the Hawaii public housing authority as defined by section 356D-2, HRS.

"Board" means the board of directors of the Hawaii public housing authority as defined by section 356D-2, HRS.

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

"Chairperson" means the duly selected chair of the resident advisory board.

"Executive director" means the executive director of the authority or the executive director's designated representative.

"Government" includes the State and the United States and any political subdivision, agency, or instrumentality, corporate or otherwise, of the United States.

"Government record" means information maintained by an agency in written, auditory, visual, electronic, or other physical form as defined in section 92F-3, HRS.

"Governor" means the duly elected governor of the State of Hawaii whose office was created by Article V of the Constitution of the State of Hawaii.

"HRS" means the Hawaii revised statutes.

"Legislature" means the legislature of the State of Hawaii, which was created pursuant to Article III of the Constitution of the State of Hawaii.

"Meetings" means the convening of the resident advisory board following due notice as prescribed under chapter 92, HRS.

"Party" means any person permitted or entitled as of right to participate in a proceeding before the resident advisory board.

"Person" means an individual, partnership, corporation, association through a representative, or public or private organization of any character other than the resident advisory board.

"Proceeding" refers to any matter brought before the resident advisory board for action following due consideration of the objectives, goals, policies, and all related matters of the resident advisory board.

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

"Public housing project" means a federal housing project directly controlled, owned, developed, or managed by the authority pursuant to subpart A of part II of chapter 356D, HRS.

"Public housing resident" means any household member of a public housing project, who is eighteen years of age or older, whose name appears on the rental agreement, and is in compliance with the rental agreement.

"Rental agreement" means the agreement or contract containing the terms and conditions of occupancy of a dwelling unit entered into by the tenant and authority.

"Resident council" means an association of public housing residents in a federal project assisted by the authority, which has met the requirements of 24 C.F.R. Part 964.

"Resident advisory board" means the resident advisory board or boards established pursuant to section 356D-5, HRS.

"Resident members" means the members of the resident advisory board as defined in section 356D-5, HRS.

"Rules" means these rules.

"Staff" means the employed personnel or agents of the authority.

"Tenant-based Section 8 recipient" means any recipient of tenant-based housing assistance authorized by the United States Department of Housing and Urban Development and administered by the authority, who is eighteen years of age or older, whose name appears on the rental agreement, and who is in compliance with the rental agreement. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5; 24 C.F.R. §903.13)

§17-2032-3 Scope of responsibilities. It is the responsibility of the resident advisory board to:

(1) Assist and make recommendations regarding the public housing agency plan; and

(2) Prepare a list of nominees who are eligible to serve as the resident member to the board of the authority. [Eff] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §§356D-5, 356D-6; 24 C.F.R. §903.13)

§17-2032-4 Applicability of rules. The rules under this chapter shall apply to all practices and procedures of the resident advisory board. The resident advisory board shall refer to Robert's Rules of Order for guidance on procedural matters not addressed in the resident advisory board's rules or in

law. [Eff:] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13) (Imp: HRS §356D-5)

§17-2032-5 Gender and number. In any rule of the resident advisory board, all words used in the masculine or singular shall extend to and include the feminine or plural. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13) (Imp: HRS §1-17)

§§17-2032-6 to 17-2032-20 (Reserved).

SUBCHAPTER 2

RESIDENT ADVISORY BOARD MEMBERSHIP

§17-2032-21 Resident advisory board. (a) The members of the resident advisory board shall represent federal public housing projects and Section 8 tenants and be at least eighteen years of age, are authorized members of an assisted household, and in compliance with the rental agreement. All members shall serve without pay, but shall be reimbursed for necessary expenses. All expenses shall be part of an approved budget. No expenditures shall be made by the resident advisory board without prior written approval by the Executive Director.

(b) The board shall consist of a minimum of nine members which shall comprise the following:

(1) At least one representative of public housing projects from each of the counties of Hawaii, Kauai and Maui;

(2) Six representatives of public housing projects geographically allocated from Oahu. The geographic breakdown consists of:

(A) At least one representative from Windward (Waimanalo to Kahalu'u);

(B) At least one representative from Leeward (Pearl City, Waipahu, Waianae, Nanakuli, and Kapolei);

(C) At least one representative from Central (Wahiawa to Waialua); and

(D) At least one representative from Honolulu (Red Hill to Palolo); and

(E) At least two representatives geographically allocated from Oahu who are recipients of Section 8 tenant-based assistance.

(c) The following process shall apply for the appointment of the public housing members to fill vacancies on the resident advisory board:

(1) The president of each resident council or in the event that the president cannot serve, a representative designated by the resident council, shall serve as a potential candidate as a representative to the resident advisory board.

(2) The authority shall appoint such resident councils or their representatives to serve on the resident advisory board. The authority may require that the resident councils choose a limited number of representatives.

(d) The following procedure shall apply for the appointment of the section 8 members to fill the two vacancies on the resident advisory board:

(1) The authority shall send notices to solicit volunteers for potential candidates to serve as a representative on the resident advisory board.

(2) The authority shall screen the list of volunteers to ensure that they are at least eighteen years of age and an authorized member of an assisted household.

(3) The members of the resident advisory board shall elect from the pool of volunteers the representatives to the resident advisory board. The candidates getting the highest number of votes shall represent the geographic area. [Eff: 7/13/2002; am and ren §17-2032-21,] (Auth: HRS

§§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5; 24 C.F.R. §903.13)

§17-2032-22 Terms of office. (a) The members of the resident advisory board shall serve terms that are concurrent with terms of the respective members of the recognized resident council.

(b) Each term shall be a maximum of three years.

(c) Members shall be limited to serve a total of two consecutive terms or a maximum of six consecutive years. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5; 24 C.F.R. 903.13)

§17-2032-23 Removal from office. A member of the resident advisory board may be removed from the board for the conviction of any crime or if the member is no longer a tenant of public housing or section 8 recipient. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5)

§§17-2032-24 to 17-2032-30 (Reserved).

SUBCHAPTER 3

RESIDENT ADVISORY BOARD OFFICERS

§17-2032-31 Officers. The officers of the resident advisory board shall serve for a term of one year and may consist of the following positions and duties:

(1) Chairperson, who shall conduct all meetings;

(2) Vice-Chairperson, who shall assume any duties assigned by the Chairperson, and who shall assume the duties of the Chairperson in the absence of the Chairperson;

(3) Treasurer, who shall maintain any financial record of the resident advisory board and who assumes the duties of the Chairperson in the absence of either the Chairperson or Vice-Chairperson;
(4) Secretary, who shall maintain and record all resident advisory board proceedings; and
(5) Sergeant of Arms, who shall keep order of any meeting, including adherence to any parliamentary procedure or State procedural requirements. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5; 24 C.F.R. 903.13)

§17-2032-32 Election of officers. Officers shall be elected from among members of the resident advisory board and shall serve until the new officers of the advisory board are elected. The advisory board shall hold meetings yearly to select officers. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5; 24 C.F.R. 903.13)

§§17-2032-33 to 17-2032-40 (Reserved).

SUBCHAPTER 4

RESIDENT ADVISORY BOARD MEETINGS

§17-2032-41 Meetings. Meetings shall be held after the required notice is given as to the time and place of the meeting. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §§92-7, §356D-5)

§17-2032-42 Manner of voting. The voting on all questions coming before the resident advisory board shall be by motion, duly seconded, and shall be entered upon the minutes of such meeting. When requested by the chairperson or any member, a roll call vote shall be taken. All measures voted on by resident members shall be advisory in nature unless it pertains to the election of officers.
[Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §§92-9, §356D-5)

§17-2032-43 Agenda. Staff shall prepare the agenda for the meetings of the resident advisory board, as directed by the chairperson. The agenda shall include items related to the authority's public housing agency plan and recommendations of the resident advisory board. The agenda should not include matters that are personal in nature, related to a specific tenant's housing status or not governed by the authority's public housing agency plan.
[Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5)

§17-2032-44 Notice. Staff shall provide notice of the meetings of the resident advisory board pursuant to the requirements of section 92-7, HRS.
[Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §92-7)

§17-2032-45 Minutes. The resident advisory board shall maintain written minutes in compliance with section 92-9, HRS. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §92-9)

§17-2032-46 Quorum and number of votes necessary for action. Fifty-one percent of the resident members of the resident advisory board shall constitute a

quorum. The affirmative vote of at least fifty-one percent of the resident members present shall determine any action. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5)

§17-2032-47 Disqualification of member of resident advisory board. No matter shall be heard by or voted on by a member of the resident advisory board who:

(1) Has any pecuniary interest in the matter to be decided; or
(2) Is related within the third degree by blood or marriage to any party to the proceeding. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5)

§17-2032-48 Video or teleconferencing. Video or teleconferencing facilities for meetings may be made available to board members. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §92-3.5)

§§17-2032-49 to 17-2032-50 (Reserved).

SUBCHAPTER 5

PROCEEDINGS BEFORE THE RESIDENT ADVISORY BOARD

§17-2032-51 General rule. All persons and parties shall comply with these rules when appearing before the resident advisory board. Robert's Rule of Order shall prevail in all proceedings. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §§91-9(d), 356D-5)

§17-2032-52 Public housing agency plan. The board shall advise and make recommendations on issues relating to the public housing agency plan. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5; C.F.R. 903.13)

§§17-2032-53 to 17-2032-60 (Reserved).

SUBCHAPTER 6

RECOMMENDATION OF NOMINEES TO SERVE AS A PUBLIC RESIDENT MEMBER OF THE AUTHORITY BOARD OF DIRECTORS

§17-2032-61 Nominees for public resident member for the authority's board of directors. (a) Nominees for the public resident member of the board of directors of the authority shall be a household member of a federal public housing project or tenant-based section 8 recipient who is eighteen years of age or older, whose name appears on the rental agreement, and is in compliance with the rental agreement.

(b) The resident advisory board shall select no less than three and no more than five nominees for the public resident member of the authority's board of directors at a public meeting.

(c) The authority shall send to all resident councils notice of the public meeting, at least twenty-one days prior to the meeting at which the selection will be made.

(d) Any person who is directly assisted by the authority under the federal public housing or section 8 tenant-based program, and who is at least eighteen years of age and is an authorized member of an assisted household, may submit a nominee for the public resident member of the board of directors of the authority to the Governor for consideration.

[Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-6)

§17-2032-62 Recommendation of the resident advisory board. The resident advisory board shall submit to the authority a list of no less than three and no more than five nominees. The governor may select and appoint one of the nominees as the public resident member from the list of no more than five nominees so submitted. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-6)

§§17-2032-63 to 17-2032-70 (Reserved).

SUBCHAPTER 7

RECORDS AND FEES

§17-2032-71 Retention of documents. All documents filed with the resident advisory board shall be retained by the authority in its files. The authority may permit the withdrawal of original documents upon submission of properly authenticated copies to replace the original documents. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5)

§17-2032-72 Access to resident advisory board records. (a) All government records of the resident advisory board shall be open for inspection in the principal office of the authority during established business hours, unless access to such records is restricted or closed by law.

(b) A request for access to or copies of government records shall be made in writing to the executive director and shall include a clear and concise description of the records sought. All such

requests must be signed by the requesting party or the party's authorized representative.

(c) The authority shall not be required to prepare a compilation or summary of its records in response to a request for records.

(d) Copies of the government records shall be available in accordance with (b) above, with payment of the reasonable costs of reproduction as set forth in section 92-21, HRS, and a fee for searching, reviewing, or segregating the records set forth in office of information practices, Hawaii administrative rules, chapter 5-43. Reasonable costs of reproduction shall include, but are not limited to, actual time for reproduction, material costs, including electricity cost, equipment and equipment rental costs, costs for certification and labor costs for monitoring the public inspection of the records to prevent theft, loss, defacement, or alteration of the records. [Eff:] (Auth: HRS §§92F-11, 356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §§92F-11, 92-21)

§17-2032-73 Limitation on access to resident advisory board records. Access to resident advisory board records are subject to the limitations set forth in section 92F-13, HRS. [Eff:] (Auth: HRS §§92F-11, 356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §92F-13)

§17-2032-74 Fees. The authority shall have the right to charge reasonable fees for processing any instrument or taking any action required under this chapter. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §356D-5)

§17-2032-75 Severability. If any rule of the resident advisory board is found in whole or in part by a court of competent jurisdiction to be invalid under law, such finding shall not affect the remaining

rules or any part therein. [Eff:] (Auth: HRS §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §1-23)

DEPARTMENT OF HUMAN SERVICES

The repeal of chapter 15-181 and the adoption of chapter 17-2032, Hawaii Administrative Rules on the Summary Page dated April 21, 2016 was adopted on ____ following public hearings held on Oahu, Maui, Hilo, and Kauai after public notice was given in the Honolulu Star Advertiser, the Hawaii Herald Tribune, West Hawaii Today, The Garden Isle, and The Maui News on _____(date)_____.

The repeal and adoption shall take effect ten days after filing with the Office of the Lieutenant Governor.

_____
PONO SHIM
Chairperson
Board of Directors
Hawaii Public Housing Authority

APPROVED AS TO FORM:

_____
Deputy Attorney General

APPROVED:

_____
DAVID Y. IGE
Governor, State of Hawaii

Dated:_____

Filed:_____

Attachment C

HAWAII ADMINISTRATIVE RULES

TITLE [15]17

DEPARTMENT OF [BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM] HUMAN SERVICES

SUBTITLE [14]5

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

CHAPTER [181] 2032

RESIDENT ADVISORY BOARD

Subchapter 1 General Provisions

§[15-181-1]17-2032-1 Purpose
§[15-181-2]17-2032-2 Definitions
§[15-181-3]17-2032-3 Scope of Responsibilities
§[15-181-4]17-2032-4 Applicability of rules
§[15-181-5]17-2032-5 Gender and number

Subchapter 2 Resident Advisory Board Membership

§[15-181-21]17-2032-21 Resident Board
§[15-181-22]17-2032-22 Terms of office
§[15-181-23]17-2032-23 Removal from office

Subchapter 3 Resident Advisory Board Officers

§[15-181-31]17-2032-31 Officers
§[15-181-32]17-2032-32 Election of Officers

Subchapter 4 Resident Advisory Board Meetings

§[15-181-41]17-2032-41 Meetings

§[15-181-42] Executive meetings]
§[15-181-43]17-2032-42 Manner of voting
§[15-181-44]17-2032-43 Agenda
§[15-181-45]17-2032-44 Notice
§[15-181-46]17-2032-45 Minutes
§[15-181-47]17-2032-46 Quorum and number of votes necessary for action
§[15-181-48]17-2032-47 Disqualification of member of resident advisory board
§[15-181-49]17-2032-48 Video or teleconferencing

Subchapter 5 Proceedings Before the Resident Advisory Board

§[15-181-50]17-2032-50 General rule
§[15-181-51]17-2032-51 Public Housing Agency Plan

Subchapter 6 Recommendation of Nominees to Serve as a Public Resident Member of the [corporation] Authority Board of Directors

§[15-181-61]17-2032-61 Nominees for public resident member for the [corporation's] authority's board of directors
§[15-181-62]17-2032-62 Recommendation of the resident advisory board

Subchapter 7 Records and Fees

§[15-181-71]17-2032-71 Retention of documents
§[15-181-72]17-2032-72 Access to resident advisory board records
§[15-181-73]17-2032-73 Limitation on access to resident advisory board records
§[15-181-74]17-2032-74 Fees
§[15-181-75]17-2032-75 Severability

Historical Note. Chapter 2032 of Title 17 Hawaii Administrative Rules, is substantially based upon Chapter 15-181, Hawaii Administrative Rules.
[Eff:]

SUBCHAPTER 1

GENERAL PROVISIONS

§[15-181-1]17-2032-1 Purpose. These rules govern the establishment, operation and responsibilities of the resident advisory board or boards to comply with the requirements of the federal Quality Housing and Work Responsibility Act of 1998; and set forth a process for nominations for the resident member [for] to the [corporation's] authority's board of directors.
[Eff: 7/13/2002; am and ren §17-2032-1,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4.5]) HRS §356D-5; 24 C.F.R. 903.13)

§[15-181-2]17-2032-2 Definitions. Whenever used in this chapter, unless otherwise specifically defined:

"Authority" means the Hawaii public housing authority as defined by section 356D-2, HRS.

"Board" means the board of directors of the [housing and community development corporation of Hawaii] Hawaii public housing authority as defined by section [201G-3,] 356D-2, HRS.

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

"Chairperson" means the duly selected chair of the resident advisory board.

["Corporation" means the housing and community development corporation of Hawaii as defined by section 201G-2, HRS.]

"Executive director" means the executive director of the [corporation] authority or the executive director's designated representative.

"Government" includes the State and the United States and any political subdivision, agency, or instrumentality, corporate or otherwise, of the United States.

"Government record" means information maintained by an agency in written, auditory, visual, electronic, or other physical form as defined in section 92F-3, HRS.

"Governor" means the duly elected governor of the State of Hawaii whose office was created by Article V of the Constitution of the State of Hawaii.

"HRS" means the Hawaii revised statutes.

"Legislature" means the legislature of the State of Hawaii, which was created pursuant to Article III of the Constitution of the State of Hawaii.

"Meetings" means the convening of the resident advisory board following due notice as prescribed under chapter 92, HRS.

"Party" means any person permitted or entitled as of right to participate in a proceeding before the resident advisory board.

"Person" means an individual, partnership, corporation, association through a representative, or public or private organization of any character other than the resident advisory board.

"Proceeding" refers to any matter brought before the resident advisory board for action following due consideration of the objectives, goals, policies, and all related matters of the resident advisory board.

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

"Public housing project" means a federal housing project directly controlled, owned, developed, or managed by the [corporation] authority pursuant to subpart A of part II of chapter [201G,] 356D, HRS.

"Public housing resident" means any household member of a public housing project, who is eighteen years of age or older, whose name appears on the

[lease] rental agreement, and is in compliance with the [lease] rental agreement.

"Rental agreement" means the agreement or contract containing the terms and conditions of occupancy of a dwelling unit entered into by the tenant and authority.

"Resident council" means an association of public housing residents in a federal project assisted by the [corporation,] authority, which has met the requirements of 24 C.F.R. Part 964.

"Resident advisory board" means the resident advisory board or boards established pursuant to section [201G-4.5,] 356D-5, HRS.

"Resident members" means the members of the resident advisory board as defined in section [201G-4.5,] 356D-5, HRS.

"Rules" means these rules.

"Staff" means the employed personnel or agents of the [corporation.] authority.

"Tenant-based Section 8 recipient" means any recipient of tenant-based housing assistance authorized by the United States Department of Housing and Urban Development and administered by the [corporation,] authority, who is eighteen years of age or older, whose name appears on the [lease] rental agreement, and who is in compliance with the [lease] rental agreement. [Eff: 7/13/2002; am and ren §17-2032-2,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4.5;] §356D-5; 24 C.F.R. §903.13)

§[15-181-3]17-2032-3 Scope of responsibilities. It is the responsibility of the resident advisory board to:

(1) [assist] Assist and make recommendations regarding the public housing agency plan; and

(2) [prepare] Prepare a list of nominees who are eligible to serve as the resident member to the board of the [corporation.] authority. [Eff: 7/13/2002; am and ren

§17-2032-3] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§§201G-4.5, 201G-4.6;] §§356D-5, 356D-6; 24 C.F.R. §903.13)

§[15-181-4]17-2032-4 Applicability of rules. The rules under this chapter shall apply to all practices and procedures of the resident advisory board. The resident advisory board shall refer to Robert's Rules of Order for guidance on procedural matters not addressed in the resident advisory board's rules or in law. [Eff: 7/13/2002; ren §17-2032-4,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13) (Imp: HRS §356D-5)

§[15-181-5]17-2032-5 Gender and number. In any rule of the resident advisory board, all words used in the masculine or singular shall extend to and include the feminine or plural. [Eff: 7/13/2002; ren §17-2032-5] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13) (Imp: HRS §1-17)

17-2032-6 through 17-2032-20 Reserved

SUBCHAPTER 2

RESIDENT ADVISORY BOARD MEMBERSHIP

§[15-181-21]17-2032-21 Resident advisory board. (a) The members of the resident advisory board shall represent federal public housing projects and Section 8 tenants and be at least eighteen years of age, are authorized members of an assisted household, and in compliance with the [lease] rental agreement. All members shall serve without pay, but shall be reimbursed for necessary expenses. All expenses shall be part of an approved budget. No expenditures shall

be made by the resident advisory board without prior written approval by the Executive Director.

(b) The board shall consist of [twenty] a minimum of nine members which shall comprise [of] the following:

(1) [two representatives] At least one representative of public housing projects from each of the counties of Hawaii, Kauai and Maui;

(2) [eleven] Six representatives of public housing projects geographically allocated from Oahu. The geographic breakdown consists of:

(A) [Two representatives] At least one representative from Windward (Waimanalo to Kahaluu);

(B) [Two representatives] At least one representative from Leeward (Pearl City, Waipahu, Waianae, Nanakuli, and Kapolei);

(C) [Two representatives] At least one representative from Central (Wahiawa to Waialua); and

(D) [Five representatives] At least one representative from Honolulu (Red Hill to Palolo); and

(E) [Three representatives] At least two representatives geographically allocated [with two representatives] from Oahu [and one from a neighbor island] who are recipients of Section 8 tenant-based assistance.

(c) The following process shall apply for the appointment of the public housing members to fill vacancies on the resident advisory board:

(1) The president of each resident council or in the event that the president cannot serve, a representative designated by the resident council, shall serve as a potential candidate as a representative to the resident advisory board.

(2) [The presidents or designated representatives from each geographic area shall vote from among themselves to select the geographic representatives. The persons getting the highest number of votes shall represent the geographic area.

(3) An alternative designee shall be that person who has the highest number of votes after the regular designee(s) has been selected. The alternative designee shall be available to assume role of the delegate:

(A) In the event that the delegate cannot fulfill their duties; and

(B) If the delegate cannot fulfill, their term of office, for whatever reason.] The authority shall appoint such resident councils or their representatives to serve on the resident advisory board. The authority may require that the resident councils choose a limited number of representatives.

(d) The following procedure shall apply for the appointment of the section 8 members to fill the [three] two vacancies on the resident advisory board:

(1) The [corporation] authority shall send notices to solicit volunteers for potential candidates to serve as a representative on the resident advisory board.

(2) The [corporation] authority shall screen the list of volunteers to ensure that they are at least eighteen years of age and an authorized member of an assisted household.

(3) The members of the resident advisory board shall elect from the pool of volunteers the representatives to the resident advisory board. The candidates getting the highest number of votes shall represent the geographic area. [Eff: 7/13/2002; am and ren §17-2032-21,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4.5] §356D-5; 24 C.F.R. §903.13)

§[15-181-22]17-2032-22 Terms of office. (a) The members of the resident advisory board shall serve terms that are concurrent with terms of the respective members of the recognized resident council.

(b) Each term shall be a maximum of three years.

(c) Members shall be limited to serve a total of two consecutive terms or a maximum of six consecutive years. [Eff: 7/13/2002; ren §17-2032-22] (Auth: HRS p§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4.5] §356D-5; 24 C.F.R. 903.13)

§[15-181-23]17-2032-23 Removal from office. A member of the resident advisory board may be removed from the board for the conviction of any crime or if the member is no longer a tenant of public housing or section 8 recipient.
[Eff: 7/13/2002; ren §17-2032-23,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4.5] §356D-5)

17-2032-23 through 17-2032-30 Reserved

SUBCHAPTER 3

RESIDENT ADVISORY BOARD OFFICERS

§[15-181-31]17-2032-31 Officers. The officers of the resident advisory board shall serve for a term of one year and [shall] may consist of the following positions and duties:

(1) Chairperson, who shall conduct all meetings;
(2) Vice-Chairperson, who shall assume any duties assigned by the Chairperson, and who shall assume the duties of the Chairperson in the absence of the Chairperson;

(3) Treasurer, who shall maintain any financial record of the resident advisory board and who assumes the duties of the Chairperson in the absence of either the Chairperson or Vice-Chairperson;

(4) Secretary, who shall maintain and record all resident advisory board proceedings; and

(5) Sergeant of Arms, who shall keep order of any meeting, including adherence to any parliamentary procedure or State procedural requirements. [Eff: 7/13/2002; am and ren §17-2032-31,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4.5] §356D-5; 24 C.F.R. 903.13)

§[15-181-32]17-2032-32 Election of officers. Officers shall be elected from among members of the resident advisory board and shall serve until the new officers of the advisory board are elected. The advisory board shall hold meetings yearly to select officers. [Eff: 7/13/2002; ren §17-2032-32,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4.5] §356D-5; 24 C.F.R. 903.13)

17-2032-33 through 17-2032-40 Reserved

SUBCHAPTER 4

RESIDENT ADVISORY BOARD MEETINGS

§[15-181-41]17-2032-41 Meetings. Meetings shall be held after the required notice is given as to the time and place of the meeting. [Eff: 7/13/2002; ren §17-2032-41,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §§92-7, [201G-4.5] §356D-5)

[§15-181-42 Executive meetings. The resident advisory board may hold an executive meeting upon the fulfillment of the requirements therefore and for the reasons prescribed by law.
[Eff: 7/13/2002] (Auth: HRS §201G-4) (Imp: HRS §§92-4, 92-5, 201G-4.5)]

§[15-181-43]17-2032-42 Manner of voting. The voting on all questions coming before the resident advisory board shall be by motion, duly seconded, and shall be entered upon the minutes of such meeting. When requested by the chairperson or any member, a roll call vote shall be taken. All measures voted on by resident members shall be advisory in nature unless it pertains to the election of officers.
[Eff: 7/13/2002; ren §17-2032-42,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §§92-9, [201G-4.5] §356D-5)

§[15-181-44]17-2032-43 Agenda. Staff shall prepare the agenda for the meetings of the resident advisory board, as directed by the chairperson. The agenda shall include items related to the authority's public housing agency plan and recommendations of the resident advisory board. The agenda should not include matters that are personal in nature, related to a specific tenant's housing status or not governed by the authority's public housing agency plan.
[Eff: 7/13/2002; ren §17-2032-43,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [201G-4] §356D-5)

§[15-181-45]17-2032-44 Notice. Staff shall provide notice of the meetings of the resident advisory board pursuant to the requirements of section 92-7, HRS. [Eff: 7/13/2002; ren §17-2032-44,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §92-7)

§[15-181-46]17-2032-45 Minutes. The resident advisory board shall maintain written minutes in compliance with section 92-9, HRS. [Eff: 7/13/2002; ren §17-2032-45,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §92-9)

§[15-181-47]17-2032-46 Quorum and number of votes necessary for action. Fifty-one percent of the resident members of the resident advisory board shall constitute a quorum. The affirmative vote of at least fifty-one percent of the resident members present shall determine any action. [Eff: 7/13/2002; ren §17-2032-46,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [201G-4.5] §356D-5)

§[15-181-48]17-2032-47 Disqualification of member of resident advisory board. No matter shall be heard by or voted on by a member of the resident advisory board who:

(1) Has any pecuniary interest in the matter to be decided; or

(2) Is related within the third degree by blood or marriage to any party to the proceeding.

[Eff: 7/13/2002; ren §17-2032-47,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4] §356D-5)

§[15-181-49]17-2032-48 Video or teleconferencing. Video or teleconferencing facilities for meetings may be made available to board members. [Eff: 7/13/2002; ren §17-2032-48,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §92-3.5)

17-2032-49 through 17-2032-50 Reserved

SUBCHAPTER 5

PROCEEDINGS BEFORE THE RESIDENT ADVISORY BOARD

§[15-181-51]17-2032-51 General rule. All persons and parties shall comply with these rules when appearing before the resident advisory board. Robert's Rule of Order shall prevail in all proceedings. [Eff: 7/13/2002; ren §17-2032-51,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §§91-9(d), [§201G-4.5; C.F.R. 903.13] 356D-5)

§[15-181-52]17-2032-52 Public housing agency plan. The board shall advise and make recommendations on issues relating to the public housing agency plan. [Eff: 7/13/2002; ren §17-2032-52,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4.5;] §356D-5; C.F.R. 903.13)

17-2032-52 through 17-2032-60 Reserved

SUBCHAPTER 6

RECOMMENDATION OF NOMINEES TO SERVE AS A PUBLIC RESIDENT MEMBER OF THE [corporation] AUTHORITY BOARD OF DIRECTORS

§[15-181-61]17-2032-61 Nominees for public resident member for the [corporation's] authority's board of directors. (a) Nominees for the public resident member of the board of directors of the [corporation] authority shall be a household member of

a federal public housing project or tenant-based section 8 recipient who is eighteen years of age or older, whose name appears on the [lease] rental agreement, and is in compliance with the [lease] rental agreement.

(b) The resident advisory board shall select no less than three and no more than five nominees for the public resident member of the [corporation's] authority's board of directors at a public meeting.

(c) The [corporation] authority shall send to all resident councils notice of the public meeting, at least twenty-one days prior to the meeting at which the selection will be made.

(d) Any person who is directly assisted by the authority under the federal public housing or section 8 tenant-based program, and who is at least eighteen years of age and is an authorized member of an assisted household, may submit a nominee for the public resident member of the board of directors of the authority to the Governor for consideration.

[Eff: 7/13/2002; am and ren §17-2032-61,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4.6] §356D-6)

§[15-181-62]17-2032-62 Recommendation of the resident advisory board. The resident advisory board shall submit to the [corporation] authority a list of no less than three and no more than five nominees. The governor [shall] may select and appoint one of the nominees as the public resident member from the list of no more than five nominees so submitted.

[Eff: 7/13/2002; am and ren §17-2032-62,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4.6] §356D-6)

17-2032-63 through 17-2032-70 Reserved

SUBCHAPTER 7

RECORDS AND FEES

§[15-181-71]17-2032-71 Retention of documents. All documents filed with the resident advisory board shall be retained by the [corporation] authority in its files. The [corporation] authority may permit the withdrawal of original documents upon submission of properly authenticated copies to replace the original documents.
[Eff: 7/13/2002; am and ren §17-2032-71,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4] §356D-5)

§[15-181-72]17-2032-72 Access to resident advisory board records. (a) All government records of the resident advisory board shall be open for inspection in the principal office of the [corporation] authority during established business hours, unless access to such records is restricted or closed by law.

(b) A request for access to or copies of government records shall be made in writing to the executive director and shall include a clear and concise description of the records sought. All such requests must be signed by the requesting party or the party's authorized representative.

(c) The [corporation] authority shall not be required to prepare a compilation or summary of its records in response to a request for records.

(d) Copies of the government records shall be available in accordance with (b) above, with payment of the reasonable costs of reproduction as set forth in section 92-21, HRS, and a fee for searching, reviewing, or segregating the records set forth in office of information practices, Hawaii administrative rules, chapter 5-43. Reasonable costs of reproduction shall include, but are not limited to, actual time for reproduction, material costs, including electricity cost, equipment and equipment [lease] rental costs,

costs for certification and labor costs for monitoring the public inspection of the records to prevent theft, loss, defacement, or alteration of the records. [Eff: 7/13/2002; am and ren §17-2032-72,] (Auth: HRS §§92F-11, 356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §§92F-11, 92-21)

§[15-181-73]17-2032-73 Limitation on access to resident advisory board records. Access to resident advisory board records are subject to the limitations set forth in section 92F-13, HRS. [Eff: 7/13/2002; ren §17-2032-73,] (Auth: HRS §§92F-11, 356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §92F-13)

§[15-181-74]17-2032-74 Fees. The [corporation] authority shall have the right to charge reasonable fees for processing any instrument or taking any action required under this chapter. [Eff: 7/13/2002; am and ren §17-2032-74,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS [§201G-4] §356D-5)

§[15-181-75]17-2032-75 Severability. If any rule of the resident advisory board is found in whole or in part by a court of competent jurisdiction to be invalid under law, such finding shall not affect the remaining rules or any part therein. [Eff: 7/13/2002; ren §17-2032-75,] (Auth: HRS [§201G-4] §§356D-4, 356D-5, 356D-13; 24 C.F.R. 903.13) (Imp: HRS §1-23)

Approved by the Executive Director
May 19, 2016

FOR ACTION

MOTION: To *(1)* Repeal Chapter 195 of Title 15, Hawai'i Administrative Rules ("HAR"), entitled "Section 8 Homeownership Option Program"; *(2)* Adopt Proposed New Chapter 2036 of Title 17, HAR, entitled "Section 8 Homeownership Option Program" which is substantially based on Chapter 15-195, HAR, and includes the proposed amendments to Chapter 15-195, HAR, previously adopted by the Hawaii Public Housing Authority's (HPHA) Board of Directors on January 21, 2016, and sets forth the rules and requirements for HPHA's Section 8 Homeownership Program which is a federally funded homeownership program which utilizes Section 8 voucher payments to cover mortgage payments; and *(3)* Authorize the Executive Director to Conduct Public Hearings and Undertake All Other Actions Necessary under Chapter 91, Hawai'i Revised Statutes, and Administrative Directive No. 09-01 to Implement the Repeal and Adoption of New Rules, including Making Non-Substantive Revisions to Formatting as May be Required

I. FACTS

A. The Hawaii Public Housing Authority (HPHA) Section 8 Homeownership Option Program is governed by a variety of Federal, State, and HPHA statutes and rules, such as the Code of Federal Regulations and Chapter 356D, Hawaii Revised Statutes (HRS).

B. Act 196, Session Laws of Hawaii (SLH) 2005, as amended by Act 180, SLH 2006, separated the housing financing and development functions from the Housing and Community Development Corporation of Hawaii (HCDCH) resulting in the creation of the Hawaii Housing Finance and Development Corporation (HHFDC), and the Hawaii Public Housing Authority. Act 196 became effective on July 1, 2006. Act 196 provided that all HCDCH administrative rules would remain in effect until amended.

C. Sections 356D-4 and 356D-13, HRS (Attachment A), authorize the HPHA to adopt administrative rules with the force and effect of law to govern the Section 8 Homeownership Option Program.

D. The HPHA has consistently managed the Section 8 Homeownership Option Program in accordance with Chapter 15-195 "Section 8 Homeownership Option Program", Hawaii Administrative Rules (HAR).

II. DISCUSSION

A. On January 21, 2016, the HPHA Board of Directors adopted substantive changes to Chapter 15-195, "Section 8 Homeownership Option Program," HAR, to place the administrative rules chapter governing the Section 8 Homeownership Option Program under Title 17, to correctly reflect that the HPHA is administratively attached to the Department of Human Services, by renumbering Chapter 15-195, HAR, to Chapter 17-2036, HAR, and add new definitions and sections, and amend and repeal various sections to better govern the Resident Advisory Board;

B. Upon further review, the Department of the Attorney General recommended the repeal of Chapter 15-195, HAR, and adoption of new proposed Chapter 17-2036, HAR, to be adopted as a new chapter under Title 17, due to the extensive amendments to Chapter 15-195, HAR, previously adopted by the HPHA Board on January 21, 2016, which includes but is not limited to:

1. Changing title numbers from Title 15, HAR, to Title 17, HAR; changing subtitle numbers from Subtitle 14, HAR, to Subtitle 5, HAR; and changing chapter numbers from Chapter 195, HAR, to Chapter 2036, HAR;
2. Changing the state department to which HPHA is administratively attached, from Department of Business, Economic Development and Tourism, to Department of Human Services;
3. Adding definitions to section 17-2036-3: Adding "gender identity" and "sexual orientation" as protected classes, consistent with the U.S. Fair Housing Act.
4. Section 17-2036-22, HAR [Eligibility for admission; initial requirements – threaten behavior towards staff]: Adding to qualification requirements that applicant(s) shall not engage in or threaten abusive or violent behavior toward the Authority's staff, consistent with HAR federal public housing qualifications.
5. Section 17-2036-24, HAR [Minimum income requirements – disabled, elderly, welfare assistance]: Clarifying minimum income requirements for disabled and elderly participants, and the regard for welfare assistance income, consistent with the CFR.
6. Section 17-2036-31, HAR [Closing and reopening the waiting list - notices]: Removes minority newspapers and adds posting on the Authority's website for publishing notices, for more effective notice.
7. Section 17-2036-42, HAR [Dwelling unit inspection – independent inspector]: Clarifies that independent inspectors shall be qualified to report on property conditions, including major building systems and components, consistent with the CFR.
8. Section 17-2036-44 [Financing requirements] Removes Authority's ability to disapprove terms of the mortgage loan to eliminate

potential liability of the Authority between the applicant and the lender.

9. Other substantive revisions;

to comply with the procedures set forth in Chapter 91, HRS, Hawai'i Administrative Rules Drafting Manual, and for the purposes of clarity.

C. This motion is to reflect the Board's intent to repeal Chapter 15-195, HAR, and adopt new proposed Chapter 17-2036, HAR, with the same substantive changes that were adopted by the HPHA Board of Directors at the regular board meeting on January 21, 2016;

D. The proposed draft rules in the form attached as Attachment B, repealing Chapter 15-195, HAR, and adopting proposed new Chapter 17-2036, HAR, have been reviewed and approved by the Department of the Attorney General.

E. Attachment C shows the differences between proposed new Chapter 17-2036, HAR, and Chapter 15-195, HAR, to be repealed, upon which new Chapter 17-2036, HAR, is substantially based, and which were approved in substance by the HPHA Board of Directors on January 21, 2016.

F. Once approved by the HPHA Board of Directors, the agency must request permission to take the proposed Rule to public hearing from the Governor. The HPHA staff must give thirty days notice to the public and hold hearings on the Islands of Kauai, Oahu, Maui, and Hawaii.

G. Following approval from the Governor to hold public hearings on the proposed amendments, the Executive Director will hold public hearings on the Islands of Kauai, Oahu, Maui, and Hawaii at a date and locations to be determined.

H. Based on testimony received during the public viewing and comment period, the Executive Director will make any non-substantive amendments to the draft amendments to and compilation of the Rule prior to or following the public hearing.

I. After the public hearings, the Executive Director will transmit proposed repeal of Chapter 15-195, HAR, and adoption of Chapter 17-2036, HAR, to the Governor for final approval provided that no substantive amendments are made. Staff anticipates the following updated approximate schedule of the process:

Action	Timeframe
Board For Action (adopt amendments)	May 19, 2016

Request to Governor for public hearing	May 20, 2016
Receive Governor authorization	June 23, 2016
Publish hearing notice (30 day notice)	June 30, 2016
Public Hearing	August 1, 2016
Finalize Rule/Transmit to Governor for Adoption	August 15, 2016
Rule effective	October 1, 2016

III. RECOMMENDATION

That The Board *(1)* Repeal Chapter 195 of Title 15, Hawai'i Administrative Rules ("HAR"), entitled "Section 8 Homeownership Option Program"; *(2)* Adopt Proposed New Chapter 2036 of Title 17, HAR, entitled "Section 8 Homeownership Option Program" which is substantially based on Chapter 15-195, HAR, and includes the proposed amendments to Chapter 15-195, HAR, previously adopted by the Hawaii Public Housing Authority's (HPHA) Board of Directors on January 21, 2016, and sets forth the rules and requirements for HPHA's Section 8 Homeownership Program which is a federally funded homeownership program which utilizes Section 8 voucher payments to cover mortgage payments; and *(3)* Authorize the Executive Director to Conduct Public Hearings and Undertake All Other Actions Necessary under Chapter 91, Hawai'i Revised Statutes, and Administrative Directive No. 09-01 to Implement the Repeal and Adoption of New Rules, including Making Non-Substantive Revisions to Formatting as May be Required

Attachment A:	Sections 356D-4, Hawaii Revised Statutes
Attachment B:	Draft Rules repealing Chapter 15-195, Hawaii Administrative Rules, and adopting new Chapter 17-2036, Hawaii Administrative Rules
Attachment C:	Ramseyer format draft showing changes to Chapter 15-195, Hawaii Administrative Rules, for illustration purposes

Prepared by: Kiriko Oishi, Chief Compliance Officer _____

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

_____
Pono Shim
Chairperson

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

(1) Sue and be sued;
(2) Have a seal and alter the same at pleasure;
(3) Make and execute contracts and other instruments necessary or convenient to the exercise of its powers;
(4) Adopt bylaws and rules in accordance with chapter 91 for its organization, internal management, and to carry into effect its purposes, powers, and programs;
(5) Sell, lease, rent, hold, maintain, use, and operate any property, real, personal, or mixed, tangible or intangible, in support of its purposes, powers, and programs; provided that the sale of real property shall be subject to legislative approval;
(6) Receive by gift, grant, devise, bequest, or otherwise from any source, any property, real, personal, or mixed, intangible or tangible, absolutely or in trust, to be used and disposed of, either the principal or the income thereof, for the benefit only of the residents assisted by its programs; provided that no gift to the authority that has an estimated value of $1,000 or more shall be accepted unless approved or confirmed by the board; and
(7) Engage the services of volunteers as deemed appropriate by the authority without regard to chapter 76, 89, 90, 103, or 103D.

(b) In addition to other powers conferred upon it, the authority may do all things necessary and convenient to carry out the powers expressly provided in this chapter. [L 2006, c 180, pt of §2; am L 2013, c 148, §1]

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

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

(c) All fees collected for administering the program may be deposited into an appropriate special fund of the authority and may be used to cover the administrative expenses of the authority. [L 2006, c 180, pt of §2

Attachment B

DEPARTMENT OF HUMAN SERVICES

Repeal of Chapter 15-195 and
Adoption of Chapter 17-2036
Hawaii Administrative Rules

April 21, 2016

1. Chapter 195 of Title 15, Hawaii Administrative Rules, entitled "Section 8 Homeownership Option Program" is repealed.

2. Chapter 2036 of Title 17, Hawaii Administrative Rules, entitled "Section 8 Homeownership Option Program" is adopted.

HAWAII ADMINISTRATIVE RULES

TITLE 15

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM

SUBTITLE 14

HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII

CHAPTER 195

SECTION 8 HOMEOWNERSHIP OPTION PROGRAM

Repealed

§§15-195-1 to 15-195-72 Repealed. [ ]

HAWAII ADMINISTRATIVE RULES

TITLE 17

DEPARTMENT OF HUMAN SERVICES

SUBTITLE 5

HAWAII PUBLIC HOUSING AUTHORITY

CHAPTER 2036

SECTION 8 HOMEOWNERSHIP OPTION PROGRAM

SUBCHAPTER 1 General Provisions

§17-2036-1 Purpose
§17-2036-2 Definitions
§17-2036-3 Nondiscrimination
§17-2036-4 Verification of information
§§17-2036-5 to 17-2036-20 (Reserved)

SUBCHAPTER 2 Eligibility

§17-2036-21 Applications
§17-2036-22 Eligibility for admission; initial requirements
§17-2036-23 First-time homeowner requirements
§17-2036-24 Minimum income requirements
§17-2036-25 Employment requirements
§17-2036-26 Dwelling unit requirements
§17-2036-27 Notification of eligibility
§17-2036-28 Preferences
§17-2036-29 Waiting list
§17-2036-30 Removal from the waiting list
§17-2036-31 Closing and reopening the waiting list
§17-2036-32 Final application process - selection and certification
§17-2036-33 Reexaminations
§17-2036-34 Interim homeownership assistance

adjustment
§17-2036-35 Continued assistance; family obligations
§§17-2036-36 to 17-2036-40 (Reserved)

SUBCHAPTER 3 Home Purchase

§17-2036-41 Contract of sale; requirements
§17-2036-42 Dwelling unit inspection
§17-2036-43 Lender requirements
§17-2036-44 Financing requirements
§§17-2036-45 to 17-2036-50 (Reserved)

SUBCHAPTER 4 Homeownership Assistance Payments

§17-2036-51 Maximum term of homeownership assistance
§17-2036-52 Housing assistance payments
§17-2036-53 Recapture of homeownership assistance
§§17-2036-54 to 17-2036-60 (Reserved)

SUBCHAPTER 5 Operations

§17-2036-61 Portability
§17-2036-64 Moves with continued assistance
§17-2036-66 Termination of participation
§§17-2036-64 to 17-2036-70 (Reserved)

SUBCHAPTER 6 Miscellaneous Provisions

§17-2036-71 Severability
§17-2036-72 Number

Historical Note. Chapter 2036 of Title 17 Hawaii Administrative Rules, is substantially based upon Chapter 15-195, Hawaii Administrative Rules. [Eff:]

SUBCHAPTER 1

GENERAL PROVISIONS

§17-2036-1 Purpose. These rules govern the requirements for participation by eligible families in the section 8 homeownership option program administered by the authority. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.54)

§17-2036-2 Definitions. As used in this chapter:

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

"Authority" means the Hawaii public housing authority.

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

"Cooperative" or "housing cooperative" means housing owned by a corporation or association, and where a member of the corporation or association has the right to reside in a particular unit, and to participate in management of the housing.

"Cooperative member" means a family of which one or more members owns membership shares in a cooperative.

"Disabled family" means a family whose head, spouse, or sole member is a person with a disability; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

"Economic self-sufficiency program" means any program designed to encourage, assist, train, or

facilitate the economic independence of HUD-assisted families or to provide work for such families.

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

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

"Executive director" means the executive director of the authority or the executive director's designated representative.

"Family" means regardless of actual or perceived sexual orientation, gender identity, or marital status, a person or group of persons, as determined by the authority approved to reside in a unit with assistance under the Program. A family is comprised of:

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

"Family self sufficiency program" or "FSS program" means the program established by the authority in accordance with 24 C.F.R. Part 984 to

promote self-sufficiency of assisted families, including the coordination of supportive services.

"First-time homeowner" means a family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of homeownership assistance for the family. The term "first-time homeowner" includes a single parent or displaced homemaker who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.

"Gender identity or expression" includes a person's actual or perceived gender, as well as a person's gender identity, gender-related self-image, gender-related appearance, or gender-related expression, regardless of whether that gender identity, gender-related self-image, gender-related appearance, or gender-related expression is different from that traditionally associated with the person's sex at birth.

"HRS" means Hawaii Revised Statutes.

"Home" means a dwelling unit for which the authority pays homeownership assistance.

"Homeowner" means a family of which one or more members hold title to the home.

"Homeownership assistance" means monthly homeownership assistance payments by the authority. Homeownership assistance payments may be paid to the family, or to a mortgage lender on behalf of the family.

"Homeownership expenses" means a family's allowable monthly expenses for the home, as determined by the authority.

"Homeownership option" means assistance for a homeowner or cooperative member.

"Housing quality standards" means the HUD minimum quality standards for housing assisted under the tenant-based programs.

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

"Interest in the home" means:

(1) In the case of assistance for a homeowner, "interest in the home" includes title to the

home, any lease or other right to occupy the home, or any other present interest in the home.

(2) In the case of assistance for a cooperative member, "interest in the home" includes ownership of membership shares in the cooperative, any lease or other right to occupy the home, or any other present interest in the home.

"Independent inspector" means a professional home inspector who is independent of the seller and the authority.

"Lender" or "mortgage lender" means a mortgage lender as defined in part I, chapter 356D, HRS.

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

(1) Is determined to be essential to the care and well-being of the persons;

(2) Is not obligated for the support of the persons; and

(3) Would not be living in the unit except to provide the necessary support services.

"Membership shares" means shares in a cooperative. By owning such cooperative shares, the share-owner has the right to reside in a particular unit in the cooperative, and the right to participate in management of the housing.

"Payment standard" means the maximum monthly assistance payment for a family assisted in the section 8 housing choice voucher program before deducting the total tenant payment by the family.

"PHA section 8 administrative plan" means the administrative plan for implementation of the section 8 housing choice voucher program pursuant to 24 C.F.R. Part 982.

"Participant" means a person or family that is receiving homeownership assistance in the Program.

"Portability" means the right to receive section 8 tenant-based assistance outside of the jurisdiction of the initial public housing agency.

"Present ownership interest" means holding title, in whole or in part, to a residence, or ownership, in whole or in part, of membership shares in a cooperative. "Present ownership interest" in a residence does not include the right to purchase title to the residence under a lease-purchase agreement.

"Program" or "homeownership program" means the section 8 homeownership option program.

"Section 8 housing choice voucher program" means the tenant-based section 8 rental voucher program.

"Total tenant payment" means the total amount the HUD rent formula requires the tenant to pay toward rent and utilities. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. Parts 5 and 982)

§17-2036-3 Nondiscrimination. (a) The authority shall not deny any family or individual the opportunity to apply for or receive assistance under this chapter on the basis of race, color, sex, religion, marital status, creed, national or ethnic origin, age, familial status, gender identity, sexual orientation, handicap or disability or HIV infection.

(b) The authority shall comply with state and federal nondiscrimination laws and with rules and regulations governing fair housing and equal opportunity in the administration of the Program. The authority shall provide a family with the United States Department of Housing and Urban Development discrimination complaint form and information on how to file a fair housing complaint if the family claims that discrimination prevented them from finding or leasing a suitable unit under the Program. [Eff:] (Auth: HRS §§356D-4, 356D-13)(Imp: HRS §356D-7; 24 C.F.R. §§982.53, 982.304)

§17-2036-4 Verification of information. (a) The authority shall require an applicant or participant to

provide documentation to verify information required to be provided by the family relating to the Program.

(b) An applicant or participant who fails to provide documentation to verify information requested by staff shall be ineligible for participation in the Program. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. S§982.551, 982.552, 982.553, 982.626)

§§17-2036-5 to 17-2036-20 (Reserved).

SUBCHAPTER 2

ELIGIBILITY

§17-2036-21 Applications. (a) A family seeking to participate in the Program shall submit a completed application form. The applicant form shall be provided by the authority. The applicant is permitted to file an application by mailing to or by submitting in person to any of the authority's applications offices.

(b) The initial application review shall not require an interview. Only applicants who are determined eligible in the initial review shall be placed on the waiting list. A final eligibility review may be conducted when the applicant reaches the top of the waiting list.

(c) An applicant who has misrepresented material information may not be eligible to apply to and participate in the Program. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §§982.551, 982.552)

§17-2036-22 Eligibility for admission; initial requirements. (a) To be eligible for admission in the Program, an applicant shall meet the following qualification requirements:

(1) Has been admitted to the section 8 housing choice voucher program;
(2) Is in compliance with the terms of the lease and the section 8 housing choice voucher program;
(3) Satisfies the first-time homeowner requirements set forth in section 17-2036-23;
(4) Satisfies the minimum income requirements set forth in section 17-2036-24;
(5) Satisfies the employment requirements set forth in section 17-2036-25;
(6) Has pre-qualified for a loan;
(7) Has not defaulted on a mortgage securing debt to purchase a home under the Program;
(8) Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, has no present ownership interest in a residence at the commencement of homeownership assistance for the purchase of a home;
(9) Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, has entered a contract of sale in accordance with section 17-2036-41;
(10) Satisfies any other initial requirements as determined by the authority and set forth in the PHA section 8 administrative plan; and
(11) Not engage in or threaten abusive or violent behavior toward the authority's staff. For purposes of this subsection, "threaten" means an oral or written threat or physical gestures that communicate intent to abuse or commit violence. Abusive or violent behavior may be verbal or physical and include racial epithets, or other language, written or oral, that is customarily used to insult or intimidate.

(b) The applicant shall also satisfactorily complete a pre-assistance homeownership counseling

program approved by the authority. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §§356D-4, 356D-13; 24 C.F.R. §§982.626, 982.627, 982.628, 982.629)

§17-2036-23 First-time homeowner requirements. At commencement of homeownership assistance, the participant shall be:

(1) A first-time homeowner;
(2) A cooperative member; or
(3) A family of which a family member is a person with disabilities and use of the homeownership option is needed as a reasonable accommodation so that the Program is readily accessible to and usable by such person. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.627)

§17-2036-24 Minimum income requirements. (a) At commencement of homeownership assistance, the participant shall demonstrate that the annual income, as determined by the authority, of the adult family members who will own the home at commencement of homeownership assistance is not less than:

(1) In the case of a disabled family, the monthly federal supplemental security income (SSI) benefit for an individual living alone or paying his or her share of food and housing costs multiplied by twelve; or
(2) In the case of other families, the federal minimum hourly wage multiplied by 2,000 hours.

(b) Except for an elderly family or a disabled family, the authority shall not count any welfare assistance received by the family in determining annual income. In the case of an elderly or disabled family, the authority shall include welfare assistance for the adult family members who will own the home in

determining if the family meets the minimum income requirement.

(c) The disregard of welfare assistance income under subsection (b) only affects the determination of minimum annual income used to determine if a family initially qualifies for commencement of homeownership assistance in accordance with this section, but does not affect:

(1) The determination of income-eligibility for admission to the voucher program;

(2) Calculation of the amount of the family's total tenant payment; or

(3) Calculation of the amount of homeownership assistance payments on behalf of the family. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.627)

§17-2036-25 Employment requirements. (a) Except as provided in subsection (b), the applicant shall demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance meets the following employment requirements:

(1) Is currently employed on a full-time basis, with an average of not less than thirty hours per week; and

(2) Has been continuously so employed during the year before commencement of homeownership assistance for the family.

(b) The following shall be exempt from the employment requirements:

(1) An elderly family;

(2) A disabled family; or

(3) A family that includes a person with disabilities and the authority has determined that an exemption is needed as a reasonable accommodation so that the Program is readily accessible to and usable by persons with disabilities. [Eff:] (Auth: HRS §§356D-4,

356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.627)

§17-2036-26 Dwelling unit requirements. (a) The dwelling unit shall satisfy the following dwelling unit requirements:

(1) The unit is eligible;

(2) The unit was either under construction or already existing at the time the authority determined that the family was eligible for homeownership assistance to purchase the unit;

(3) The unit is either a single family dwelling unit or single dwelling unit in a cooperative or condominium;

(4) The unit was inspected by the authority and by an independent inspector designated and paid for by the family; and

(5) The unit satisfies the housing quality standards.

(b) The authority shall not commence homeownership assistance for occupancy of a home if the authority has been informed (by HUD or otherwise) that the seller of the home is debarred, suspended, or subject to a limited denial of participation under 24 C.F.R. Part 24. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §§982.352, 982.628)

§17-2036-27 Notification of eligibility. (a) An applicant shall be mailed a written notification after an eligibility determination is made. The notification shall specifically state the reasons for the determination.

(b) An eligible applicant shall be issued a certification of section 8 homeownership eligibility.

(c) In the event the authority has issued all of the section 8 homeownership eligibility certifications, eligible applicants shall be placed on the waiting list.

(d) An applicant determined to be ineligible for admission or participation in the Program shall be afforded an opportunity to request an informal review as set forth in chapter 17-2036, Hawaii Administrative Rules. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.638)

§17-2036-28 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:

(1) Completed or enrolled in and in full compliance with the authority's family self-sufficiency program; or

(2) Enrolled and in full compliance with the authority's welfare to work program or other self-suffiency program approved by the authority.

(b) Preference categories are of equal weight, and an applicant who qualifies for any of the preferences shall receive assistance before any other applicant who does not qualify regardless of:

(1) Place on the waiting list; or

(2) Date and time of submission of an application. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.626)

§17-2036-29 Waiting list. (a) The authority shall maintain a statewide waiting list of applicants who are eligible to obtain a certification of section 8 homeownership eligibility.

(b) All recipients of section 8 housing choice voucher assistance administered by the authority shall be notified of the opportunity to apply for assistance under the Program.

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

(1) Applicable preference; and

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

(d) An applicant must notify the authority, at least annually, of any change that may affect the applicant's place on the waiting list and the authority's ability to contact the applicant. Changes include, but are not limited to, familial status, financial status, preference status, mailing address and current residence. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.629)

§17-2036-30 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 authority of applicant's continued interest for housing assistance at least once every twelve months;

(3) The applicant no longer meets the eligibility criteria set forth in section 17-2036-22;

(4) The applicant fails to respond to the authority'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 certification of section 8 homeownership eligibility; or

(7) The applicant misrepresents any material information to the authority on the application or otherwise. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §§982.626, 982.629, 982.633)

§17-2036-31 Closing and reopening the waiting list. (a) The authority may suspend the acceptance of applications and close the waiting list when the authority determines that there are enough applicants on the waiting list to fill anticipated openings over a reasonable time period.

(b) The authority may publicly announce any closure and reopening of the taking of applications pursuant to section 15-195-21. If the list is opened for only a limited time, the opening announcement shall include the closing date and not require further notice. The announcement may include, but is not limited to, publishing notices in a newspaper of general circulation, notifying social service organizations, or posting on the authority's website.

(c) During periods when the waiting list is closed, the authority is not required to maintain a list of persons to be notified when application taking is reopened. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §§982.626, 982.629)

§17-2036-32 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 sign a statement of homeownership obligations, the terms of which are set forth in section 17-2036-35, and shall be issued a certification of section 8 eligibility.

(c) An applicant that has been issued a certification shall be responsible for finding a dwelling unit that meets the requirements of section 17-2036-26 prior to the expiration of the certification.

(d) A certification shall expire at the end of ninety days from issuance unless within that time, the family submits a contract of sale, in which case the

ninety day time limit shall be suspended while the authority reviews the contract of sale.

(e) An applicant may request a ninety day extension of time to submit a contract of sale before the certification expires. The request for extension shall be in writing and received by the authority on or postmarked no later than the last day of the certification term. The extension request shall include an explanation for the request and a report on efforts made to locate a suitable unit.

(f) An applicant may request an extension beyond one hundred eighty days provided there are verifiable circumstances beyond the applicant's control that hinders the applicant from locating a suitable unit. The request for extension shall be in writing and be received by the authority or postmarked no later than the last day of the certification term. The extension request shall include an explanation for the request and a progress report on efforts made to locate a suitable unit.

(1) An extension may be granted at the authority's sole discretion.

(2) If an extension is requested and denied, the applicant may be placed on the bottom of the waiting list. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. § 982.629)

§17-2036-33 Reexaminations. (a) At least once every twelve months, the authority may reexamine a family's income, composition and any other matter necessary to determine the participant's housing payment standard and eligibility for continued housing assistance.

(b) If at the time of admission or reexamination, a family's income cannot be reasonably anticipated for the next twelve-month period, the authority may schedule a special reexamination at any time prior to the next annual reexamination.

(c) The participant shall be notified in writing by the authority of the results of any reexamination

within a reasonable time. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R §§5.617, 982.629, 982.635)

§17-2036-34 Interim homeownership assistance adjustment. (a) The authority may adjust a participant's homeownership assistance payment between reexaminations if a participant reports a change in income and requests an adjustment.

(b) Adjustments reflecting a higher homeownership assistance payment shall be made effective on the first day of the month following the month the report was made. A participant who has obtained an increase in the homeownership assistance payment under this section, shall report all income increases which occur prior to the next reexamination and the homeownership assistance payment shall be readjusted accordingly.

(c) An adjustment in the homeownership assistance payment shall be made between reexaminations when a participant's income increases as a result of the inclusion of additional persons with income to the family, and such adjustment shall be made effective on the first day of the second month following the inclusion.

(d) The participant and lender shall be notified in writing by the authority of the results of any reexamination within a reasonable time. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.635)

§17-2036-35 Continued assistance; family obligations. (a) To be eligible for homeownership assistance, the participant shall occupy the home.

(b) The participant shall comply with the following family obligations:

(1) Attend and complete ongoing homeownership and housing counseling;

(2) Comply with the terms of any mortgage securing debt incurred to purchase or refinance the home;
(3) Not convey or transfer the home;
(4) Supply any required information that the authority or HUD determines is necessary in the administration of the Program, including information on the following:
  (i) Any mortgage or other debt incurred to purchase the home, and any refinancing of such debt and information on any satisfaction or payment of the mortgage debt;
  (ii) Any sale or other transfer of any interest in the home; or
  (iii) The family's homeownership expenses;
(5) Notify the authority before the participant moves out of the home;
(6) Notify the authority if the participant defaults on a mortgage securing any debt incurred to purchase the home;
(7) During the time the participant receives homeownership assistance, no family member may have any ownership interest in any other residential property;
(8) Not commit drug-related criminal activity or violent criminal activity pursuant to chapter 17-2036, Hawaii Administrative Rules; and
(9) Comply with additional requirements that the authority may establish including:
  (i) Attending post-purchase homeownership counseling; or
  (ii) Having periodic inspections of the dwelling unit.

(c) Prior to commencement of homeownership assistance, the participant shall execute a statement of family obligations in the form prescribed by HUD. In the statement, the family shall agree to comply with all family obligations as cited in paragraph (b) of this section. [Eff:] (Auth: HRS

§§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §§982.551, 982.553, 982.633)

§§17-2036-36 to 17-2036-40 (Reserved).

SUBCHAPTER 3

PURCHASE OF DWELLING UNIT

§17-2036-41 Contract of sale; requirements.

(a) Upon finding a dwelling unit that the applicant is willing to purchase, the applicant shall provide a copy of the contract of sale to the authority.

(b) The contract of sale shall contain the following information:

(1) Specify the price and other terms of sale by the seller to the applicant;

(2) Provide that the applicant shall arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the applicant;

(3) Provide that the applicant is not obligated to purchase the unit;

(4) Provide that the applicant is not obligated to pay for any necessary repairs; and

(5) Certify that the seller has not been debarred, suspended, or subject to a limited denial of participation under 24 C.F.R. Part 24. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.631)

§17-2036-42 Dwelling unit inspection.

(a) Dwelling units approved for sale in the Program shall meet housing quality standards.

(b) Prior to commencing homeownership assistance, the authority shall inspect the dwelling

unit within a reasonable time after receipt of the applicant's contract of sale.

(c) In addition to the inspection conducted by the authority, the applicant shall select and pay for an independent inspection conducted by an independent inspector qualified to report on property conditions, including major building systems and components. The independent inspection shall cover major building systems and components, including:

(i) Foundation and structure;

(ii) Housing interior and exterior; and

(iii) Roofing, plumbing, electrical, heating and cooling systems.

(d) The independent inspector shall provide a copy of the inspection report to the authority and the applicant. The authority may disapprove the unit for homeownership assistance based on the information in the inspection report. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.631)

§17-2036-43 Lender requirements. (a) The authority shall maintain a list of approved mortgage lenders from which a family may obtain financing to purchase a home.

(b) Lenders shall obtain the authority's approval of the terms of the loan.

(c) Lenders shall notify the authority when a participant becomes delinquent by more than thirty days. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §§982.625, 982.632)

§17-2036-44 Financing requirements. (a) The family may obtain financing to purchase the dwelling unit from any lender on the authority's approved list of mortgage lenders.

(b) The authority shall review the terms of the mortgage loan. The corporation may disapprove proposed financing, refinancing or other debt if the

corporation determines that the debt is unaffordable, or] to determine if the loan terms do not meet the authority's qualifications.

(c) The authority may disapprove certain loan types including adjustable rate mortgage loans and balloon payment mortgage loans. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.632)

§§17-2036-45 to 17-2036-50 (Reserved).

SUBCHAPTER 4

HOMEOWNERSHIP ASSISTANCE PAYMENTS

§17-2036-51 Maximum term of homeownership assistance. (a) Except in the case of a family that qualifies as an elderly or disabled family, the maximum term of homeownership assistance is as follows:

(1) Fifteen years, if the initial mortgage incurred to finance the purchase of the home has a term of twenty years or longer; or

(2) Ten years, in all other cases.

(b) A family shall qualify as an elderly family at the start of the homeownership assistance.

(c) A family may qualify as a disabled family at any time during receipt of homeownership assistance.

(d) If, during the course of homeownership assistance, the family ceases to qualify as an elderly or disabled family, the maximum term of homeownership assistance is fifteen years plus six months. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.634)

§17-2036-52 Homeownership assistance payments.

(a) The authority shall make homeownership assistance payments into a dedicated, limited access

account established by the lender or mortgage servicer.

(b) The homeownership assistance payment shall be the lower of:

(i) The payment standard minus the total tenant payment; or

(ii) The participant's monthly homeownership expenses minus the total tenant payment.

(c) The payment standard shall be the lower of:

(i) The payment standard for the family unit size; or

(ii) The payment standard for the size of the home.

(d) Homeownership expenses shall include the following:

(i) Principal and interest on the initial mortgage debt and any mortgage insurance premium incurred to finance the purchase of the home and any refinancing of such debt;

(ii) Real estate taxes and public assessments on the home;

(iii) Homeowner's insurance;

(iv) Hurricane insurance;

(v) An allowance for maintenance expenses;

(vi) An allowance for the costs of major repairs and replacements;

(vii) A utility allowance; and

(viii) Principal and interest on mortgage debt incurred to finance major repairs, replacements, or improvements for the home. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.635)

§17-2036-53 <u>Recapture of homeownership assistance.</u> (a) The authority shall recapture a percentage of the homeownership assistance provided to the participant upon the participant's sale or refinancing of the home.

(b) The recapture amount upon sale of the home shall be the lesser of:

(1) The amount of homeownership assistance provided to the participant; or

(2) The difference between the sales price and the purchase price minus the following:

(i) The costs of any capital expenditures;

(ii) The costs incurred by the participant in the sale of the home, including closing costs and sales commissions;

(iii) The amount of the difference between the sales price and purchase price that is being used, upon sale, towards the purchase of a new home under the section 8 homeownership option; and

(iv) Any amounts that have been previously recaptured.

(c) The recapture amount for refinancing shall be the lesser of:

(1) The amount of homeownership assistance provided to the participant; or

(2) The difference between the current mortgage debt and the new mortgage debt minus the following:

(i) The costs of any capital expenditures;

(ii) The costs incurred by the participant in the refinancing of the home, such as closing costs; and

(iii) Any amounts that have been previously recaptured as a result of refinancing.

(d) The amount of homeownership assistance subject to recapture shall automatically be reduced over a ten-year period, beginning one year from the purchase date, in annual increments of ten percent. At the end of the ten year period, the amount of homeownership assistance to recapture is zero.

[Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §982.640)

§§17-2036-54 to 17-2036-60 (Reserved).

SUBCHAPTER 5

OPERATIONS

§17-2036-61 Portability. (a) The authority may require applicants who were nonresidents at the time of application to live in its jurisdiction during the first twelve-month period.

(b) The authority shall not absorb a family under portability assistance into its Program unless funds are available and there is no applicant with a preference on the applicable waiting list.

[Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §§982.353, 982.355, 982.636)

§17-2036-62 Moves with continued tenant-based assistance. (a) A participant may move to a new unit with continued tenant-based assistance.

(b) The authority shall deny permission to move to a new unit with continued tenant-based assistance if:

(1) The authority does not have sufficient funds to provide continued assistance;

(2) The participant has defaulted on an FHA-insured mortgage;

(3) The participant fails to demonstrate that the participant has conveyed title to the home to HUD or a HUD designee and the participant has moved from the home within the period established or approved by HUD; or

(4) The participant has moved or has been issued a voucher within the last twelve months. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §§982.314, 982.552, 982.637)

§17-2036-63 Termination of participation. (a) The authority shall terminate a family's participation in the Program when:

(1) The family fails to comply with the continued assistance requirements set forth in section 17-2036-35 or

(2) The family is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage securing debt to purchase the property or any refinancing of such debt. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13; 24 C.F.R. §§982.551, 982.633, 982.638)

§§17-2036-64 to 17-2036-70 (Reserved).

SUBCHAPTER 6

MISCELLANEOUS PROVISIONS

§§17-2036-71 Severability. If any part, section, sentence, clause, of phrase of this chapter, of its application to any person or transaction of other circumstances is for any reason held to be unconstitutional or invalid, the remaining parts, sections, sentences, clauses, and phrases of this chapter, or the application of this chapter to other persons or transactions or circumstances shall not be affected. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §356D-13)

§17-2036-72 Number. The use of all words used in the singular shall extend to and include the plural. [Eff:] (Auth: HRS §§356D-4, 356D-13) (Imp: HRS §1-17)

DEPARTMENT OF HUMAN SERVICES

The repeal of chapter 15-195 and the adoption of chapter 17-2036, Hawaii Administrative Rules on the Summary Page dated April 21, 2016 was adopted on ____ following public hearings held on Oahu, Maui, Hilo and, Kauai after public notice was given in the Honolulu Star Advertiser, the Hawaii Herald Tribune, West Hawaii Today, The Garden Isle, and The Maui News on __(date)_____.

The repeal and adoption shall take effect ten days after filing with the Office of the Lieutenant Governor.

_____
PONO SHIM
Chairperson
Board of Directors
Hawaii Public Housing Authority

APPROVED AS TO FORM:

_____
Deputy Attorney General

APPROVED:

_____
DAVID Y. IGE
Governor, State of Hawaii

Dated:_____

Filed:_____

Attachment C

HAWAII ADMINISTRATIVE RULES

TITLE [15]17

DEPARTMENT OF [BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM] HUMAN SERVICES

SUBTITLE [14]5

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

CHAPTER [195]2036

SECTION 8 HOMEOWNERSHIP OPTION PROGRAM

SUBCHAPTER 1 General Provisions

§[15-195-1]17-2036-1 Purpose
§[15-195-2]17-2036-2 Definitions
§[15-195-3]17-2036-3 Nondiscrimination
§[15-195-4]17-2036-4 Verification of information
§§17-2036-5 to 17-2036-20 (Reserved)

SUBCHAPTER 2 Eligibility

§[15-195-21]17-2036-21 Applications
§[15-195-22]17-2036-22 Eligibility for admission; initial requirements
§[15-195-23]17-2036-23 First-time homeowner requirements
§[15-195-24]17-2036-24 Minimum income requirements
§[15-195-25]17-2036-25 Employment requirements
§[15-195-26]17-2036-26 Dwelling unit requirements
§[15-195-27]17-2036-27 Notification of eligibility
§[15-195-28]17-2036-28 Preferences
§[15-195-29]17-2036-29 Waiting list
§[15-195-30]17-2036-30 Removal from the waiting list
§[15-195-31]17-2036-31 Closing and reopening the waiting list

§[15-195-32]17-2036-32 Final application process - selection and certification
§[15-195-33]17-2036-33 Reexaminations
§[15-195-34]17-2036-34 Interim homeownership assistance adjustment
§[15-195-35]17-2036-35 Continued assistance; family obligations
§§17-2036-36 to 17-2036-40 (Reserved)

SUBCHAPTER 3 Home Purchase

§[15-195-41]17-2036-41 Contract of sale; requirements
§[15-195-42]17-2036-42 Dwelling unit inspection
§[15-195-43]17-2036-43 Lender requirements
§[15-195-44]17-2036-44 Financing requirements
§§17-2036-45 to 17-2036-50 (Reserved)

SUBCHAPTER 4 Homeownership Assistance Payments

§[15-195-51]17-2036-51 Maximum term of homeownership assistance
§[15-195-52]17-2036-52 Housing assistance payments
§[15-195-53]17-2036-53 Recapture of homeownership assistance
§§17-2036-54 to 17-2036-60 (Reserved)

SUBCHAPTER 5 Operations

§[15-195-61]17-2036-61 Portability
§[15-195-64]17-2036-64 Moves with continued assistance
§[15-195-66]17-2036-66 Termination of participation
§§17-2036-64 to 17-2036-70 (Reserved)

SUBCHAPTER 6 Miscellaneous Provisions

§[15-195-71]17-2036-71 Severability

§[15-195-72]17-2036-72 Number

Historical Note. Chapter 2036 of Title 17 Hawaii Administrative Rules, is substantially based upon Chapter 15-195, Hawaii Administrative Rules. [Eff:]

SUBCHAPTER 1

GENERAL PROVISIONS

§[15-195-1]17-2036-1 Purpose. These rules govern the requirements for participation by eligible families in the section 8 homeownership option program administered by the [housing and community development corporation of Hawaii.] authority. [Eff: 5/13/2002; am and ren §17-2036-1] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.54)

§[15-195-2]17-2036-2 Definitions. As used in this chapter:

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

"Authority" means the Hawaii public housing authority.

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

"Cooperative" or "housing cooperative" means housing owned by a corporation or association, and where a member of the corporation or association has the right to reside in a particular unit, and to participate in management of the housing.

"Cooperative member" means a family of which one or more members owns membership shares in a cooperative.

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

"Disabled family" means a family whose head, spouse, or sole member is a person with a disability; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

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

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

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

"Executive director" means the executive director of the [corporation] authority or the executive director's designated representative.

"Family" means regardless of actual or perceived sexual orientation, gender identity, or marital status, a person or group of persons, as determined by the [corporation,] authority approved to reside in a unit with assistance under the Program. A family is comprised of:

(1) Two or more persons who live or intend to live together as a unit and whose income and resources are available to meet the family's needs and who may be related by blood, marriage, or operation of law and whose head of family has reached the age of majority. Family may include foster children and hanai children;
(2) An elderly family;
(3) A disabled family;
(4) A displaced family;
(5) The remaining member of a tenant family who is recorded as an authorized occupant on the

current list of household members and who has reached the age of majority; or

(6) A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

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

"First-time homeowner" means a family of which no member owned any present ownership interest in a residence of any family member during the three years before commencement of homeownership assistance for the family. The term "first-time homeowner" includes a single parent or displaced homemaker who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse.

"Gender identity or expression" includes a person's actual or perceived gender, as well as a person's gender identity, gender-related self-image, gender-related appearance, or gender-related expression, regardless of whether that gender identity, gender-related self-image, gender-related appearance, or gender-related expression is different from that traditionally associated with the person's sex at birth.

"HRS" means Hawaii Revised Statutes.

"Home" means a dwelling unit for which the [corporation] authority pays homeownership assistance.

"Homeowner" means a family of which one or more members hold title to the home.

"Homeownership assistance" means monthly homeownership assistance payments by the [corporation.] authority. Homeownership assistance payments may be paid to the family, or to a mortgage lender on behalf of the family.

"Homeownership expenses" means a family's allowable monthly expenses for the home, as determined by the [corporation.] authority.

"Homeownership option" means assistance for a homeowner or cooperative member.

"Housing quality standards" means the HUD minimum quality standards for housing assisted under the tenant-based programs.

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

"Interest in the home" means:

(1) In the case of assistance for a homeowner, "interest in the home" includes title to the home, any lease or other right to occupy the home, or any other present interest in the home.

(2) In the case of assistance for a cooperative member, "interest in the home" includes ownership of membership shares in the cooperative, any lease or other right to occupy the home, or any other present interest in the home.

"Independent inspector" means a professional home inspector who is independent of the seller and the [corporation.] authority.

"Lender" or "mortgage lender" means a mortgage lender as defined in part I, chapter [201G,] 356D, HRS.

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

(1) Is determined to be essential to the care and well-being of the persons;

(2) Is not obligated for the support of the persons; and

(3) Would not be living in the unit except to provide the necessary support services.

"Membership shares" means shares in a cooperative. By owning such cooperative shares, the share-owner has the right to reside in a particular unit in the cooperative, and the right to participate in management of the housing.

"Payment standard" means the maximum monthly assistance payment for a family assisted in the

section 8 housing choice voucher program before deducting the total tenant payment by the family.

"PHA section 8 administrative plan" means the administrative plan for implementation of the section 8 housing choice voucher program pursuant to 24 C.F.R. Part 982.

"Participant" means a person or family that is receiving homeownership assistance in the Program.

"Portability" means the right to receive section 8 tenant-based assistance outside of the jurisdiction of the initial public housing agency.

"Present ownership interest" means holding title, in whole or in part, to a residence, or ownership, in whole or in part, of membership shares in a cooperative. "Present ownership interest" in a residence does not include the right to purchase title to the residence under a lease-purchase agreement.

"Program" or "homeownership program" means the section 8 homeownership option program.

"Section 8 housing choice voucher program" means the tenant-based section 8 rental voucher program.

"Total tenant payment" means the total amount the HUD rent formula requires the tenant to pay toward rent and utilities. [Eff: 5/13/2002; am and ren §17-2036-2] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. Parts 5 and 982)

§[15-195-3]17-2036-3 Nondiscrimination. (a) The [corporation] authority shall not deny any family or individual the opportunity to apply for or receive assistance under this chapter on the basis of race, color, sex, religion, marital status, creed, national or ethnic origin, age, familial status, gender identity, sexual orientation, handicap or disability or HIV infection.

(b) The [corporation] authority shall comply with state and federal nondiscrimination laws and with rules and regulations governing fair housing and equal opportunity in the administration of the Program.

The [corporation] authority shall provide a family with the United States Department of Housing and Urban Development discrimination complaint form and information on how to file a fair housing complaint if the family claims that discrimination prevented them from finding or leasing a suitable unit under the Program. [Eff: 5/13/2002; am and ren §17-2036-3] (Auth: HRS [§201G-15] §§356D-4, 356D-13)(Imp: HRS [§201G-15;] §356D-7; 24 C.F.R. §§982.53, 982.304)

§[15-195-4]17-2036-4 Verification of information. (a) The [corporation] authority shall require an applicant or participant to provide documentation to verify information required to be provided by the family relating to the Program.

(b) An applicant or participant who fails to provide documentation to verify information requested by staff shall be ineligible for participation in the Program. [Eff: 5/13/2002; am and ren §17-2036-4] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. S§982.551[;], 982.552[;], 982.553, 982.626)

§§17-2036-5 to 17-2036-20 (Reserved).

SUBCHAPTER 2

ELIGIBILITY

§[15-195-21] 17-2036-21 Applications. (a) A family seeking to participate in the Program shall submit a completed application form. The applicant form shall be provided by the [corporation.] authority. The applicant is permitted to file an application by mailing to or by submitting in person to any of the [corporation's] authority's applications offices.

(b) The initial application review shall not require an interview. Only applicants who are determined eligible in the initial review shall be placed on the waiting list. A final eligibility review may be conducted when the applicant reaches the top of the waiting list.

(c) An applicant who has misrepresented material information may not be eligible to apply to and participate in the Program. [Eff: 5/13/2002; am and ren §17-2036-21] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §§982.551, 982.552)

§[15-195-22]17-2036-22 Eligibility for admission; initial requirements. (a) To be eligible for admission in the Program, an applicant shall meet the following qualification requirements:

(1) Has been admitted to the section 8 housing choice voucher program;

(2) Is in compliance with the terms of the lease and the section 8 housing choice voucher program;

(3) Satisfies the first-time homeowner requirements set forth in section [15-195-23;] 17-2036-23;

(4) Satisfies the minimum income requirements set forth in section [15-195-24;] 17-2036-24;

(5) Satisfies the employment requirements set forth in section [15-195-25;] 17-2036-25;

(6) Has pre-qualified for a loan;

(7) Has not defaulted on a mortgage securing debt to purchase a home under the Program;

(8) Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, has no present ownership interest in a residence at the commencement of homeownership assistance for the purchase of a home;

(9) Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, has entered a contract of sale in accordance with section [15-195-41;] 17-2036-41; [and]

(10) Satisfies any other initial requirements as determined by the [corporation] authority and set forth in the PHA section 8 administrative plan[.]; and

(11) Not engage in or threaten abusive or violent behavior toward the authority's staff. For purposes of this subsection, "threaten" means an oral or written threat or physical gestures that communicate intent to abuse or commit violence. Abusive or violent behavior may be verbal or physical and include racial epithets, or other language, written or oral, that is customarily used to insult or intimidate.

(b) The applicant shall also satisfactorily complete a pre-assistance homeownership counseling program approved by the [corporation.] authority. [Eff: 5/13/2002; am and ren §17-2036-22] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §§356D-4, 356D-13; 24 C.F.R. §§982.626, 982.627, 982.628, 982.629)

§[15-195-23]17-2036-23 First-time homeowner requirements. At commencement of homeownership assistance, the participant shall be:

(1) A first-time homeowner;

(2) A cooperative member; or

(3) A family of which a family member is a person with disabilities and use of the homeownership option is needed as a reasonable accommodation so that the Program is readily accessible to and usable by such person. [Eff: 5/13/2002; ren §17-2036-23] (Auth: HRS [§201G-15]

§§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.627)

§[15-195-24]17-2036-24 Minimum income requirements. (a) At commencement of homeownership assistance, the participant shall demonstrate that the annual income, as determined by the [corporation,] authority, of the adult family members who will own the home at commencement of homeownership assistance is not less than:

(1) In the case of a disabled family, the monthly federal supplemental security income (SSI) benefit for an individual living alone or paying his or her share of food and housing costs multiplied by twelve; or

(2) In the case of other families, the federal minimum hourly wage multiplied by 2,000 hours.

(b) Except for an elderly family or a disabled family, the [corporation] authority shall not count any welfare assistance received by the family in determining annual income. In the case of an elderly or disabled family, the authority shall include welfare assistance for the adult family members who will own the home in determining if the family meets the minimum income requirement.

(c) The disregard of welfare assistance income under subsection (b) only affects the determination of minimum annual income used to determine if a family initially qualifies for commencement of homeownership assistance in accordance with this section, but does not affect:

(1) The determination of income-eligibility for admission to the voucher program;

(2) Calculation of the amount of the family's total tenant payment; or

(3) Calculation of the amount of homeownership assistance payments on behalf of the family.

[Eff: 5/13/2002; am and ren §17-2036-24] (Auth: HRS [§201G-15]

§§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.627)

§[15-195-25]17-2036-25 Employment requirements. (a) Except as provided in subsection (b), the applicant shall demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance meets the following employment requirements:

(1) Is currently employed on a full-time basis, with an average of not less than thirty hours per week; and

(2) Has been continuously so employed during the year before commencement of homeownership assistance for the family.

(b) The following shall be exempt from the employment requirements:

(1) An elderly family;

(2) A disabled family; or

(3) A family that includes a person with disabilities and the [corporation] authority has determined that an exemption is needed as a reasonable accommodation so that the Program is readily accessible to and usable by persons with disabilities. [Eff: 5/13/2002; am and ren §17-2036-25] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.627)

§[15-195-26]17-2036-26 Dwelling unit requirements. (a) The dwelling unit shall satisfy the following dwelling unit requirements:

(1) The unit is eligible;

(2) The unit was either under construction or already existing at the time the [corporation] authority determined that the family was eligible for homeownership assistance to purchase the unit;

(3) The unit is either a single family dwelling unit or single dwelling unit in a cooperative or condominium;

(4) The unit was inspected by the [corporation] authority and by an independent inspector designated and paid for by the family; and

(5) The unit satisfies the housing quality standards.

(b) The [corporation] authority shall not commence homeownership assistance for occupancy of a home if the [corporation] authority has been informed (by HUD or otherwise) that the seller of the home is debarred, suspended, or subject to a limited denial of participation under 24 C.F.R. Part 24. [Eff: 5/13/2002; am and ren §17-2036-26] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §§982.352, 982.628)

§[15-195-27]17-2036-27 Notification of eligibility. (a) An applicant shall be mailed a written notification after an eligibility determination is made. The notification shall specifically state the reasons for the determination.

(b) An eligible applicant shall be issued a certification of section 8 homeownership eligibility.

(c) In the event the [corporation] authority has issued all of the section 8 homeownership eligibility certifications, eligible applicants shall be placed on the waiting list.

(d) An applicant determined to be ineligible for admission or participation in the Program shall be afforded an opportunity to request [for] an informal review as set forth in chapter [15-185,] 17-2036, Hawaii Administrative Rules. [Eff: 5/13/2002; am and ren §17-2036-27] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.638)

§[15-195-28]17-2036-28 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:

(1) Completed or enrolled in and in full compliance with the [corporation's] authority's family self-sufficiency program; or

(2) Enrolled and in full compliance with the [corporation's] authority's welfare to work program or other self-suffiency program approved by the [corporation.] authority.

(b) Preference categories are of equal weight, and an applicant who qualifies for any of the preferences shall receive assistance before any other applicant who does not qualify regardless of:

(1) Place on the waiting list; or

(2) Date and time of submission of an application. [Eff: 5/13/2002; am and ren §17-2036-26] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.626)

[§15-195-29]§17-2036-29 Waiting list. (a) The [corporation] authority shall maintain a statewide waiting list of applicants who are eligible to obtain a certification of section 8 homeownership eligibility.

(b) All recipients of section 8 housing choice voucher assistance administered by the [corporation] authority shall be notified of the opportunity to apply for assistance under the Program.

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

(1) Applicable preference; and

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

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

familial status, financial status, preference status, mailing address and current residence. [Eff: 5/13/2002; am and ren §17-2036-30] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.629)

§[15-195-30]17-2036-30 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] authority of applicant's continued interest for housing assistance at least once every twelve months;

(3) The applicant no longer meets the eligibility criteria set forth in section [15-195-22;] 17-2036-22;

(4) The applicant fails to respond to the [corporation's] authority'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 certification of section 8 homeownership eligibility; or

(7) The applicant misrepresents any material information to the [corporation] authority on the application or otherwise. [Eff: 5/13/2002; am and ren §17-2036-30] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §§982.626, 982.629, 982.633)

§[15-195-31]17-2036-31 Closing and reopening the waiting list. (a) The [corporation] authority may

suspend the acceptance of applications and close the waiting list when the [corporation] authority determines that there are enough applicants on the waiting list to fill anticipated openings over a reasonable time period.

(b) The [corporation] authority may publicly announce any closure and reopening of the taking of applications pursuant to section 15-195-21. If the list is opened for only a limited time, the opening announcement shall include the closing date and not require further notice. The announcement may include, but is not limited to, publishing notices in a newspaper of general circulation, [and minority newspapers or] notifying social service organizations[.], or posting on the authority's website.

(c) During periods when the waiting list is closed, the [corporation] authority is not required to maintain a list of persons to be notified when application taking is reopened. [Eff: 5/13/2002; am and ren §17-2036-31] (Auth: HRS [§201G-15;] §§356D-4, 356D-13) (Imp: HRS [§201G-15] §356D-13; 24 C.F.R. §§982.626, 982.629)

§[15-195-32]17-2036-32 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 sign a statement of homeownership obligations, the terms of which are set forth in section [15-195-35,] 17-2036-35, and shall be issued a certification of section 8 eligibility.

(c) An applicant that has been issued a certification shall be responsible for finding a dwelling unit that meets the requirements of section [15-195-26] 17-2036-26 prior to the expiration of the certification.

(d) A certification shall expire at the end of ninety days from issuance unless within that time, the

family submits a contract of sale, in which case the ninety day time limit shall be suspended while the [corporation] authority reviews the contract of sale.

(e) An applicant may request a ninety day extension of time to submit a contract of sale before the certification expires. The request for extension shall be in writing and received by the [corporation] authority on or postmarked no later than the last day of the certification term. The extension request shall include an explanation for the request and a report on efforts made to locate a suitable unit.

(f) An applicant may request an extension beyond one hundred eighty days provided there are verifiable circumstances beyond the applicant's control that hinders the applicant from locating a suitable unit. The request for extension shall be in writing and be received by the [corporation] authority or postmarked no later than the last day of the certification term. The extension request shall include an explanation for the request and a progress report on efforts made to locate a suitable unit.

(1) An extension may be granted at the [corporation's] authority's sole discretion.

(2) If an extension is requested and denied, the applicant may be placed on the bottom of the waiting list. [Eff: 5/13/2002; am and ren §17-2036-32] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. § 982.629)

§[15-195-33]17-2036-33 Reexaminations. (a) At least once every twelve months, the [corporation] authority may reexamine a family's income, composition and any other matter necessary to determine the participant's housing payment standard and eligibility for continued housing assistance.

(b) If at the time of admission or reexamination, a family's income cannot be reasonably anticipated for the next twelve-month period, the [corporation] authority may schedule a special

reexamination at any time prior to the next annual reexamination.

(c) The participant shall be notified in writing by the [corporation] authority of the results of any reexamination within a reasonable time. [Eff: 5/13/2002; am and ren §17-2036-33] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R §§5.617, 982.629, 982.635)

§[15-195-34]17-2036-34 Interim homeownership assistance adjustment. (a) The [corporation] authority may adjust a participant's homeownership assistance payment between reexaminations if a participant reports a change in income and requests an adjustment.

(b) Adjustments reflecting a higher homeownership assistance payment shall be made effective on the first day of the month following the month the report was made. A participant who has obtained an increase in the homeownership assistance payment under this section, shall report all income increases which occur prior to the next reexamination and the homeownership assistance payment shall be readjusted accordingly.

(c) An adjustment in the homeownership assistance payment shall be made between reexaminations when a participant's income increases as a result of the inclusion of additional persons with income to the family, and such adjustment shall be made effective on the first day of the second month following the inclusion.

(d) The participant and lender shall be notified in writing by the [corporation] authority of the results of any reexamination within a reasonable time. [Eff: 5/13/2002; am and ren §17-2036-34] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.635)

§[15-195-35]17-2036-35 Continued assistance; family obligations. (a) To be eligible for homeownership assistance, the participant shall occupy the home.

(b) The participant shall comply with the following family obligations:

(1) Attend and complete ongoing homeownership and housing counseling;

(2) Comply with the terms of any mortgage securing debt incurred to purchase or refinance the home;

(3) Not convey or transfer the home;

(4) Supply any required information that the [corporation] authority or HUD determines is necessary in the administration of the Program, including information on the following:

(i) Any mortgage or other debt incurred to purchase the home, and any refinancing of such debt and information on any satisfaction or payment of the mortgage debt;

(ii) Any sale or other transfer of any interest in the home; or

(iii) The family's homeownership expenses;

(5) Notify the [corporation] authority before the participant moves out of the home;

(6) Notify the [corporation] authority if the participant defaults on a mortgage securing any debt incurred to purchase the home;

(7) During the time the participant receives homeownership assistance, no family member may have any ownership interest in any other residential property;

(8) Not commit drug-related criminal activity or violent criminal activity pursuant to chapter [15-185,] 17-2036, Hawaii Administrative Rules; and

(9) Comply with additional requirements that the [corporation] authority may establish including:

(i) Attending post-purchase homeownership counseling; or

(ii) Having periodic inspections of the dwelling unit.

(c) Prior to commencement of homeownership assistance, the participant shall execute a statement of family obligations in the form prescribed by HUD. In the statement, the family shall agree to comply with all family obligations as cited in paragraph (b) of this section. [Eff: 5/13/2002; am and ren §17-2036-35] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §§982.551, 982.553, 982.633)

§§17-2036-36 to 17-2036-40 (Reserved).

SUBCHAPTER 3

PURCHASE OF DWELLING UNIT

§[15-195-41]17-2036-41 Contract of sale; requirements.

(a) Upon finding a dwelling unit that the applicant is willing to purchase, the applicant shall provide a copy of the contract of sale to the [corporation.] authority.

(b) The contract of sale shall contain the following information:

(1) Specify the price and other terms of sale by the seller to the applicant;

(2) Provide that the applicant shall arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the applicant;

(3) Provide that the applicant is not obligated to purchase the unit;

(4) Provide that the applicant is not obligated to pay for any necessary repairs; and

(5) Certify that the seller has not been debarred, suspended, or subject to a limited denial of participation under 24 C.F.R. Part 24. [Eff: 5/13/2002; am and ren §17-2036-41] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.631)

§[15-195-42]17-2036-42 Dwelling unit inspection.

(a) Dwelling units approved for sale in the Program shall meet housing quality standards.

(b) Prior to commencing homeownership assistance, the [corporation] authority shall inspect the dwelling unit within a reasonable time after receipt of the applicant's contract of sale.

(c) In addition to the inspection conducted by the [corporation,] authority, the applicant shall select and pay for an independent inspection conducted by an independent inspector qualified to report on property conditions, including major building systems and components. The independent inspection shall cover major building systems and components, including:

(i) Foundation and structure;

(ii) Housing interior and exterior; and

(iii) Roofing, plumbing, electrical, heating and cooling systems.

(d) The independent inspector shall provide a copy of the inspection report to the [corporation] authority and the applicant. The [corporation] authority may disapprove the unit for homeownership assistance based on the information in the inspection report. [Eff: 5/13/2002; am and ren §17-2036-42] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.631)

§[15-195-43]17-2036-43 Lender requirements. (a) The [corporation] authority shall maintain a list of

approved mortgage lenders from which a family may obtain financing to purchase a home.

(b) Lenders shall obtain the [corporation's] authority's approval of the terms of the loan.

(c) Lenders shall notify the [corporation] authority when a participant becomes delinquent by more than thirty days. [Eff: 5/13/2002; am and ren §17-2036-43] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §§982.625, 982.632)

§[15-195-44]17-2036-44 Financing requirements. (a) The family may obtain financing to purchase the dwelling unit from any lender on the [corporation's] authority's approved list of mortgage lenders.

(b) The [corporation] authority shall review the terms of the mortgage loan[. The corporation may disapprove proposed financing, refinancing or other debt if the corporation determines that the debt is unaffordable, or] to determine if the loan terms do not meet the [corporation's] authority's qualifications. [In making such determination, the corporation may take into account other family expenses including child care, unreimbursed medical expenses, homeownership expenses, and other family expenses.]

(c) The [corporation] authority may disapprove certain loan types including adjustable rate mortgage loans and balloon payment mortgage loans. [Eff: 5/13/2002; am and ren §17-2036-44] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.632)

§§17-2036-45 to 17-2036-50 (Reserved).

SUBCHAPTER 4

HOMEOWNERSHIP ASSISTANCE PAYMENTS

§[15-195-51]17-2036-51 Maximum term of homeownership assistance. (a) Except in the case of a family that qualifies as an elderly or disabled family, the maximum term of homeownership assistance is as follows:

(1) Fifteen years, if the initial mortgage incurred to finance the purchase of the home has a term of twenty years or longer; or

(2) Ten years, in all other cases.

(b) A family shall qualify as an elderly family at the start of the homeownership assistance.

(c) A family may qualify as a disabled family at any time during receipt of homeownership assistance.

(d) If, during the course of homeownership assistance, the family ceases to qualify as an elderly or disabled family, the maximum term of homeownership assistance is fifteen years plus six months. [Eff: 5/13/2002; ren §17-2036-51] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.634)

§[15-195-52]17-2036-52 Homeownership assistance payments.

(a) The [corporation] authority shall make homeownership assistance payments into a dedicated, limited access account established by the lender or mortgage servicer.

(b) The homeownership assistance payment shall be the lower of:

(i) The payment standard minus the total tenant payment; or

(ii) The participant's monthly homeownership expenses minus the total tenant payment.

(c) The payment standard shall be the lower of:

(i) The payment standard for the family unit size; or

(ii) The payment standard for the size of the home.

(d) Homeownership expenses shall include the following:

(i) Principal and interest on the initial mortgage debt and any mortgage insurance premium incurred to finance the purchase of the home and any refinancing of such debt;

(ii) Real estate taxes and public assessments on the home;

(iii) Homeowner's insurance;

(iv) Hurricane insurance;

(v) An allowance for maintenance expenses;

(vi) An allowance for the costs of major repairs and replacements;

(vii) A utility allowance; and

(viii) Principal and interest on mortgage debt incurred to finance major repairs, replacements, or improvements for the home. [Eff: 5/13/2002; am and ren §17-2036-52] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.635)

§[15-195-53]17-2036-53 Recapture of homeownership assistance. (a) The [corporation] authority shall recapture a percentage of the homeownership assistance provided to the participant upon the participant's sale or refinancing of the home.

(b) The recapture amount upon sale of the home shall be the lesser of:

(1) The amount of homeownership assistance provided to the participant; or

(2) The difference between the sales price and the purchase price minus the following:

(i) The costs of any capital expenditures;

(ii) The costs incurred by the participant in the sale of the home, including closing costs and sales commissions;

(iii) The amount of the difference between the sales price and purchase price that is being used, upon sale, towards the purchase of a new home under the section 8 homeownership option; and

(iv) Any amounts that have been previously recaptured.

(c) The recapture amount for refinancing shall be the lesser of:

(1) The amount of homeownership assistance provided to the participant; or

(2) The difference between the current mortgage debt and the new mortgage debt minus the following:

(i) The costs of any capital expenditures;

(ii) The costs incurred by the participant in the refinancing of the home, such as closing costs; and

(iii) Any amounts that have been previously recaptured as a result of refinancing.

(d) The amount of homeownership assistance subject to recapture shall automatically be reduced over a ten-year period, beginning one year from the purchase date, in annual increments of ten percent. At the end of the ten year period, the amount of homeownership assistance to recapture is zero. [Eff: 5/13/2002; am and ren §17-2036-53] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §982.640)

§§17-2036-54 to 17-2036-60 (Reserved).

SUBCHAPTER 5

OPERATIONS

§[15-195-61]17-2036-61 Portability. (a) The [corporation] authority may require applicants who were nonresidents at the time of application to live in its jurisdiction during the first twelve-month period.

(b) The [corporation] authority shall not absorb a family under portability assistance into its Program unless funds are available and there is no applicant with a preference on the applicable waiting list.

[Eff: 5/13/2002; am and ren §17-2036-61] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15;] §356D-13; 24 C.F.R. §§982.353, 982.355, 982.636)

§[15-195-62]17-2036-62 Moves with continued tenant-based assistance. (a) A participant may move to a new unit with continued tenant-based assistance.

(b) The [corporation] authority shall deny permission to move to a new unit with continued tenant-based assistance if:

(1) The [corporation] authority does not have sufficient funds to provide continued assistance;

(2) The participant has defaulted on an FHA-insured mortgage;

(3) The participant fails to demonstrate that the participant has conveyed title to the home to HUD or a HUD designee and the participant has moved from the home within the period established or approved by HUD; or

(4) The participant has moved or has been issued a voucher within the last twelve months.

[Eff: 5/13/2002; am and ren §17-2036-62] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15] §356D-13; 24 C.F.R. §§982.314, 982.552, 982.637)

§[15-195-63]17-2036-63 Termination of participation. (a) The [corporation] authority shall terminate a family's participation in the Program when:

(1) The family fails to comply with the continued assistance requirements set forth in section [15-195-35;] 17-2036-35 or

(2) The family is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage securing debt to purchase the property or any refinancing of such debt. [Eff: 5/13/2002; am and ren §17-2036-63] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15] §356D-13; 24 C.F.R. §§982.551, 982.633, 982.638)

§§17-2036-64 to 17-2036-70 (Reserved).

SUBCHAPTER 6

MISCELLANEOUS PROVISIONS

§[15-195-71]§17-2036-71 Severability. If any part, section, sentence, clause, of phrase of this chapter, of its application to any person or transaction of other circumstances is for any reason held to be unconstitutional or invalid, the remaining parts, sections, sentences, clauses, and phrases of this chapter, or the application of this chapter to other persons or transactions or circumstances shall not be affected. [Eff: 5/13/2002; ren §17-2036-71] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS [§201G-15] §356D-13)

§[15-195-72]17-2036-72 Number. The use of all words used in the singular shall extend to and include

the plural. [Eff: 5/13/2002; am and ren §17-2036-72] (Auth: HRS [§201G-15] §§356D-4, 356D-13) (Imp: HRS §1-17)

Approved by the Executive Director
May 19, 2016

FOR ACTION

MOTION: To (1) Repeal Chapter 193 of Title 15, Hawai'i Administrative Rules ("HAR"), entitled "State-Aided Family Public Housing Projects"; (2) Adopt Proposed New Chapter 2034 of Title 17, HAR, entitled "State-Aided Family Public Housing Projects" which is substantially based on Chapter 15-193, HAR, and includes the proposed amendments to Chapter 15-193, HAR, previously adopted by the Hawaii Public Housing Authority's (HPHA) Board of Directors on January 21, 2016, and sets forth the rules and requirements for HPHA's State-Aided Family Public Housing Projects Which is a General Occupancy Rental Housing Program that Offers Rental Housing to a Qualified Person or Family; and (3) Authorize the Executive Director to Conduct Public Hearings and Undertake All Other Actions Necessary under Chapter 91, Hawai'i Revised Statutes, and Administrative Directive No. 09-01 to Implement the Repeal and Adoption of New Rules, including Making Non-Substantive Revisions to Formatting as May be Required

I. FACTS

A. The Hawaii Public Housing Authority (HPHA) State-Aided Family Public Housing Projects is governed by a variety of State and HPHA statutes and rules, such as the Code of Federal Regulations and Chapter 356D, Hawaii Revised Statutes (HRS).

B. Act 196, Session Laws of Hawaii (SLH) 2005, as amended by Act 180, SLH 2006, separated the housing financing and development functions from the Housing and Community Development Corporation of Hawaii (HCDCH) resulting in the creation of the Hawaii Housing Finance and Development Corporation (HHFDC), and the Hawaii Public Housing Authority. Act 196 became effective on July 1, 2006. Act 196 provided that all HCDCH administrative rules would remain in effect until amended.

C. Sections 356D-4 and 356D-44, HRS (Attachment A), authorize the HPHA to adopt administrative rules with the force and effect of law to govern the State-Aided Family Public Housing Projects.

D. The HPHA has consistently managed the State-Aided Family Public Housing Projects in accordance with Chapter 15-193 "State-Aided Family Public Housing Projects", Hawaii Administrative Rules (HAR).

II. DISCUSSION

A. On January 21, 2016, the HPHA Board of Directors adopted substantive changes to Chapter 15-193, "State-Aided Family Public Housing Projects" HAR, to place the administrative rules chapter governing the State-Aided Family Public Housing Projects under Title 17, to correctly reflect that the HPHA is administratively attached to the Department of Human Services, by renumbering Chapter 15-193, HAR, to Chapter 17-2034, HAR, and add new definitions and sections, and amend and repeal various sections to better govern the State-Aided Family Public Housing Projects.

B. Upon further review, the Department of the Attorney General recommended the repeal of Chapter 15-193, HAR, and adoption of new proposed Chapter 17-2034, HAR, to be adopted as a new chapter under Title 17, due to the extensive amendments to Chapter 15-193, HAR, previously adopted by the HPHA Board on January 21, 2016, which includes but is not limited to:

1. Changing title numbers from Title 15, HAR, to Title 17, HAR; changing subtitle numbers from Subtitle 14, HAR, to Subtitle 5, HAR; and changing chapter numbers from Chapter 193, HAR, to Chapter 2034, HAR;

2. Changing the state department to which HPHA is administratively attached, from Department of Business, Economic Development and Tourism, to Department of Human Services;

3. Section 17-2034-3 [Income limits]: Clarifying how income limits are determined.

4. Section 17-2034-5 [Asset transfers]: Clarifying how the value of assets are to be determined.

5. Section 17-2034-7 [Utility allowances]: Clarifying when rents for families residing in state-aided public housing projects will include utility allowances; determination of excess utility usage.

6. Sections 17-2034-20 [Application] and 17-2034-22 [Notification of eligibility; informal hearings]: Amending the application process to establish a pre-application and final application process, and eliminating the eligibility determination prior to placement on a waitlist; clarifying informal hearing process.

7. Section 17-2034-21 [Eligibility for admission]: Adding the following initial requirements:

a. Not having an outstanding liability for unpaid rent or damages incurred during previous participation in a section 8 rental subsidy program;

b. Not have committed fraud, bribery, or other corrupt act;

c. Not have been convicted of drug-related criminal activity relating to methamphetamines;

d. Not subject to sex offender registration;

e. Not engaged in certain criminal activity for the 3 years prior to admission;

f. Social Security numbers for family members under five years of age;

g. Disclosure of tobacco use,

and adding as a requirement at the final application phase, not engaging in or threatening abusive or violent behavior toward authority staff.

8. Section 17-2034-23 [Informal hearing process]: Adopting the same informal hearing process as for the federally assisted public housing program.

9. Section 17-2034-30 [Nondiscrimination]: Updating protected classes to include creed, national or ethnic origin, gender identity or expression, sexual orientation, and handicap.

10. Section 17-2034-31 [Preference]: Eliminating preference for the elderly and adding preference for homeless and victims of domestic violence; reordering preferences to implement statutory first priority disabled veterans preference; clarifying preference order by removing single or two-member elderly, displaced, or disabled priority.

11. Section 17-2034-32 [Loss of Preference]: Clarifying language to eliminate priority language.

12. Section 17-2034-33 [Waiting List]: Establish geographical waitlists; allowing selection of only one geographic area waitlist; allowing change of waitlist area at any time; not allowing applicants to remain on waitlist once housed through another housing program.

13. Section 17-2034-35 [Closing and Reopening Waiting List]: Clarifying language by providing where notices must be posted.

14. Section 17-2034-36 [Offers]: Cancelling, instead of moving to bottom of waiting list, applications upon refusal of one unit without good cause; implementing 50% to preference, 50% to non-preference applicant law; clarifying language.

15. Section 17-2034-37 [Accessible units]: Clarifying language.

16. Section 17-2034-40 [Rental Agreement]: Inserting types of conditions covered by Rental Agreement; providing that Chapter 521, HRS, Landlord Tenant Code governs tenancy in the State-Aided Family Public Housing Program.

17. Section 17-2034-41 [Eligibility for continued occupancy]: Adding new requirements:
    a. On smoking prohibition;
    b. To maintain utility services;
    c. Not to acquire property interest;
    d. Not threaten staff;
    e. Not harm or damage authority, its staff, or programs;
    f. Requiring approval of additions to the family.

18. Section 17-2034-41.1 [Continued occupancy of remaining members of tenant families]: Adding a 12 month occupancy period for a remaining member of tenant families to become the head or co-head of household, upon original head of household being declared permanently absent; allowing legally appointed caretaker of remaining minors to take over the unit when all remaining members of family are minors.

19. Section 17-2034-43 [Reexamination results]: Removing the 90 day limit to vacate unit after determination of ineligibility; removing grievance procedure to reflect amendments to Chapter 17-2021, Grievance Procedure.

20. Section 17-2034-44 [Special reexamination]: Allowing time of special reexaminations to be at any time prior to next annual reexamination.

21. Section 17-2034-45 [Interim rent adjustment]: Excluding certain situations from interim rent adjustments; requiring tenants to report interim income increases within 10 days, and to report all changes in family composition.

22. Section 17-2034-46 [Tenant transfers] Updating protected classes for nondiscrimination purposes to include creed, gender identity or expression, sexual orientation, and national or ethnic origin; providing that unit transfers are authorized for administrative reasons including rehabilitation work to a project, a a reasonable accommodation, or when a family occupying an accessible unit no longer needs the accessible features; clarifying that an issuance of a notice of violation of the rental agreement constitutes the initiation of the eviction proceedings, during which time families will not be transferred.

23. Section 17-2034-47 [Backcharges]: Reducing from 180 days to 60 days the time tenants are required to pay backcharges; authorizing the authority to enter into reasonable payment arrangements.

24. Section 17-2034-48 [Rental agreement]: Clarifying that serious or repeated violations of material terms of the rental agreement, failure to provide necessary family information, and refusal to move to another unit upon failure to conform to occupancy limits, ineligibility for continued occupancy, fraud, or failure to accept authority's offer to revise a rental agreement, constitute failure to observe an obligation of the rental agreement, justifying termination of the rental agreement; authorizing termination of the rental agreement for threatening employees, violating the smoking prohibition, failure to maintain utility services, conviction of certain felonies, fleeing prosecution or custody, violation of condition of parole, or willful damage to HPHA property.

25. Section 17-2034-49 [Smoking prohibition]: Implementing statutory smoking prohibition enacted in Act 91, Session Laws of Hawaii 2014.

26. Section 17-2034-61 [Minimum rent]: Correcting the exhibit number.

27. Section 17-2034-66 [Other charges]: Establishing new late fee, dishonored check fee, and maintenance costs.

28. Section 17-2034-67 [Delinquent accounts]: Authorizing HPHA to assign delinquent accounts to a collection agency.

29. Section 17-2034-70 [Special programs]: Authorizing HPHA to administer special programs using different criteria.

30. Section 17-2034-71 [Occupancy by police officers]: Authorizing occupancy of police officers to enhance security.

31. Inserting Reserved Sections 17-2034-10 through 17-2034-19; 17-2034-24 through 17-2034-29; 17-2034-38 through 17-2034-39; 17-2034-50 through 17-2034-59; 17-2034-68 through 17-2034-69; 17-2034-72 through 17-2034-79; and

32. Other substantive revisions;

to comply with the procedures set forth in Chapter 91, HRS, Hawai'i Administrative Rules Drafting Manual, and for the purposes of clarity.

C. This motion is to reflect the Board's intent to repeal Chapter 15-193, HAR, and adopt new proposed Chapter 17-2034, HAR, with the same substantive changes that were adopted by the HPHA Board of Directors at the regular board meeting on January 21, 2016;

D. The proposed draft rules in the form attached as Attachment B, repealing Chapter 15-193, HAR, and adopting proposed new Chapter 17-2034, HAR, have been reviewed and approved by the Department of the Attorney General.

E. Attachment C shows the differences between proposed new Chapter 17-2034, HAR, and Chapter 15-193, HAR, to be repealed, upon which new Chapter 17-2034, HAR, is substantially based, and which were approved in substance by the HPHA Board of Directors on January 21, 2016.

F. Once approved by the HPHA Board of Directors, the agency must request permission to take the proposed Rule to public hearing from the Governor. The HPHA staff must give thirty days notice to the public and hold hearings on the Islands of Kauai, Oahu, Maui, and Hawaii.

G. Following approval from the Governor to hold public hearings on the proposed amendments, the Executive Director will hold public hearings on the Islands of Kauai, Oahu, Maui, and Hawaii at a date and locations to be determined.

H. Based on testimony received during the public viewing and comment period, the Executive Director will make any non-substantive amendments to the draft amendments to and compilation of the Rule prior to or following the public hearing.

I. After the public hearings, the Executive Director will transmit proposed repeal of Chapter 15-193, HAR, and adoption of Chapter 17-2034, HAR, to the Governor for final approval provided that no substantive amendments are made. Staff anticipates the following updated approximate schedule of the process:

Action	Timeframe
Board For Action (adopt amendments)	May 19, 2016
Request to Governor for public hearing	May 20, 2016
Receive Governor authorization	June 23, 2016
Publish hearing notice (30 day notice)	June 30, 2016
Public Hearing	August 1, 2016
Finalize Rule/Transmit to Governor for Adoption	August 15, 2016
Rule effective	October 1, 2016

III. RECOMMENDATION

That The Board *(1)* Repeal Chapter 193 of Title 15, Hawai'i Administrative Rules ("HAR"), entitled "State-Aided Family Public Housing Projects"; (2) Adopt Proposed New Chapter 2034 of Title 17, HAR, entitled "State-Aided Family Public Housing Projects" which is substantially based on Chapter 15-193, HAR, and includes the proposed amendments to Chapter 15-193, HAR, previously adopted by the Hawaii Public Housing Authority's (HPHA) Board of Directors on January 21, 2016, and sets forth the rules and requirements for HPHA's State-Aided Family Public Housing Projects Which is a General Occupancy Rental Housing Program that Offers Rental Housing to a Qualified Person or Family; and (3) Authorize the Executive Director to Conduct Public Hearings and Undertake All Other Actions Necessary under Chapter 91, Hawai'i Revised Statutes, and Administrative Directive No. 09-01 to Implement the Repeal and Adoption of New Rules, including Making Non-Substantive Revisions to Formatting as May be Required

Attachment A:	Sections 356D-4 and 356D-44, Hawaii Revised Statutes
Attachment B:	Draft Rules repealing Chapter 15-195, Hawaii Administrative Rules, and adopting new Chapter 17-2036, Hawaii Administrative Rules
Attachment C:	Ramseyer format draft showing changes to Chapter 15-195, Hawaii Administrative Rules, for illustration purposes

Prepared by: Kiriko Oishi, Chief Compliance Officer _____

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

_____
Pono Shim
Chairperson

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

(1) Sue and be sued;
(2) Have a seal and alter the same at pleasure;
(3) Make and execute contracts and other instruments necessary or convenient to the exercise of its powers;
(4) Adopt bylaws and rules in accordance with chapter 91 for its organization, internal management, and to carry into effect its purposes, powers, and programs;
(5) Sell, lease, rent, hold, maintain, use, and operate any property, real, personal, or mixed, tangible or intangible, in support of its purposes, powers, and programs; provided that the sale of real property shall be subject to legislative approval;
(6) Receive by gift, grant, devise, bequest, or otherwise from any source, any property, real, personal, or mixed, intangible or tangible, absolutely or in trust, to be used and disposed of, either the principal or the income thereof, for the benefit only of the residents assisted by its programs; provided that no gift to the authority that has an estimated value of $1,000 or more shall be accepted unless approved or confirmed by the board; and
(7) Engage the services of volunteers as deemed appropriate by the authority without regard to chapter 76, 89, 90, 103, or 103D.

(b) In addition to other powers conferred upon it, the authority may do all things necessary and convenient to carry out the powers expressly provided in this chapter. [L 2006, c 180, pt of §2; am L 2013, c 148, §1]

§356D-44 Administration of state low-income public housing projects and programs. (a) The authority shall construct, develop, and administer property or housing for the purpose of state low-income public housing projects and programs.

(b) The authority shall offer any decommissioned low-income public housing project, except for federal housing projects, to nonprofit or for-profit organizations or government agencies for rehabilitation into emergency or transitional shelter facilities for the homeless or rehabilitation into rental units that set aside at least fifty per cent of the units to persons or families with incomes at or below fifty per cent of the area median family income; provided that:

(1) The housing project is wholly owned by the State on either state-owned or ceded lands;
(2) The authority has determined that the housing project is not eligible for rehabilitation using the authority's current resources; and
(3) The nonprofit or for-profit organization or government agency demonstrates expertise in rehabilitation of housing projects and has community, public, and private resources to substantially pay for the rehabilitation.

The land and improvements may be leased to the nonprofit or for-profit organization or government agency for a period not to exceed ninety-nine years for a sum of $1 per year.

(c) State low-income housing projects shall be subject to chapter 521.

(d) The authority shall adopt necessary rules in accordance with chapter 91, including the establishment and collection of reasonable fees for administering the state low-income housing projects or programs and to carry out any state program under subsection (a). [L 2006, c 180, pt of §2; am L 2007, c 249, §35]

Attachment B

DEPARTMENT OF HUMAN SERVICES

Repeal of Chapter 15-193 and
Adoption of Chapter 17-2034
Hawaii Administrative Rules

May 19, 2016

1. Chapter 193 of Title 15, Hawaii Administrative Rules, entitled "State-Aided Family Public Housing Projects" is repealed.

2. Chapter 2034 of Title 17, Hawaii Administrative Rules, entitled "State-Aided Family Public Housing Projects" is adopted.

HAWAII ADMINISTRATIVE RULES

TITLE 15

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM

SUBTITLE 14

HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII

CHAPTER 193

State-Aided Family Public Housing Projects

Repealed

§§15-193-1 to 15-193-70 Repealed. [ ]

HAWAII ADMINISTRATIVE RULES

TITLE 17

DEPARTMENT OF HUMAN SERVICES

SUBTITLE 5

HAWAII PUBLIC HOUSING AUTHORITY

CHAPTER 2034

STATE-AIDED FAMILY PUBLIC HOUSING PROJECTS

Subchapter 1 General Provisions

§17-2034-1 Purpose
§17-2034-2 Definitions
§17-2034-3 Income limits
§17-2034-4 Asset limits
§17-2034-5 Asset transfers
§17-2034-6 Occupancy standards
§17-2034-7 Utility allowances
§17-2034-8 Verification of information
§17-2034-9 Misrepresentation
§§17-2034-10 to §17-2034-20 (Reserved)

Subchapter 2 Eligibility

§17-2034-20 Applicants
§17-2034-21 Eligibility for admission and participation
§17-2034-22 Notification of eligibility
§17-2034-23 Informal hearing for applicants determined to be ineligible for admission
§§17-2034-24 to §17-2034-29 (Reserved)

z

Subchapter 3 Tenant Selection

§17-2034-30 Nondiscrimination
§17-2034-31 Preference
§17-2034-32 Loss of preference
§17-2034-33 Waiting lists
§17-2034-34 Removal from waiting lists
§17-2034-35 Closing the waiting lists
§17-2034-36 Offers
§17-2034-37 Occupancy of accessible dwelling units
§§17-2034-38 to 17-2034-39 (Reserved)

Subchapter 4 Occupancy and Rental Agreement

§17-2034-40 Rental agreement
§17-2034-41 Eligibility for continued occupancy
§17-2034-42 Continued Occupancy of remaining members of tenant families
§17-2034-43 Reexamination
§17-2034-44 Reexamination results
§17-2034-45 Special reexamination
§17-2034-46 Interim rent adjustment
§17-2034-47 Tenant transfers
§17-2034-48 Backcharges
§17-2034-49 Rental agreement termination
§17-2034-50 Smoking prohibited
§§17-2034-51 to 17-2034-59 (Reserved)

Subchapter 5 Rents, Security Deposits, and Other Charges

§17-2034-60 Security deposits
§17-2034-61 Minimum rents
§17-2034-62 Rent
§17-2034-63 Determining net earned income
§17-2034-64 Determining net unearned income
§17-2034-65 Determining adjusted annual income
§17-2034-66 Other Charges
§17-2034-67 Delinquent accounts

§§17-2034-68 to 17-2034-69 (Reserved)

Subchapter 6 Special Programs

§17-2028-70 Special programs
§17-2028-71 Occupancy by police officers
§§17-2028-72 to 17-2028-79 (Reserved)

Subchapter 7 Miscellaneous Provisions

§17-2034-80 Severability
§17-2034-81 Number and gender

Historical Note: Chapter 2034 of Title 17, Hawaii Administrative Rules, is substantially based upon Chapter 17-535, Hawaii Administrative Rules [Eff 5/24/71; R 12/13/01] and Chapter 15-193, Hawaii Administrative Rules [Eff 12/13/01; R].

SUBCHAPTER 1

GENERAL PROVISIONS

§17-2034-1 Purpose. These rules are adopted under chapter 91, HRS, and shall govern the admission to and the continued occupancy of state-aided family public housing projects owned or operated by the Hawaii Public Housing Authority. [Eff] (Auth: HRS §356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-44)

§17-2034-2 Definitions. Whenever used in this chapter, unless specifically defined:

"Accessible dwelling unit" means a dwelling unit which is located on an accessible route and when designed, constructed, altered, or adapted can be approached, entered, and used by individuals with physical disabilities or a dwelling unit being made accessible as a result of alterations and is intended for use by a specific qualified individual with disabilities which meets the requirements of applicable standards that address the particular disability or impairment of an individual.

"Adjusted annual income" means net earned income plus unearned income of the members of the family residing or intending to reside in the dwelling unit.

"Alien" means any person not a citizen of the United States but is allowed under federal law, to reside in the United States.

"Annual income" means earned and unearned income from any source before deductions or exemptions, anticipated to be received during the twelve month period following admission or reexamination of annual income, as the case may be, by all persons occupying, or who are temporarily separated from the household. Annual income does not include the employment income of a minor or amounts specifically paid to the household for or in reimbursement of the cost of medical expenses for any household member.

"Applicant" means a person or a family that has applied for housing assistance.

"Assets" means total cash, securities, real and personal property less any outstanding liabilities secured by the assets. Assets do not include necessary personal property such as clothing, household furniture, automobiles and eligible individual development accounts, including any earned interest, which are established pursuant to chapter 257, Hawaii Revised Statutes.

"Authority" means the Hawaii public housing authority.

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

"Common areas" means roofs, halls, sidewalks, corridors, lobbies, stairs, stairways, fire escapes, entrances and exits of the building or buildings, basements, yards, gardens, recreational facilities, parking areas, storage spaces, and other parts of the project or household normally in common use or other areas designated by the authority.

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

"Criminal activity" means the tenant, any member of the tenant's household, a guest or another person under the tenant's control has engaged in any conduct constituting a criminal violation of federal law, HRS, or local ordinances regardless of whether there has been an arrest or conviction for such activity and without satisfying the standard of proof used for a criminal conviction.

"Disability" means having a physical or mental impairment which substantially limits one or more major life activities, having a record of such an impairment, or being regarded as having such an impairment. The term does not include current illegal use or addiction to a controlled substance or alcohol or drug abuse that threatens the property or safety of others. Disabled individual or family includes:

(1) A single individual who or a family whose head or spouse is unable to engage in any

substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in indefinite duration; or

(2) A single individual who or a family whose head or spouse has a physical impairment which is expected to be of long, continued and indefinite duration and which substantially impedes the ability to live independently, and which is of a nature that the ability could be improved by more suitable housing conditions.

"Domestic violence" means the actual or threatened physical violence directed against a family member by a spouse, former spouse, or other member of the family who is living or has lived with the family.

"Drug" means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. §802) as it existed on March 28, 2013.

"Drug related criminal activity" means the illegal manufacture, sale, distribution, or use of a drug, or possession of a drug with intent to manufacture, sell, distribute or use the drug.

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

"Earned income" means cash received or available to be received by the family that require some part of the family to produce. Earned income includes, but is not limited to, wages; tips; dismissal and severance pay; wages received from any on-the-job training program; wages received from funds under the job training partnership act (JTPA); public service employment (PSE); royalties; jury duty income excluding reimbursement for transportation and meals; basic allowance for quarters and entitlements paid to military personnel; and self-employment earned income.

"Elderly" means a family whose head or spouse has attained the age of sixty-two.

"Family" means regardless of actual or perceived sexual orientation, gender identity, or marital status:

(1) Two or more persons who live or intend to live together as a unit and whose income and resources are available to meet the family's need and may, but need not be, related by

blood, marriage, or operation of law, including foster children and hanai children and whose head of household has reached the age of majority, or is otherwise legally emancipated; or

(2) A person who is pregnant or in the process of securing legal custody of a minor child or children, and who has reached the age of majority or is otherwise emancipated;

(3) A single person; or

(4) A remaining member of a tenant family who is recorded on the current list of household members authorized to occupy the dwelling unit and who has reached the age of majority or is otherwise legally emancipated.

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

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

"Gender identity or expression" includes a person's actual or perceived gender, as well as a person's gender identity, gender-related self-image, gender-related appearance, or gender-related expression, regardless of whether that gender identity, gender-related self-image, gender-related appearance, or gender-related expression is different from that traditionally associated with the person's sex at birth.

"Hanai children" means a person or persons, under eighteen years of age, for whom a tenant provides food, nourishment and support for a minimum period of at least a year and who is acknowledged as the tenant's child among friends, relatives and the community.

"HRS" means the Hawaii Revised Statutes.

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

"Individual development account" means an optional, interest-bearing, subsidized, tax-benefited account established pursuant to chapter 257, HRS and used exclusively for the purpose of paying the

qualified expenditure of an eligible individual as determined by the fiduciary organization.

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

(1) Displacement by disaster; or

(2) Displacement by governmental action.

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

(1) Is determined to be essential to the care and well-being of the persons;

(2) Is not obligated for the support of the persons;

(3) Would not be living in the unit except to provide the necessary support services; and

(4) Is not a tenant.

"Low income family" means a family whose income does not exceed eighty per cent of the median income as determined by the method set forth in exhibit A, which is incorporated by reference and attached.

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

"Permanently absent" means the household member is away from the unit for six consecutive months except when the authority verifies that the absence is temporary due to military service or to receive care at a hospital, nursing home, or rehabilitation center.

"Project" means those rental properties owned and operated or both, by the authority.

"Police officer" means a person determined by the authority to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a federal, State or local government or by any agency of these governments.

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

to a written offer from the authority for a specific unit within the time specified in the offer.

"Rent" means the monthly charge to a tenant for the use of a dwelling unit.

"Rental agreement" means the agreement or contract containing the terms and conditions of occupancy of a dwelling unit entered into by the tenant and authority.

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

"Security deposit" means a monetary deposit required prior to admission to state-aided family public housing projects that is applied against the cost of loss or damage to the authority's property (responsible wear and tear excepted) and non-payment of rent.

"Sexual orientation" means having a preference for heterosexuality, homosexuality, or bisexuality, having a history of any one or more of these preferences, or being identified with any one or more of these preferences. "Sexual orientation" shall not be construed to protect conduct otherwise proscribed by law.

"Smoke" or "smoking" means inhaling, exhaling, burning, or carrying any lighted smoking or heated tobacco product or plant product intended for inhalation in any manner or in any form.

"Self-employment income" is determined by deducting from the amount received from the sale of goods or services, those expenses directly related to producing the goods or services.

(1) Items such as depreciation, personal business, and entertainment expenses, personal transportation, purchase of capital equipment, and payments on the principal of loans for capital assets or durable goods shall not be deducted as business expenses. Personal expenses such as lunches and transportation to and from work shall not be deducted as business expenses.

(2) A business expense shall be an allowable deduction from earned income only if verified.

(3) A self-employed person shall:

(a) Not be able to be discharged from the person's job by someone else;

(b) Report income to the Internal Revenue Service and the State of Hawaii as a self-employed person;

(c) Meet social security requirements as a self-employed person and shall pay the employer's and the employee's share of social security taxes;

(4) Not be considered to be an employee of an agency or organization; and

(5) Be licensed by the State to operate a business.

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

"State-aided family public housing projects" means the housing projects of Hauiki Homes, Puahala Homes, Lokahi, Kawailehua (State), Ka Hale Mua (State), Ke Kumu Elua which are owned by the authority.

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

"Unearned income" means cash received or available to be received by the family that is not classified as earned income. Unearned income includes, but is not limited to, social security benefits; veteran's benefits; pension and retirement benefits; unemployment insurance benefits; supplemental security income; worker's compensation benefits and temporary disability insurance benefits; strike benefits; money received to settle any insurance, legal or inheritance claim;

alimony; child support payments; regular cash contribution and any in-kind contribution benefits.

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

"Utility allowance" means the value of utilities such as electricity, gas, and water costs. This does not include telephone or cable television services.

"Very low-income family" means a family whose income does not exceed fifty per cent of the median income as determined by the method set forth in exhibit A, which is incorporated by reference and attached.

"Veteran" means any person who has served in any of the armed services of the United States, or any person who is now a citizen of the United States who has served in any of the armed services of any country which was an ally of the United States in any war or campaign in which the United States was also engaged in. "Veteran" includes any person who served in the military or naval forces of the United States during World War II and who has been discharged or released therefrom under conditions other than dishonorable. The term "veteran" includes Filipino World War II veterans who served honorably in an active duty status under the command of the United States Armed Forces in the Far East (USAFFE), or within the Philippine Army, the Philippine Scouts, or recognized guerilla units. The Filipino World War II veterans must have: served at any time between September 1, 1939, and December 31, 1946; been born in the Philippines; and resided in the Philippines prior to the military service.

"Violent criminal activity" means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-6.5, 356D-41, 356D-42, 515-2)

§17-2034-3 Income limits. (a) The income limit for admission to a public housing project is based on the applicant's annual household income which shall not exceed the very low-income limits as most recently determined by HUD.

(b) The income limit for continued occupancy in a housing project is based on the tenant's annual household income which shall not exceed the low income limits as most recently determined by HUD. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-4 Asset limits. (a) The asset limit for admission to a housing project shall not exceed the applicable income limit for admission.

(b) The asset limit for continued occupancy in a housing project shall not exceed the applicable income limit for continued occupancy. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §356D-42)

§17-2034-5 Asset transfers. (a) All assets transferred or assigned from an applicant or tenant to another person, within a two year period prior to submitting an application for the program or reexamination, shall be included in determining an applicant's assets.

(b) In determining assets, the authority shall include the value of any business or assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or a bankruptcy sale) during the two years preceding the date of the application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-6 Occupancy standards. The authority and families shall abide by the occupancy standards for the admission and continued occupancy in housing projects as prescribed by exhibit B, which is incorporated by reference and attached.

[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-7 Utility allowances. (a) The monthly rent for a family residing in a state-aided public housing project shall include utility allowances established in accordance with subsection (b) only until meters are installed for individual units; provided that utility allowances may be included in rent for individually metered units, subject to the availability of sufficient state funding and the requirements of Section 356D-43, HRS.

(b) The utility allowance schedules may be modified from time to time with at least thirty days written notice to tenant and an opportunity for tenant to present written or oral comments which shall be considered prior to the modifications becoming effective. The applicable schedules shall be publicly posted in a conspicuous manner at the authority's project offices and shall be furnished to a requester upon request.

(c) A tenant receiving utility allowance shall pay for utility usage in excess of the applicable utility allowance where:

(1) A checkmeter has been installed, the family must pay the excess unit cost of the relevant utility amount based on the authority's average utility rate as described in subsection (b).

(2) A checkmeter has not been installed, the family must pay for excess usage resulting from estimated utility consumption attributable to tenant-owned major appliances or to optional functions of authority-furnished equipment according to the schedule described in subsection (b). [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-44)

§17-2034-8 Verification of information. An applicant or tenant shall provide documentation to verify information upon request of the staff.

[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-9 Misrepresentation. An applicant may be denied admission to a housing project or a tenant's rental agreement may be terminated if the applicant or tenant has submitted false information, withheld information, or made wilful misstatements.
[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-10 to 17-2034-19 (Reserved).

SUBCHAPTER 2

ELIGIBILITY

§17-2034-20 Applicants. (a) A person seeking admission to a project shall submit a completed pre-application form prescribed by the authority. The applicant may file at any of the authority's in-take offices and apply for one of the geographic waiting list areas prescribed in section 17-2034-33.

(b) The applicant shall be preliminarily placed on a waiting list upon submission of a completed pre-application form. Placement on a waiting list shall not be deemed a determination on eligibility or admission.

(c) An applicant who has misrepresented material information in an application for any of the authority's programs shall not be eligible to file an application with the authority for twelve months from the date of written notification from the authority.
[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §356D-42)

§17-2034-21 Eligibility for admission and participation. (a) To be eligible for admission to a housing project, an applicant and household members

shall meet the requirements of the pre-application and final application phases as set forth below:

(1) During the pre-application phase, the applicant and adult household members shall:

(A) Qualify as a family;

(B) Be a resident of the State of Hawaii, except that no preference shall be given to applicants based on residency in a specific locality or area within the authority's jurisdiction;

(C) Have an income that does not exceed the applicable income limit;

(D) Have assets that do not exceed the applicable limit;

(E) Not own a majority interest in fee simple or leasehold lands suitable for dwelling purposes, or a majority interest in lands under any trust agreement or other fiduciary arrangement in which another person holds the legal title to such land on or after December 13, 2001;

(F) Not have an outstanding debt owed to the authority as a participant in any of its programs;

(G) Not have been evicted since March 1, 1985, from a public housing program administered by the authority or any of its predecessors, the housing and community development corporation of Hawaii or Hawaii housing authority; with the exception of evictions solely due to failure to pay rent, in which case, the applicant can be admitted upon payment in full of the unpaid amounts due to the authority;

(H) Not have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal or state housing program;

(I) Not have been convicted of drug-related criminal activity for the manufacture, production, or distribution of methamphetamines;

(J) Not subject to lifetime registration requirements under any state sex offender's registration program;

(K) Not have a recent history of criminal activity involving crimes to persons or property or other criminal acts that may adversely affect the health, safety, or right to peaceful enjoyment of the premises by other residents. For purposes of this subsection, in determining eligibility, the authority shall consider whether a person convicted for such a crime has successfully completed a rehabilitation program approved by the authority, or whether the circumstances leading to the criminal conviction no longer exists;

(L) Not have been evicted from assisted housing by reason of drug-related criminal activity for a three year period beginning on the date of the eviction unless the evicted tenant successfully completes a supervised drug rehabilitation program approved by the authority. This subsection does not apply to an applicant or household member ineligible under section 17-2034-21(a)(1)(G);

(M) Not currently or during a three year period preceding the date when the applicant household would otherwise be selected for admission be engaged in any drug-related criminal activity or violent criminal activity or other criminal activity involving assault, terroristic threatening, firearms, dangerous weapons, harassment, kidnapping, sexual assault, extortion, forgery, burglary, unauthorized entry into a dwelling, unauthorized entry into a motor vehicle, criminal property damage, criminal trespass on public housing property, disorderly conduct, child pornography, and consuming liquor

on public housing property, which is considered as reasonably likely to adversely affect the health, safety, right to peaceful enjoyment of the premises by other tenants, the authority, or staff;

(N) Not currently engaging in the illegal use of a drug or give the authority reasonable cause to believe that a household member's illegal use (or pattern of illegal use,) of a drug or abuse (or pattern of abuse) of alcohol may interfere with the health, safety or right to peaceful enjoyment of the premises by other tenants. For the purposes of this subsection:

(i) "Currently engaged in" means the person has engaged in the behavior recently enough to justify a reasonable belief that the behavior is current; and

(ii) In determining whether to deny eligibility based on a pattern of illegal use of a drug or a pattern of abuse of alcohol, the authority may consider rehabilitation as provided for under 42 U.S.C. §13661(b)(2)(A)-(C), as it existed on June 25, 2013;

(O) Provide a social security number for all family members or certify that the person does not have a social security number; and

(P) Disclose incidence of tobacco use of all family members within the household.

(2) During the final application phase, the applicant and all adult household members shall meet the requirements as set forth in (1) above, as well as the following requirements:

(A) Not engage in or threaten abusive or violent behavior toward the authority's staff. For purposes of this subsection, "threaten" means an oral or written

threat or physical gestures that communicate intent to abuse or commit violence. Abusive or violent behavior may be verbal or physical and include racial epithets, or other language, written or oral, that is customarily used to intimidate; and

(B) Furnish evidence that the applicant is a citizen of the United States or a resident alien;

(b) An applicant's past performance in meeting financial obligations, especially rent, may be considered by the authority in its selection of families for admission into its state-aided public housing program. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-22 Notification of eligibility. (a) Upon making a determination of eligibility, the authority shall mail or cause to be delivered a written notification to an applicant's last known address provided by the applicant. The notification shall specifically state the reasons for the determination.

(b) An applicant determined to be ineligible for admission or participation in the program shall be provided an opportunity for an informal hearing pursuant to section 17-2034-23. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §356D-42)

§17-2034-23 Informal hearing for applicants determined to be ineligible for admission. (a) An applicant determined to be ineligible for admission or participation in the program may request an informal hearing by submitting a written request within fourteen calendar days from the date of notification of ineligibility.

(b) The informal hearing shall be scheduled within twenty-one calendar days from the date the written request is received and shall be conducted by any person or persons designated by the authority, but shall not be a person who made or approved the

determination of ineligibility or a subordinate of such person.

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

(d) A written notice of the hearing officer's decision shall be mailed to the applicant within twenty-one calendar days after the hearing. The notice shall include an explanation of the reasons for decision. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-41)

§17-2034-24 to 17-2034-29 (Reserved).

SUBCHAPTER 3

TENANT SELECTION

§17-2034-30 Nondiscrimination. Tenant selection and assignment shall be made without regard to race, sex, color, religion, marital status, creed, national or ethnic origin, familial status, gender identity or expression, sexual orientation, handicap or disability, age, or HIV (human immunodeficiency virus) infection. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-5, 356D-42, 515-3)

§17-2034-31 Preference. (a) Except for those units designed for a specific purpose (such as units for persons with disabilities), applicants for admission into state public housing projects shall be given preference for placement in a state-aided family housing project in the following order:

(1) Deceased veteran's widow or widower;

(2) Veterans with permanent disabilities of ten per cent or more, as certified by the United States Department of Veterans Affairs and their dependent parents, if any; provided that parents of veterans shall not use the

veteran status of their adult child as a basis for preference; and

(3) Then to the following preference groups with equal priority:

(A) Involuntarily displaced;

(B) Victims of domestic violence who are participating in a program with case management through a domestic violence shelter, program, or clearinghouse; or

(C) Homeless persons who are participating in a federally or state funded homeless transitional shelter or program, and who are in compliance with a social service plan.

(D) Other families determined by the authority.

(b) An applicant shall not receive preference if any adult member of the applicant family is a person who was evicted or terminated from any federally-assisted housing or state-aided public housing program operated by the authority for a three-year period beginning on the date of eviction or termination because of drug-related criminal activities unless the adult member has successfully completed a rehabilitation program approved by the authority.
[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS § 356D-42)

§17-2034-32 Loss of preference. An applicant who declines an offer, without just cause, of a housing unit or who voluntarily requests cancellation of the application shall lose all preferences for a period of twelve months from the date the offer was declined or from the date of the request for cancellation.
[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-33 Waiting lists. (a) The authority shall maintain five geographical waiting lists of all applicants who may be eligible, as follows:

(1) Kalihi waitlist which is comprised of Puahala Homes and Hauiki Homes;

(2) East Hawaii which is comprised of Lokahi;

(3) North Hawaii which is comprised of Ke Kumu Elua;
(4) Kauai which is comprised of Kawailehua (state);
(5) Molokai which is comprised of Kahale Mua (state).

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

(c) Placement of applicants on a waiting list shall be based upon the following:
(1) Type of project;
(2) Size of dwelling unit required based on occupancy standards;
(3) Type of dwelling unit required (e.g., accessible for persons with disabilities);
(4) Applicable state preference; and
(5) Date and time of receipt of application.

(d) An applicant must notify the authority of any change which will affect applicant's place on a waiting list and the authority's ability to contact applicant. Changes include, but are not limited to, family status, financial status, preference status, mailing address, and current residence.

(e) An applicant cannot remain on a waiting list if they are currently a tenant in any state or federal public housing program.

(f) An applicant may elect to change from one geographic waiting list to another geographic waiting list while maintaining the original date and time of their application upon proper written notice to the authority. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-34 Removal from waiting lists. An applicant shall not be removed from a waiting list unless:
(1) The applicant requests that applicant's name be removed;

(2) The applicant fails to notify the authority 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 17-2034-21;
(4) The applicant fails to respond to the authority's reasonable contact efforts. Correspondence to the last known address will constitute reasonable effort to contact;
(5) The applicant fails without good cause to keep a scheduled interview or to provide requested information necessary to determine eligibility; or
(6) The applicant misrepresents any material information to the authority in the pre-application, application or otherwise.

[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §356D-42)

§17-2034-35 Closing the waiting lists. (a) The authority, at its discretion, may restrict acceptance of applications, and close the waiting lists in whole or in part, when it determines that it will be unable to assist all the applicants on the waiting lists within a reasonable period of time.

(b) The authority shall announce any closure and reopening of the application process through notices posted in a conspicuous place at the authority's offices that accept applications.

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

[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-36 Offers. (a) An applicant shall be afforded only one offer to rent a suitable unit. The offer shall be based on what is available in a requested project on the day of the offer. If there is more than one suitable dwelling unit available on the

day of the offer, the dwelling unit offered shall be the one with the earliest vacancy date.

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

(1) Size of dwelling unit required;

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

(3) Preferences;

(4) Date and time the application was received.

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

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

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

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

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

(A) A doctor verifies that the applicant has just undergone major surgery and needs a period to recuperate;

(B) A court verifies that the applicant is serving on a jury which has been sequestered;

(C) A landlord verifies that the applicant has an existing rental agreement that cannot be breached without causing undue financial hardship.

(4) The applicant's acceptance of the offer would result in undue hardship not related to consideration of race, color, national origin, or language and the applicant presents evidence which substantiates this to the authority's satisfaction (e.g.,

inaccessibility to source of current employment or day care facilities).

(e) Not less than fifty per cent of all available units shall be for applicants without preference and up to fifty per cent of available units shall be for applicants with preference. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-37 Occupancy of accessible dwelling units. The authority shall take the following nondiscriminatory steps to maximize the utilization of accessible units by eligible individuals whose disability requires the accessibility features of the particular unit.

(a) When an accessible unit becomes vacant the authority shall, before offering such units to an applicant without disabilities, offer such units:

(1) First, to a current occupant of another unit of the same project or other projects within the same housing program, having disabilities requiring the accessibility features of the vacant unit and occupying a unit not having such features, or, if no such occupant exists, then,

(2) Second, to an eligible qualified applicant on the waiting list having a disability requiring the accessibility features of the vacant unit.

(b) When an applicant accepts an accessible unit, and the applicant does not have a disability that requires the accessibility features of the unit, the applicant shall be required to agree to move to a non-accessible unit when one becomes available. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-38 to 17-2034-39 (Reserved).

SUBCHAPTER 4

OCCUPANCY AND RENTAL AGREEMENT

§17-2034-40 Rental agreement. (a) A tenant shall enter into a rental agreement with the authority which sets forth the conditions of occupancy for the tenant including, but not limited to, the rental terms, security deposit, smoking prohibitions, eligibility reexaminations and rental adjustments, and for welfare recipients, authorization for the authority to draw rental payments directly from their EBT or bank account.

(b) No tenant shall be permitted to remain in a project without a valid rental agreement.

(c) Except as provided in this chapter and in the rental agreement entered into pursuant to (a) above, tenancy in a state-aided public housing unit shall be governed by chapter 521, Hawaii Revised Statutes.

[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42, 356D-43, 356D-44)

§17-2034-41 Eligibility for continued occupancy.

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

(1) Qualify as a family;
(2) Conform to the occupancy standards;
(3) Have an income that does not exceed the applicable income limit for continued occupancy;
(4) Have assets that do not exceed the applicable limits for continued occupancy;
(5) Not have a record of conduct or behavior which may be detrimental to the project, its tenants or employees;
(6) Abide by smoking prohibitions pursuant to section 17-2034-50;
(7) Maintain continued and uninterrupted utility services; and
(8) Not have acquired a majority interest in fee simple or leasehold lands suitable for dwelling purposes, or a majority interest in

lands under any trust agreement or other fiduciary agreement in which another person holds legal title to such land.

(9) Not engage in or threaten abusive or violent behavior toward the authority's staff. For purposes of this subsection, "threaten" means an oral or written threat or physical gestures that communicate intent to abuse or commit violence. Abusive or violent behavior may be verbal or physical and include racial epithets, or other language, written or oral, that is customarily used to intimidate; or

(10) Not cause any harm or damage to the authority, its staff, agents, representatives, or programs.

(b) Except for a newborn child, no person, including a live-in aide, shall be permitted to join or rejoin the family until the authority verifies that the person meets the eligibility requirements set forth in section 17-2034-21, and approves of the family's request to add a family member as an occupant of the dwelling unit. The authority will not approve the addition of family members other than by marriage, birth, adoption, or court-awarded custody where the occupancy standards would require a larger size unit.

(c) Addition of a newborn or adopted child, or court-award custody of a child, and all other changes to household composition must be reported to the authority within ten business days.

[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42, 356D-43)

§17-2034-42 Continued Occupancy of Remaining Members of Tenant Families. (a) If the head of household is declared permanently absent, upon request of the remaining members of the family, the authority will determine the eligibility of a remaining member of the tenant family to continue to occupy the unit pursuant to section 17-2034-41; provided that no remaining member of the family who has occupied the unit for less than 12 months at the time the head of household becomes permanent absent, is eligible to become the new head or co-head of household.

(b) For remaining members of tenant families who are minors, where an appropriate agency has determined that another adult is to be brought into the unit to care for the children for an indefinite period, the authority will treat that adult as a visitor for the first twenty one calendar days. If court-awarded custody or legal guardianship is awarded to the caretaker, the authority may transfer the rental agreement to the caretaker until the oldest minor in the household reaches the age of majority, provided that the authority verifies that the caretaker meets the eligibility requirements set forth in section 17-2034-21; and provided further that the authority will not approve the inclusion of a caretaker where the occupancy standard would require a larger unit than the current unit size or the unit size appropriate for the family, if the family is currently in a unit size that is too small for its household composition.
[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42, 356D-43)

§17-2034-43 Reexamination. At least once every twelve months, the authority shall reexamine a tenant's annual income, assets, family composition, and any other matter necessary to determine a tenant's rent and eligibility for continued occupancy.
[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42, 356D-43)

§17-2034-44 Reexamination results. (a) A family shall be given written notification within a reasonable time, after determination by the staff, of both the family's eligibility for continued occupancy and rent schedule.

(b) A family found ineligible for continued occupancy by the staff shall be required to vacate the dwelling unit. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-45 Special reexamination. If at the time of admission or reexamination, a family's income

cannot be reasonably determined for the next twelve months, the authority may schedule a special reexamination at any time prior to the next annual reexamination when deemed necessary.
[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-46 Interim rent adjustment. (a) The authority may adjust a family's rent between reexamination if a tenant reports a change in family income. However, adjustments to rent shall not be made for covered families with reduced welfare benefit payments resulting from welfare sanctions for noncompliance with welfare self-sufficiency and work activity requirements.

(b) Adjustments, reflecting a lower rent, shall be made effective on the first of the month following the month the report was made. The authority will not process the rent adjustment if it confirms that the decrease in income will last less than thirty calendar days.

(c) A tenant who has obtained a decrease in rent under this section shall report all income increases to the authority which occur prior to the next reexamination within ten business days of when the tenant knows the increase will occur, and rent shall be readjusted accordingly. Any increase in rent shall be effective on the first day of the second month following the month in which the change occurred.

(d) A tenant who fails to report any increase in income after obtaining a decrease in rent under this section shall be subject to a back rent charge retroactive to the month in which the rent increase should have been made pursuant to section 17-2034-48.

(e) A tenant shall report to the authority any changes in family composition. Rent adjustment shall be made between reexaminations when a person with income is added to the family and the rent adjustment shall be effective on the first of the second month following the approved inclusion. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42, 356D-43)

§17-2034-47 Tenant transfers. (a) Tenant transfers will be made without regard to race, sex, color, creed, religion, marital status, gender identity or expression, sexual orientation, national or ethnic origin, familial status, ancestry, disability, age, or HIV (human immunodeficiency virus) infection.

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

(1) To prevent overcrowding or under utilization of a dwelling unit as determined by the authority at the time of the annual or interim reexamination;

(2) To preserve the purpose for which a project or unit was specifically developed or designed such as to meet the needs of the elderly, or a person with disabilities;

(3) Based on an emergency where conditions of the dwelling unit, building or project pose an immediate, verifiable threat to life, health or safety of the family;

(4) For economic reasons affecting the tenant or the authority;

(5) For administrative reasons determined by the authority including, but not limited to, permitting modernization, renovation, redevelopment or rehabilitation work and transferring eligible tenants with disabilities from federally-assisted public housing projects to State-aided public housing projects;

(6) When the family no longer requires the accessible features of an accessible unit and the authority had identified another family who requires the accessible features of the unit; or

(7) As a reasonable accommodation.

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

(d) A family shall be afforded one offer to transfer to a unit that meets the criteria set forth in subsection (b) within the same project in which the family resides, if feasible. If such unit is not available, the family may then be offered a unit in

another housing project in the same geographic area. If such a unit is not available, the family may then be offered a suitable unit on the island on which the family resides. Declining an offer to transfer for good cause as determined by the authority shall not be considered a refusal.

(e) A family requesting a transfer shall not be transferred during periods when eviction proceedings have been initiated or are in process against such family, which includes the issuance of a notice of violation of the rental agreement by the authority for which the authority is seeking eviction or during any period of conditional deferment of eviction action against such family.

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

(g) The authority may terminate the rental agreement of a tenant who refuses to transfer as required by the authority. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42)

§17-2034-48 Backcharges. (a) A family shall pay in full any backcharges within sixty days from the date of notification of the backcharge; provided that where the family timely reports a change in income to the authority and a backcharge results from an increase in income, payment for any backcharges shall not be due until sixty days from the date of a completed reexamination or interim rent adjustment. Failure to do so shall result in the termination of the rental agreement.

(b) The authority may, in its discretion, negotiate a reasonable payment arrangement, not to exceed 180 calendar days, with a family to ensure payment in full of any backcharges. When the authority determines not to exercise this discretion, the family shall be responsible for the full balance of backcharges as stated in subsection (a).
[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-42, 356D-43)

§17-2034-49 Rental agreement termination. (a) A family shall give the authority at least twenty-eight days written notice that the family will vacate the family's unit prior to the vacate date.

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

(1) Fails to observe or perform any covenant or obligation of the rental agreement, or rule of the authority or housing project, or law or ordinance of a governmental agency that pertains to or establishes standards of occupancy. This includes but is not limited to the following:

(i) Serious or repeated violation of the material terms of the rental agreement, including failure to make payments due or fulfill household obligations set forth in the rental agreement;

(ii) Failure to provide family income, assets, employment and composition information and documentation to enable the authority to determine the family's rental rate and eligibility for continued occupancy;

(iii) Family no longer conforms to the occupancy limits as established by the authority for the unit occupied by the family and the family refuses to move to the first appropriate size unit offered;

(iv) When requested by the authority due to health and safety, repair, abatement, construction, renovation or redevelopment of the dwelling unit and the family refuses to move;

(v) Family is ineligible for continued occupancy;

(vi) At the time of admission, reexamination, interim or at any other time, the family has submitted false information or has withheld valuable information or has made wilful misstatements; and

(vii) Family fails to accept the authority's offer of a revision to the existing rental agreement.

(2) Engages in the illegal use of a drug or gives the authority reasonable cause to believe that the illegal use (or pattern of illegal use) of a drug or abuse (or pattern of abuse) of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other tenants;

(3) Who the authority determines engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other tenants;

(4) Who the authority determines engages in any drug-related criminal activity on or near the authority's premises;

(5) Threatens the health or safety of an employee, contractor or agent of the authority or State;

(6) Violates the smoking prohibitions pursuant to section 17-2034-50 on more than two occasions and receives written notice of said violations; provided that a guest who is visiting a resident, or any member of the tenant's household, who violates the smoking prohibition shall be deemed a violation by the tenant, and shall be counted toward the tenant's violations; provided further that failure to respond to management's request will result in a separate Notice of Violation being issued to the Tenant(s) for the refusal to respond to management's request; provided further that if tenant, any member of the tenant's household, or any guest or other person under the tenant's control receives only one violation of section 17-2034-50 in one year, and participates in and completes a smoking cessation service program within the same year, the authority will clear the one violation and shall not deem the incident as a violation for the following year;

(8) Fails to maintain utility services;

(9) Has been convicted of a felony during the term of the tenancy, and the felony is related to the authority's property or funds, the resident association or tenant association's property or funds, homicide, assault, terroristic threatening, firearms, dangerous weapons, kidnapping, sexual assault, extortion, burglary, unauthorized control of propelled vehicle, and criminal property damage. This subsection does not apply to tenant's guest or other person under tenant's control;

(10) Flees to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees;

(11) Violates a condition of probation or parole imposed under federal or state law; or

(12) Engages in wilful damage to the authority's property.

(c) The authority shall give a tenant written notice of the proposed termination of the rental agreement of not less than:

(1) Fourteen days in the case of failure to pay rent;

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

(3) Thirty days in all other cases.

(d) The authority shall terminate a rental agreement in accordance with chapter 521, HRS.

[Eff] (Auth: HRS §§356D-4, 356D-6.5, 356D-44) (Imp: HRS §356D-6.5, 356D-42, 356D-44)

§17-2034-50 Smoking prohibited. (a) Smoking is prohibited in all public housing projects, or portions of public housing projects, including inside dwelling units, except where marked by the authority as a designated smoking area, including:

(1) Each individual housing unit;

(2) In all common areas and community facilities in and around the authority's public housing projects. The authority may designate additional common areas; and

(3) Within a presumptively reasonable minimum distance of twenty feet from each individual building of the housing project, and from any entrances, exits, and windows that open to common areas, community facilities, and dwelling units, and ventilation intakes that serve common areas, community facilities, and dwelling units, including enclosed or partially enclosed areas where smoking is prohibited.

(b) One or more permissible designated smoking areas may be designated by the authority at least twenty feet away from any residential or other building, or any greater distance away as may ensure that the secondhand smoke does not infiltrate any dwelling unit, if such an area can be identified on the property, as authorized by Act 91, Session Laws of Hawaii 2014.

(c) Tenants, members of the tenant's household, and guests and visitors of the household shall promptly discontinue smoking upon management's request when observed smoking outside of a designated smoking area, if any. [Eff] (Auth: HRS §§356D-4, 356D-6.5, 356D-44) (Imp: HRS §§356D-6.5)

§17-2034-51 to 17-2034-59 (Reserved).

SUBCHAPTER 5

RENTS, SECURITY DEPOSITS, and OTHER CHARGES

§17-2034-60 Security deposits. (a) A tenant shall pay a security deposit, prior to admission to a housing project, in an amount not to exceed one month's rent. The security deposit may be applied to rent or used to repay charges owed to the authority upon the termination of the rental agreement. [Eff]

(Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-42, 356D-43, 521-44)

§17-2034-61 Minimum rents. (a) The minimum rent shall be based upon the number of bedrooms in the dwelling unit.

(b) The minimum rents for state-aided family projects are set forth in exhibit C, which is incorporated by reference and attached.

[Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-44)

§17-2034-62 Rent. A tenant shall pay thirty percent of adjusted annual income for rent or a minimum rent, as set forth in 17-2034-61, whichever is greater.

[Eff] (Auth: HRS §§356D-4, 356D-44), (Imp: HRS §§356D-4, 356D-43, 356D-44)

§17-2034-63 Determining net earned income. The net earned income for a family shall be determined by the following process:

1. From the gross annual earned income of each adult household member, deduct a standard deduction of twenty per cent; and if applicable,
2. After the twenty per cent standard deduction, deduct from the remainder an education credit for a household member that is a full-time student seeking a post-secondary education. The education credit, which is provided for a tenant family and not individual family members, is calculated as:
   A. The actual amount received from scholarship(s) to attain a post-secondary education degree; or
   B. One thousand dollars ($1,000) per year; whichever is less. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-42, 356D-43, 356D-44)

§17-2034-64 Determining net unearned income. The net unearned income for a family shall be determined by the following process:

1. If applicable, from the gross annual unearned income of each adult household member, deduct Medicare premiums that are actually deducted from social security benefits; and
2. If a household member is a full-time student seeking a post-secondary education, deduct an education credit, which is provided for a family and not individual family members. The education credit is calculated as:
   A. The actual amount received from scholarship(s) to attain a post-secondary education degree; or
   B. One thousand dollars ($1,000) per year; whichever is less. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-42, 356D-43, 356D-44)

§17-2034-65 Determining adjusted annual income. Adjusted annual income is determined by adding the net earned income, as set forth in section 17-2034-63, to the net unearned income, as set forth in section 17-2034-64. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-42, 356D-43, 356D-44)

§17-2034-66 Other Charges. The authority may charge a family, in addition to monthly rent and applicable utility charges, the following:

(a) A late fee of $25.00 if the monthly rent is paid after the seventh business day of that month;

(b) A dishonored check fee of $25.00 for every check made payable to the authority that is returned for insufficient funds; and

(c) Maintenance costs which includes repair costs related to damages to the dwelling unit or appliances or equipment furnished by the authority, in excess of ordinary wear and tear, and for any repairs to project buildings, facilities, or common areas required because of the wrongful act or negligence of the family or the family's guest or visitor. [Eff]

(Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-42, 356D-43, 356D-44)

§17-2034-67 Delinquent accounts. The authority may assign delinquent accounts to a collection agency. [Eff] (Auth: HRS §356D-4, 356D-44) (Imp: HRS §356D-42, 356D-45.5)

§17-2034-68 to 17-2034-69 (Reserved).

SUBCHAPTER 6

SPECIAL PROGRAMS

§17-2034-70 Special programs. The authority may administer programs that are created for special or specific purposes to benefit specific categories of persons as determined by the authority. This may include selection from wait lists and lists of participants using criteria that are different from those provided in this chapter. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-44)

§17-2034-71 Occupancy by police officers. For the purpose of increasing security for tenants of a public housing project, the authority may enter into an agreement with police officers to allow occupancy of police officers who would not otherwise be eligible for occupancy in public housing, to reside in a public housing dwelling unit; provided that the police officer shall pay a security deposit and the monthly minimum rent as provided in section 17-2034-61. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-44)

§17-2034-72 to 17-2034-79 (Reserved).

SUBCHAPTER 7

MISCELLANEOUS PROVISIONS

§17-2034-80 Severability. If any part, section, sentence, clause, or phrase of this chapter, or its application to any person or transaction or other circumstances, is for any reason held to be unconstitutional or invalid, the remaining parts, sections, sentences, clauses, and phrases of this chapter, or the application of this chapter to other persons or transactions or circumstances, shall not be affected. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §1-23)

§17-2034-81 Number and gender. Words in the singular or plural number and masculine gender shall have the same meaning as defined in section 1-17, HRS." [Eff] (Auth: HRS §356D-4, 356D-44) (Imp: HRS §1-17)

EXHIBIT A

DEPARTMENT OF HUMAN SERVICES

The repeal of chapter 15-193 and the adoption of chapter 17-2034, Hawaii Administrative Rules on the Summary Page dated May 19, 2016 was adopted on ____ following public hearings held on Oahu, Maui, Hilo and, Kauai after public notice was given in the Honolulu Star Advertiser, the Hawaii Herald Tribune, West Hawaii Today, The Garden Isle, and The Maui News on __(date)_____.

The repeal and adoption shall take effect ten days after filing with the Office of the Lieutenant Governor.

_____
PONO SHIM
Chairperson
Board of Directors
Hawaii Public Housing Authority

APPROVED AS TO FORM:

_____
Deputy Attorney General

APPROVED:

_____
DAVID Y. IGE
Governor, State of Hawaii

Dated:_____

Filed:_____

METHODOLOGY FOR CALCULATING INCOME LIMITS

Income limits are calculated using a set of formula relationships. The U.S. Department of Housing and Urban Development (HUD) estimates median family income based on the most recent census data estimates updated with a combination of local Bureau of Labor statistics data and census divisional data. Separate median family income estimates are calculated for all Metropolitan Statistical Areas, Primary Metropolitan Statistical Areas and Metropolitan Counties.

Very Low-Income Limits:
Low-income limits are calculated using a set of formula relationships. The first step is to calculate the very-low income limits based on 50 percent of the estimated area median income for a four-person family as determined by HUD. Adjustments are then made if the 50 percent number is outside of formula constraints.

More specifically, the very low-income limit for a four-person family is calculated as follows:

50 percent of the area median family income is calculated and set as the tentative four-person family income limit;

If it is lower, the four-person income limit is increased to the amount at which 35 per cent of it equals 85 per cent of the annualized two-bedroom Section 8 Fair Market Rent or FMR (this adjusts income limits upward for areas where rental housing costs are unusually high in relation to the median income.

If it is higher, the four-person income limit is reduced to the amount at which 30 per cent of it equals 120 per cent of the two-bedroom FMR (this adjusts income limits downward for areas where rental housing costs are unusually low in relation to the median income);

To minimize program management problems, income limits are being held at the most recent fiscal year levels in areas where the FMR reductions would have resulted in

lower income limits; and in no instance are income limits less than if based on the State non-metropolitan median family income level.

Low-Income Limits:
The next step is to calculate the low-income limits. Most four-person low-income limits are the higher of 80 percent of the area median family income or 80 percent of the State nonmetropolitan median family income level. Because the very low-income limits are not always based on 50 percent of median, calculating low-income limits as 80 percent of median would produce anomalies inconsistent with statutory intent (e.g., very low-income limits could be higher than low-income limits). The calculation normally used, therefore, is to set the four-person low-income limit at 1.6 (i.e., 80%/50%) times the relevant four-person very low-income limit. The only exception is that the resulting income limit may not exceed the U.S. median family income level except when justified by high housing costs. Use of very low-income limits as a starting point for calculating other income limits has the effect of adjusting low-income limits in areas where the very low-income limits have been adjusted because of unusually high or low housing-cost-to-income relationships.

Family Size Adjustments:
Family size adjustments are made to provide higher income limits for larger families and lower income limits for smaller families. The factors used are as follows:

Number of Persons in Family and Percentage Adjustments

1	2	3	4	5	6	7	8
70%	80%	90%	Base	108%	116%	124%	132%

Income limits for families with more than eight persons are not included in the printed lists because of space

limitations. For each person in excess of eight, 8 percent of the four-person base should be added to the eight-person income limit. (For example, the nine-person limit equals 140 percent [132 + 8] of the relevant four-person income limit.) All income limits are rounded to the nearest $50 to reduce administrative burden.

Income Limits for Admissions and Continued Occupancy
Based upon the foregoing methodology, the following table sets forth the calculated income limits for admissions and continued occupancy in State-aided family public housing. These income limits are adjusted periodically whenever the HUD estimates of area median income are revised and are, therefore, subject to change.

Income and Asset Limits for Admission
(Effective December 1, 2014)

County	1 Person	2 Persons	3 Persons	4 Persons
Honolulu	$33,550	$38,350	$43,150	$47,900
Hawaii	23,900	27,300	30,700	34,100
Kauai	30,250	34,550	38,850	43,150
Maui	26,850	30,700	34,550	38,350

County	5 Persons	6 Persons	7 Persons	8 Persons
Honolulu	$51,750	$55,600	$59,400	$63,250
Hawaii	36,850	39,600	42,300	45,050
Kauai	46,650	50,100	53,550	57,000
Maui	41,450	44,500	47,600	50,650

Income and Asset Limits for Continued Occupancy
(Effective December 1, 2014)

County	1 Person	2 Persons	3 Persons	4 Persons
Honolulu	$53,700	$61,350	$69,000	$76,650
Hawaii	38,200	43,650	49,100	54,550
Kauai	48,300	55,200	62,100	69,000
Maui	43,000	49,150	55,300	61,400

County	5 Persons	6 Persons	7 Persons	8 Persons
Honolulu	$82,800	$88,950	$95,050	$101,200
Hawaii	58,950	63,300	67,650	72,050
Kauai	74,550	80,050	85,600	91,100
Maui	66,350	71,250	76,150	81,050

OCCUPANCY STANDARDS
2001

Unit allotment is based in accordance with the prevailing zoning and county building, health and fire codes. In determining the appropriate dwelling unit size for assistance, the following criteria shall be applied:

1. A family shall be assigned to the smallest unit suitable for its needs and each bedroom shall be occupied by at least one person.

2. The dwelling unit assigned should permit up to the maximum number of persons to occupy the unit in accordance with prevailing zoning and county building, health, and fire codes.

3. Every member of the household, regardless of age, shall be counted as a person. Children expected to be born by pregnant household members will also be counted as a person.

4. At the written request of the applicant, the HPHA shall take into consideration in determining unit allotment, factors that include but are not limited to the following:

   a. In the case of single parents and dependent(s), separate bedrooms may be allotted to the parent and to the child/children; or

   b. Children of opposite sexes may be allotted separate bedrooms for each gender; or

   c. A person with valid medical ailments may be allotted a separate bedroom, provided the necessity for the separate bedroom is verified by a signed statement from a medical doctor and other supporting data; or

   d. A live-in care attendant of necessity may be allotted a separated bedroom.

e. Children who are in the process of being adopted, or whose legal custody is being obtained by a household will be included as members of the household for the purpose of determining unit size.

f. One person, the remaining member of a tenant family, may with prior consent of the HPHA, be permitted to continue to occupy the smallest size unit. The remaining member, may, with prior consent of the HPHA, add another person to the household, provided the new household qualifies as a family for continued occupancy and a larger dwelling is not required to accommodate the enlarged household.

MINIMUM RENTS FOR
STATE-AIDED FAMILY PUBLIC HOUSING PROJECTS
(Effective December 13, 2001)

The Minimum Monthly rents for all tenants of State-aided family public housing projects are as follows:

No. of Bedrooms	Monthly Minimum Rent
1	$108
2	128
3	152
4	180
5	212

ATTACHMENT C

Ramseyer format draft showing changes to Chapter 15-193, Hawaii Administrative Rules, for illustration purposes

DEPARTMENT OF HUMAN SERVICES

Adoption of Chapter 17-2034
Hawaii Administrative Rules

May 19, 2016

1. Chapter 193 of Title 15, Hawaii Administrative Rules, entitled "State-Aided Family Public Housing Projects" is repealed.

2. Chapter 2034 of Title 17, Hawaii Administrative Rules, entitled "State-Aided Family Public Housing Projects" is adopted.

HAWAII ADMINISTRATIVE RULES

TITLE [15] 17

DEPARTMENT OF [BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM] HUMAN SERVICES

SUBTITLE [14] 5

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

CHAPTER [193] 2034

STATE-AIDED FAMILY PUBLIC HOUSING PROJECTS

Subchapter 1 General Provisions

§[15-193-1] 17-2034-1 Purpose
§[15-193-2] 17-2034-2 Definitions
§[15-193-3] 17-2034-3 Income limits
§[15-193-4] 17-2034-4 Asset limits
§[15-193-5] 17-2034-5 Asset transfers
§[15-193-6] 17-2034-6 Occupancy standards
§[15-193-7] 17-2034-7 [Interim utility] Utility allowances [for the tenants in the Hauiki project]
§[15-193-8] 17-2034-8 Verification of information
§[15-193-9] 17-2034-9 Misrepresentation

Subchapter 2 Eligibility

§[15-193-20] 17-2034-20 Applicants
§[15-193-21] 17-2034-21 Eligibility for admission and participation
§[15-193-22] 17-2034-22 Notification of eligibility
§17-2034-23 Informal hearing for applicants determined to be ineligible for admission

Subchapter 3 Tenant Selection

§[15-193-30] 17-2034-30 Nondiscrimination
§[15-193-31] 17-2034-31 Preference
§[15-193-32] 17-2034-32 Loss of preference
§[15-193-33] 17-2034-33 Waiting lists
§[15-193-34] 17-2034-34 Removal from waiting lists
§[15-193-35] 17-2034-35 Closing the waiting lists
§[15-193-36] 17-2034-36 Offers
§[15-193-37] 17-2034-37 Occupancy of accessible dwelling units

Subchapter 4 Occupancy and Rental Agreement

§[15-193-40] 17-2034-40 Rental agreement
§[15-193-41] 17-2034-41 Eligibility for continued occupancy
§17-2034-42 Continued Occupancy of remaining members of tenant families
§[15-193-42] 17-2034-43 Reexamination
§[15-193-43] 17-2034-44 Reexamination results
§[15-193-44] 17-2034-45 Special reexamination
§[15-193-45] 17-2034-46 Interim rent adjustment
§[15-193-46] 17-2034-47 Tenant transfers
§[15-193-47] 17-2034-48 Backcharges
§[15-193-48] 17-2034-49 Rental agreement termination
§17-2034-50 Smoking prohibited

Subchapter 5 Rents [and], Security Deposits, and Other Charges

§[15-193-60] 17-2034-60 Security deposits
§[15-193-61] 17-2034-61 Minimum rents
§[15-193-62] 17-2034-62 Rent
§[15-193-63] 17-2034-63 Determining net earned income
§[15-193-64] 17-2034-64 Determining net unearned income
§[15-193-65] 17-2034-65 Determining adjusted annual income
§17-2034-66 Other Charges
§17-2034-67 Delinquent accounts

Subchapter 6 Special Programs

§17-2028-70 Special programs
§17-2028-71 Occupancy by police officers

Subchapter [6] 7 Miscellaneous Provisions

§[15-193-70] 17-2034-80 Severability
§17-2034-81 Number and gender

Historical Note: [This] Chapter 2034 of Title 17, Hawaii Administrative Rules, [chapter] is substantially based upon Chapter 17-535, Hawaii Administrative Rules, [Eff 5/24/71; R 12/13/01] and Chapter 15-193, Hawaii Administrative rules, [Eff 12/13/01; R].

SUBCHAPTER 1

GENERAL PROVISIONS

§[15-193-1] 17-2034-1 Purpose. These rules are adopted under chapter 91, HRS, and shall govern the admission to and the continued occupancy of state-aided family public housing projects owned or operated by the [housing and community development corporation of] Hawaii Public Housing Authority. [Eff] (Auth: HRS §[201G]356D-4, 356D-44) (Imp: HRS §§[201G]356D-4, [201G]356D-44)

§[15-193-2] 17-2034-2 Definitions. [As used in these rules, except otherwise required by context:] Whenever used in this chapter, unless specifically defined:

"Accessible dwelling unit" means [an apartment] a dwelling unit which is located on an accessible route and when designed, constructed, altered, or adapted can be approached, entered, and used by individuals with physical disabilities or [an apartment] a dwelling unit being made accessible as a result of alterations and is intended for use by a specific qualified individual with disabilities which meets the requirements of applicable standards that address the particular disability or impairment of an individual.

"Adjusted annual income" means net earned income plus unearned income of the members of the family residing or intending to reside in the dwelling unit.

"Alien" means any person not a citizen of the United States but is allowed under federal law, to reside in the United States.

"Annual income" means earned and unearned income from any source before deductions or exemptions, anticipated to be received during the twelve month period following admission or [redetermination] reexamination of annual income, as the case may be, by all persons occupying, or who are temporarily separated from the household. Annual income does not include the employment income of a minor or amounts specifically

paid to the household for or in reimbursement of the cost of medical expenses for any household member.

"Applicant" means a person or a family that has applied for housing assistance.

"Assets" means total cash, securities, real and personal property less any outstanding liabilities secured by the assets. Assets do not include necessary personal property such as clothing, household furniture, automobiles and eligible individual development accounts, including any earned interest, which are established pursuant to chapter 257, Hawaii Revised Statutes.

"Authority" means the Hawaii public housing authority.

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

["Bottom of the waiting list" means denying an applicant the benefit of all placement tenant selection preferences and priorities, as prescribed in this chapter, for a period of twelve months and establishing a new date and time for placement on the waiting list based on the date and time the unit offer was rejected.]

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

"Common areas" means roofs, halls, sidewalks, corridors, lobbies, stairs, stairways, fire escapes, entrances and exits of the building or buildings, basements, yards, gardens, recreational facilities, parking areas, storage spaces, and other parts of the project or household normally in common use or other areas designated by the authority.

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

"Criminal activity" means the tenant, any member of the tenant's household, a guest or another person under the tenant's control has engaged in any conduct constituting a criminal violation of federal law, HRS, or local ordinances regardless of whether there has

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

"Disability" means having a physical or mental impairment which substantially limits one or more major life activities, having a record of such an impairment, or being regarded as having such an impairment. The term does not include current illegal use or addiction to a controlled substance or alcohol or drug abuse that threatens the property or safety of others. Disabled individual or family includes:

(1) A single individual who or a family whose head or spouse is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in indefinite duration; or

(2) A single individual who or a family whose head or spouse has a physical impairment which is expected to be of long, continued and indefinite duration and which substantially impedes the ability to live independently, and which is of a nature that the ability could be improved by more suitable housing conditions.

["Displaced" means a family who is lawfully residing on real property and is required to move from the real property as a result of the acquisition or imminence of acquisition of such real property, in whole or in part, by some public or governmental action. "Displaced" also includes the foregoing movements from real property by any family or person lawfully residing on real property who is required to move from the real property as a result of code enforcement activities.]

"Domestic violence" means the actual or threatened physical violence directed against a family member by a spouse, former spouse, or other member of the family who is living or has lived with the family.

"Drug" means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. §802) as it existed on March 28, 2013.

"Drug related criminal activity" means the illegal manufacture, sale, distribution, or use of a drug, or

possession of a drug with intent to manufacture, sell, distribute or use the drug.

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

"Earned income" means cash received or available to be received by the family that require some part of the family to produce. Earned income includes, but is not limited to, wages; tips; dismissal and severance pay; wages received from any on-the-job training program; wages received from funds under the job training partnership act (JTPA); public service employment (PSE); royalties; jury duty income excluding reimbursement for transportation and meals; basic allowance for quarters and entitlements paid to military personnel; and self-employment earned income.

"Elderly" means a family whose head or spouse has attained the age of sixty-two.

"Family" means[:] regardless of actual or perceived sexual orientation, gender identity, or marital status:

(1) Two or more persons who live or intend to live together as a unit and whose income and resources are available to meet the family's need and may, but need not be, related by blood, marriage, or operation of law, including foster children and hanai children and whose head of household has reached the age of majority, or is otherwise legally emancipated; or

(2) A person who is pregnant or in the process of securing legal custody of a minor child or children, and who has reached the age of majority or is otherwise emancipated; [or]

(3) A single person; or

(4) A remaining member of a tenant family who is recorded on the current list of household members authorized to occupy the dwelling unit and who has reached the age of majority or is otherwise legally emancipated.

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

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

"Gender identity or expression" includes a person's actual or perceived gender, as well as a person's gender identity, gender-related self-image, gender-related appearance, or gender-related expression, regardless of whether that gender identity, gender-related self-image, gender-related appearance, or gender-related expression is different from that traditionally associated with the person's sex at birth.

"Hanai children" means a person or persons, under eighteen years of age, for whom a tenant provides food, nourishment and support for a minimum period of at least a year and who is acknowledged as the tenant's child among friends, relatives and the community.

["Housing projects" means those rental projects owned and operated or both, by the corporation.]

"HRS" means the Hawaii Revised Statutes.

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

"Individual development account" means an optional, interest-bearing, subsidized, tax-benefited account established pursuant to chapter 257, HRS and used exclusively for the purpose of paying the qualified expenditure of an eligible individual as determined by the fiduciary organization.

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

(1) Displacement by disaster; or

(2) Displacement by governmental action.

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

(1) Is determined to be essential to the care and well-being of the persons;

(2) Is not obligated for the support of the persons;

(3) Would not be living in the unit except to provide the necessary support services; and

(4) Is not a tenant.

"Low income family" means a family whose income does not exceed eighty per cent of the median income as determined by the method set forth in exhibit A, which is incorporated by reference and attached.

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

"Permanently absent" means the household member is away from the unit for six consecutive months except when the authority verifies that the absence is temporary due to military service or to receive care at a hospital, nursing home, or rehabilitation center.

["Housing projects"] "Project" means those rental [projects] properties owned and operated or both, by the [corporation] authority.

"Police officer" means a person determined by the authority to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a federal, State or local government or by any agency of these governments.

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

"Rent" means the monthly charge to a tenant for the use of a dwelling unit.

"Rental agreement" means the agreement or contract containing the terms and conditions of occupancy of a dwelling unit entered into by the tenant and [corporation] authority.

"Resident" means a United States citizen or a permanent United States resident who is able to demonstrate his or her intent to reside in Hawaii. Intent to reside in Hawaii may be demonstrated by the following: length of time spent in Hawaii; leasing or renting of a home in Hawaii; filing of personal Hawaii income tax returns; registering to vote in Hawaii; Hawaii driver's license; record of Hawaii motor vehicle registration; notification of hire to work in Hawaii;

records of employment in Hawaii; military records substantiating Hawaii residency; enrollment of minor children in Hawaii schools; establishment of bank accounts and other accounts in Hawaii; written reference from Hawaii residents, relatives, or social agencies; and any other indicia which could substantiate a claim of an intent to reside in Hawaii.

"Security deposit" means a monetary deposit required [of each tenant] prior to admission [for] to state-aided family public housing projects that is applied against the cost of loss or damage [of] to the [corporation's] authority's property (responsible wear and tear excepted) and non-payment of rent.

"Sexual orientation" means having a preference for heterosexuality, homosexuality, or bisexuality, having a history of any one or more of these preferences, or being identified with any one or more of these preferences. "Sexual orientation" shall not be construed to protect conduct otherwise proscribed by law.

"Smoke" or "smoking" means inhaling, exhaling, burning, or carrying any lighted smoking or heated tobacco product or plant product intended for inhalation in any manner or in any form.

"Self-employment income" is determined by deducting from the amount received from the sale of goods or services, those expenses directly related to producing the goods or services.

(1) Items such as depreciation, personal business, and entertainment expenses, personal transportation, purchase of capital equipment, and payments on the principal of loans for capital assets or durable goods shall not be deducted as business expenses. Personal expenses such as lunches and transportation to and from work shall not be deducted as business expenses.

(2) A business expense shall be an allowable deduction from earned income only if verified.

(3) A self-employed person shall:

(a) Not be able to be discharged from the person's job by someone else;

(b) Report income to the Internal Revenue Service and the State of Hawaii as a self-employed person;

(c) Meet social security requirements as a self-employed person and shall pay the employer's and the employee's share of social security taxes;

(4) Not be considered to be an employee of an agency or organization; and

(5) Be licensed by the State to operate a business.

"Staff" means the employees or agents of the [corporation] authority.

"State-aided family public housing projects" means the housing projects of Hauiki Homes, Puahala Homes, Lokahi, [Palolo I and II], Kawailehua (State), Ka Hale Mua (State), [and] Ke Kumu Elua which are owned by the [corporation] authority.

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

"Unearned income" means cash received or available to be received by the family that is not classified as earned income. Unearned income includes, but is not limited to, social security benefits; veteran's benefits; pension and retirement benefits; unemployment insurance benefits; supplemental security income; worker's compensation benefits and temporary disability insurance benefits; strike benefits; money received to settle any insurance, legal or inheritance claim; alimony; child support payments; regular cash contribution and any in-kind contribution benefits.

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

"Utility allowance" means the value of utilities such as electricity, gas, and water costs. This does not include telephone or cable television services.

"Very low-income family" means a family whose income does not exceed fifty per cent of the median income as determined by the method set forth in exhibit A, which is incorporated by reference and attached.

"Veteran" means any person who has served in any of the armed services of the United States, or any person who is now a citizen of the United States who has served in any of the armed services of any country

which was an ally of the United States in any war or campaign in which the United States was also engaged in. "Veteran" includes any person who served in the military or naval forces of the United States during World War II and who has been discharged or released therefrom under conditions other than dishonorable. The term "veteran" includes Filipino World War II veterans who served honorably in an active duty status under the command of the United States Armed Forces in the Far East (USAFFE), or within the Philippine Army, the Philippine Scouts, or recognized guerilla units. The Filipino World War II veterans must have: served at any time between September 1, 1939, and December 31, 1946; been born in the Philippines; and resided in the Philippines prior to the military service.

"Violent criminal activity" means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

[Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, 356D-6.5, [201G] 356D-41, 356D-42, 515-2)

§[15-193-3] 17-2034-3 Income limits. (a) The income limit for admission to a public housing project is based on the applicant's annual household income which shall not exceed the very low-income limits as most recently determined by [the calculation using the method set forth in exhibit A, which is incorporated by reference and attached.] HUD.

(b) The income limit for continued occupancy in a housing project is based on the tenant's annual household income which shall not exceed the low income limits as most recently determined by [the calculation using the method set forth in exhibit A, which is incorporated by reference and attached.] HUD. [Eff] (Auth: HRS [201G] 356D-4,356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-4] 17-2034-4 Asset limits. (a) The asset limit for admission to a housing project shall not exceed the applicable income limit for admission.

(b) The asset limit for continued occupancy in a housing project shall not exceed the applicable income limit for continued occupancy. [Eff] (Auth: HRS [201G] 356D-4,356D-44) (Imp: HRS §[201G] 356D-42)

§[15-193-5] 17-2034-5 Asset transfers. (a) All assets transferred or assigned from an applicant or tenant to another person, within a [twenty-four month] two year period prior to submitting an application for the program or reexamination, shall be included in determining an applicant's assets.

(b) [The value of the assets shall be based on the fair market value.] In determining assets, the authority shall include the value of any business or assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or a bankruptcy sale) during the two years preceding the date of the application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms. [Eff] (Auth: HRS §[201G] 356D-4,356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-6] 17-2034-6 Occupancy standards. [Applicant and tenant] The authority and families shall abide by the occupancy standards for the admission and continued occupancy in housing projects as prescribed by exhibit B, which is incorporated by reference and attached. [Eff] (Auth: HRS §[201G] 356D-4,356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-7] 17-2034-7 [Interim utility] Utility allowances. [for the tenants in the Hauiki project.] (a) [Until meters are installed for individual units in the Hauiki project, the monthly rent for a tenant shall include utility allowances.] The monthly rent for a family residing in a state-aided public housing project shall include utility allowances established in accordance with subsection (b) only until meters are installed for individual units; provided that utility allowances may be included in rent for individually metered units, subject to the availability of sufficient state funding and the requirements of Section 356D-43, HRS.

(b) The utility allowance schedules may be modified from time to time with at least thirty days written notice to tenant and an opportunity for tenant to present written or oral comments which shall be considered prior to the modifications becoming effective. The applicable schedules shall be publicly posted in a conspicuous manner at the [corporation's] authority's project offices and shall be furnished to a requester upon request.

(c) A tenant receiving utility allowance shall pay for utility usage in excess of the applicable utility allowance[.] where:

(1) A checkmeter has been installed, the family must pay the excess unit cost of the relevant utility amount based on the authority's average utility rate as described in subsection (b).

(2) A checkmeter has not been installed, the family must pay for excess usage resulting from estimated utility consumption attributable to tenant-owned major appliances or to optional functions of authority-furnished equipment according to the schedule described in subsection (b).

[Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-44)

§[15-193-8] 17-2034-8 Verification of information. An applicant or tenant shall provide

documentation to verify information upon request of the staff.
[Eff] (Auth: HRS §[201G] 356D-4,356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-9] 17-2034-9 Misrepresentation. An applicant may be denied admission to a housing project or a tenant's rental agreement may be terminated if the applicant or tenant has submitted false information, withheld information, or made [willful] wilful misstatements.
[Eff] (Auth: HRS §[201G] 356D-4,356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§17-2034-10 through 17-2034-19 Reserved

SUBCHAPTER 2

ELIGIBILITY

§[15-193-20] 17-2034-20 Applicants. (a) A person seeking admission to a [housing] project shall[:] submit a completed pre-application form prescribed by the authority. The applicant may file at any of the authority's in-take offices and apply for one of the geographic waiting list areas prescribed in section 17-2034-33.

[(1) Be a resident of the State of Hawaii, except that no preference shall be given to applicants based on residency in a specific locality or area within the corporation's jurisdiction;

(2) Not have previously lived in a housing project and been evicted from the project since March 1, 1985;

(3) Not have an outstanding debt owed to the corporation as a participant in any of its programs; and

(4) Meet the occupancy standards as set forth in exhibit B, which is incorporated by reference and attached.

(b) A person seeking admission to a housing project must submit a completed application form as used by the corporation. The applicant is permitted to file at any of the corporation's intake offices an application for any and all waiting lists prescribed in section 15-193-33.]

(b) The applicant shall be preliminarily placed on a waiting list upon submission of a completed pre-application form. Placement on a waiting list shall not be deemed a determination on eligibility or admission.

(c) An applicant who has misrepresented material information in an application for any of the authority's programs shall not be eligible to file an application with the [corporation] authority for twelve months from the date of written notification from the [corporation] authority.

[Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §[201G] 356D-42)

§[15-193-21] 17-2034-21 Eligibility for admission[.] and participation. (a) To be eligible for admission to a housing project, an applicant and household members shall meet the requirements [set forth in section 15-193-20, and shall:] of the pre-application and final application phases as set forth below:

(1) During the pre-application phase, the applicant and adult household members shall:

[(1)] (A) Qualify as a family;

(B) Be a resident of the State of Hawaii, except that no preference shall be given to applicants based on residency in a specific locality or area within the authority's jurisdiction;

[(2)] (C) Have an income that does not exceed the applicable income limit;

[(3)] (D) Have assets that do not exceed the applicable limit;

[(4)] (E) Not own a majority interest in fee simple or leasehold lands suitable for dwelling purposes, or a majority interest in lands under any trust agreement or other fiduciary arrangement in which another person holds the legal title to such land on or after December 13, 2001;

(F) Not have an outstanding debt owed to the authority as a participant in any of its programs;

(G) Not have been evicted since March 1, 1985, from a public housing program administered by the authority or any of its predecessors, the housing and community development corporation of Hawaii or Hawaii housing authority; with the exception of evictions solely due to failure to pay rent, in which case, the applicant can be admitted upon payment

in full of the unpaid amounts due to the authority;

(H) Not have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal or state housing program;

(I) Not have been convicted of drug-related criminal activity for the manufacture, production, or distribution of methamphetamines;

(J) Not subject to lifetime registration requirements under any state sex offender's registration program;

[(5) Not have a record of conduct or behavior within three years of the projected date of admission which may be detrimental to the project, its tenants, or employees;

(6)] (K) Not have a recent history of criminal activity involving crimes to persons or property or other criminal acts that may adversely affect the health, safety, or right to peaceful enjoyment of the premises by other residents. For purposes of this subsection, in determining eligibility, the [corporation] authority shall consider whether a person convicted for such a crime has successfully completed a rehabilitation program approved by the [corporation] authority, or whether the circumstances leading to the criminal conviction no longer exists;

[(7)] (L) Not have been evicted from [any of the corporation's] assisted housing [programs for] by reason of drug-related criminal activity for a three [years.] year period beginning on the date of the eviction unless the evicted tenant successfully completes a supervised drug [For the purposes of this subsection, in determining eligibility, the corporation shall consider whether the evicted applicant or household member has successfully completed a] rehabilitation

program approved by the [corporation] authority.[, or whether the circumstances leading to eviction no longer exist.] This subsection does not apply to an applicant or household member ineligible under section [15-193-20(a)(2);] 17-2034-21(a)(1)(G);

[(8)] (M) Not [engage] currently or during a three year period preceding the date when the applicant household would otherwise be selected for admission be engaged in any drug-related criminal activity or violent criminal activity[. For the purposes of this subsection, "violent criminal activity" means any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another;] or other criminal activity involving assault, terroristic threatening, firearms, dangerous weapons, harassment, kidnapping, sexual assault, extortion, forgery, burglary, unauthorized entry into a dwelling, unauthorized entry into a motor vehicle, criminal property damage, criminal trespass on public housing property, disorderly conduct, child pornography, and consuming liquor on public housing property, which is considered as reasonably likely to adversely affect the health, safety, right to peaceful enjoyment of the premises by other tenants, the authority, or staff;

[(9)] (N) Not [engage] currently engaging in the illegal use of a [controlled substance] drug or give the [corporation] authority reasonable cause to believe that [the] a household member's illegal use [of a controlled substance,] (or pattern of illegal use,) of a drug or abuse (or pattern of abuse) of alcohol[, or pattern of abuse] may

interfere with the health, safety [of the residents,] or right to peaceful enjoyment of the premises by other [residents;] tenants. For the purposes of this subsection:

[(A)] (i) [For the purposes of this subsection, "reasonable cause to believe" means by a preponderance of the evidence;] "Currently engaged in" means the person has engaged in the behavior recently enough to justify a reasonable belief that the behavior is current; and

[(B)] (ii) [For the purposes of this subsection, in] In determining whether to deny eligibility based on a pattern of illegal use of a [controlled substance] drug or a pattern of abuse of alcohol, the [corporation] authority may consider rehabilitation as provided for under 42 U.S.C. §13661(b)(2)(A)-(C), [effective October 1, 1999, which is incorporated by reference and attached as exhibit C;] as it existed on June 25, 2013;

[(10)](O) Provide a social security number for all family members [who are over five years old] or certify that the person does not have a social security number; and

(P) Disclose incidence of tobacco use of all family members within the household.

(2) During the final application phase, the applicant and all adult household members shall meet the requirements as set forth in (1) above, as well as the following requirements:

(A) Not engage in or threaten abusive or violent behavior toward the authority's staff. For purposes of this subsection, "threaten" means an oral or written

threat or physical gestures that communicate intent to abuse or commit violence. Abusive or violent behavior may be verbal or physical and include racial epithets, or other language, written or oral, that is customarily used to intimidate; and

[(11)] (B) Furnish evidence that the applicant is a citizen of the United States or a resident alien[.];

(b) An applicant's past performance in meeting financial obligations, especially rent, may be considered by the authority in its selection of families for admission into its state-aided public housing program. [Eff] (Auth: HRS §[201G] 356D-4,356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-22] 17-2034-22 Notification of eligibility. (a) [An applicant shall be notified in writing by the staff as to the applicant's eligibility after a determination is made and the notification shall specifically state the reasons for determination.] Upon making a determination of eligibility, the authority shall mail or cause to be delivered a written notification to an applicant's last known address provided by the applicant. The notification shall specifically state the reasons for the determination.

[(b) An eligible applicant shall be placed on a waiting list.]

[(c)](b) [An ineligible applicant may request an informal hearing within fourteen days after date of the written notification. The informal hearing shall be conducted by someone other than the person or the person's subordinates who made or approved the decision.] An applicant determined to be ineligible for admission or participation in the program shall be provided an opportunity for an informal hearing pursuant to section 17-2034-23. [Eff] (Auth: HRS §[201G] 356D-4,356D-44) (Imp: HRS §[201G] 356D-42)

§17-2034-23 Informal hearing for applicants determined to be ineligible for admission. (a) An applicant determined to be ineligible for admission or participation in the program may request an informal hearing by submitting a written request within fourteen calendar days from the date of notification of ineligibility.

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

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

(d) A written notice of the hearing officer's decision shall be mailed to the applicant within twenty-one calendar days after the hearing. The notice shall include an explanation of the reasons for decision. [Eff] (Auth: HRS §§356D-4,356D-44) (Imp: HRS §§356D-4, 356D-41)

§17-2034-24 through 17-2034-29 Reserved

SUBCHAPTER 3

TENANT SELECTION

§[15-193-30] 17-2034-30 Nondiscrimination. Tenant selection and assignment shall be made without regard to race, sex, color, religion, marital status, creed, national or ethnic origin, familial status, gender identity or expression, [ancestry] sexual orientation, handicap or disability, age, or HIV (human immunodeficiency virus) infection. [Eff] (Auth: HRS §[201G] 356D-4,356D-44) (Imp: HRS §§[201G] 356D-5, [201G] 356D-42, 515-3)

§[15-193-31] 17-2034-31 Preference. (a) Except for those units [design] designed for a specific purpose (such as units for [person] persons with disabilities), applicants for admission into state public housing projects shall be given preference for placement in a state-aided family housing project in the following order:

[(1) The elderly;
(2) The displaced;
(3) Disabled veterans with service connected disabilities;]
(1) Deceased veteran's widow or widower;
(2) Veterans with [service connected] permanent disabilities[;] of ten per cent or more, as certified by the United States Department of Veterans Affairs and their dependent parents, if any; provided that parents of veterans shall not use the veteran status of their adult child as a basis for preference; and
[(4) Families of deceased veterans whose death was determined to be service connected;
(5) Other veterans;
(6) Families residing in a transitional shelter for the homeless and who have successfully completed a social service plan; and]
(3) Then to the following preference groups with equal priority:
(A) Involuntarily displaced;
(B) Victims of domestic violence who are participating in a program with case

management through a domestic violence shelter, program, or clearinghouse; or

(C) Homeless persons who are participating in a federally or state funded homeless transitional shelter or program, and who are in compliance with a social service plan.

[(7)] (D) Other families determined by the [staff.] authority.

(b) [Regardless of the date and time of application, an applicant who will be the sole occupant of a unit and who is not elderly, or displaced, or a person with disabilities, shall not have preference over elderly, displaced, or disabled families with up to two members.] An applicant shall not receive preference if any adult member of the applicant family is a person who was evicted or terminated from any federally-assisted housing or state-aided public housing program operated by the authority for a three-year period beginning on the date of eviction or termination because of drug-related criminal activities unless the adult member has successfully completed a rehabilitation program approved by the authority. [Eff] (Auth: HRS §[201G] 356D-4,356D-44) (Imp: HRS §[201G] 356D-42)

§[15-193-32] 17-2034-32 Loss of preference. An applicant who declines an offer, without just cause, of a housing unit or who voluntarily requests cancellation of the application [after declining an offer] shall lose all preferences [and priorities] for a period of twelve months from the date the offer was declined or from the date of the request for cancellation. [Eff] (Auth: HRS [201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-33] 17-2034-33 Waiting lists. (a) The [corporation] authority shall maintain [a] five geographical waiting [list] lists of all [apparently eligible] applicants [for each of state-aided family housing projects.] who may be eligible, as follows:

(1) Kalihi waitlist which is comprised of Puahala Homes and Hauiki Homes;
(2) East Hawaii which is comprised of Lokahi;
(3) North Hawaii which is comprised of Ke Kumu Elua;
(4) Kauai which is comprised of Kawailehua (state);
(5) Molokai which is comprised of Kahale Mua (state).

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

(c) Placement of applicants on a waiting list shall be based upon the following:
(1) Type of project;
(2) Size of dwelling unit required based on occupancy standards;
(3) Type of dwelling unit required (e.g., accessible for persons with disabilities);
(4) Applicable state preference; and
(5) Date and time of receipt of application.

(d) An applicant must notify the [corporation] authority of any change[,] which will affect applicant's place on a waiting list and the [corporation's] authority's ability to contact applicant. Changes include, but are not limited to, family status, financial status, preference status, mailing address, and current residence.

(e) An applicant [may continue to be on a waiting list even though applicant is a tenant in or receiving housing assistance from another housing program.] cannot remain on a waiting list if they are currently a tenant in any state or federal public housing program.

(f) An applicant may elect to change from one geographic waiting list to another geographic waiting list while maintaining the original date and time of their application upon proper written notice to the authority. [Eff] (Auth: HRS §[201G] 356D-4,356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-34] 17-2034-34 Removal from waiting lists. An applicant shall not be removed from a waiting list unless:

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

(2) The applicant fails to notify the [corporation] authority 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 [15-193-21;] 17-2034-21;

(4) The applicant fails to respond to the [corporation's] authority's reasonable contact efforts. Correspondence to the last known address will 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; or

(6) The applicant misrepresents any material information to the [corporation] authority in the pre-application, application or otherwise. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §[201G] 356D-42)

§[15-193-35] 17-2034-35 Closing the waiting lists. (a) The [corporation] authority, at its discretion, may restrict acceptance of applications, and close the waiting lists in whole or in part, when it determines that it will be unable to assist all the applicants on the waiting lists within a reasonable period of time.

(b) The [corporation] authority shall [publicly] announce any closure and reopening of the application process through notices posted in a conspicuous place at the authority's offices that accept applications.

(c) During periods when application acceptance is closed and until it is reopened, the [corporation]

authority shall not maintain a list of persons to be notified when application acceptance is reopened. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-36] 17-2034-36 Offers. (a) An applicant shall be afforded only one offer to rent a suitable unit. The offer shall be based on what is available in a requested [housing] project on the day of the offer. If there is more than one suitable dwelling unit available on the day of the offer, the dwelling unit offered shall be the one with the earliest vacancy date.

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

(1) Size of dwelling unit required;

[(2) Type of project needed;

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

[(4) Factors affecting priorities and preferences as established by the corporation;

(5)](3) Preferences;

(4) Date and time the application was received.

(c) Upon refusal of an offer, without good cause, the applicant's name will be [moved to the bottom of] cancelled from [all] the waiting [lists] list on which the applicant's name has been placed.

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

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

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

(3) The applicant is unable to move at the time of the offer and presents clear evidence which substantiates this to the

[corporation's] authority's satisfaction, [such as] including, but not limited to:

(A) A doctor verifies that the applicant has just undergone major surgery and needs a period to recuperate;

(B) A court verifies that the applicant is serving on a jury which has been sequestered;

(C) A landlord verifies that the applicant has an existing [lease] rental agreement that cannot be [breach] breached without causing undue financial hardship.

(4) The applicant's acceptance of the offer would result in undue hardship not related to consideration of race, color, national origin, or language and the applicant presents evidence which substantiates this to the [corporation's] authority's satisfaction (e.g., [where current employment or day care facilities are inaccessible).] inaccessibility to source of current employment or day care facilities).

(e) Not less than fifty per cent of all available units shall be for applicants without preference and up to fifty per cent of available units shall be for applicants with preference. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-37] 17-2034-37 Occupancy of accessible dwelling units. The [corporation] authority shall take the following nondiscriminatory steps to maximize the utilization of accessible units by eligible individuals whose disability requires the accessibility features of the particular unit.

(a) When an accessible unit becomes vacant the [corporation] authority shall, before offering such units to an applicant without disabilities, offer [the] such [unit] units:

(1) First, to a current occupant of another unit of the same project or other projects within the same housing program, having disabilities requiring the accessibility features of the

vacant unit and occupying a unit not having such features, or, if no such occupant exists, then,

(2) Second, to an eligible qualified applicant on the waiting list having a disability requiring the accessibility features of the vacant unit.

(b) When an applicant [who is not disabled] accepts [a] an accessible unit, [with accessibility features] and the applicant does not have a disability that requires the accessibility features of the unit, the applicant shall [transfer to a non-accessible] be required to agree to move to a non-accessible unit when one becomes available. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§17-2034-38 through 17-2034-39 Reserved

SUBCHAPTER 4

OCCUPANCY AND RENTAL AGREEMENT

§[15-193-40] 17-2034-40 Rental agreement. (a) A tenant shall enter into a rental agreement with the [corporation] authority which sets forth the conditions of occupancy for the tenant including, but not limited to, the rental terms, security deposit, smoking prohibitions, eligibility reexaminations and rental adjustments, and for welfare recipients, authorization for the [corporation] authority to draw rental payments directly from their EBT or bank account.

(b) No tenant shall be permitted to remain in a [housing] project without a valid rental agreement.

(c) Except as provided in this chapter and in the rental agreement entered into pursuant to (a) above, tenancy in a state-aided public housing unit shall be governed by chapter 521, Hawaii Revised Statutes.

[Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42, [201G] 356D-43, 356D-44)

§[15-193-41] 17-2034-41 Eligibility for continued occupancy.

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

(1) Qualify as a family;

(2) Conform to the occupancy standards;

(3) Have an income that does not exceed the applicable income limit for continued occupancy;

(4) Have assets that do not exceed the applicable limits for continued occupancy;

(5) Not have a record of conduct or behavior which may be detrimental to the project, its tenants or employees; [and]

(6) Abide by smoking prohibitions pursuant to section 17-2034-50;

(7) Maintain continued and uninterrupted utility services; and

(8) Not have acquired a majority interest in fee simple or leasehold lands suitable for dwelling purposes, or a majority interest in lands under any trust agreement or other fiduciary agreement in which another person holds legal title to such land.

(9) Not engage in or threaten abusive or violent behavior toward the authority's staff. For purposes of this subsection, "threaten" means an oral or written threat or physical gestures that communicate intent to abuse or commit violence. Abusive or violent behavior may be verbal or physical and include racial epithets, or other language, written or oral, that is customarily used to intimidate; or

(10) Not cause any harm or damage to the authority, its staff, agents, representatives, or programs.

(b) Except for a newborn child, [a] no person, including a live-in aide, shall [not] be permitted to join or rejoin the family until [it (c) is verified] the authority verifies that the person meets the eligibility requirements set forth in section [125-193-21.] 17-2034-21, and approves of the family's request to add a family member as an occupant of the dwelling unit. The authority will not approve the addition of family members other than by marriage, birth, adoption, or court-awarded custody where the occupancy standards would require a larger size unit.

[(b)](c) Addition of a newborn or adopted child, or court-award custody of a child, and all other changes to household composition must be reported to the authority within ten business days.

[Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42, [201G] 356D-43)

§17-2034-42 Continued Occupancy of Remaining Members of Tenant Families. (a) If the head of household is declared permanently absent, upon request of the remaining members of the family, the authority will determine the eligibility of a remaining member of

the tenant family to continue to occupy the unit pursuant to section 17-2034-41; provided that no remaining member of the family who has occupied the unit for less than 12 months at the time the head of household becomes permanent absent, is eligible to become the new head or co-head of household.

(b) For remaining members of tenant families who are minors, where an appropriate agency has determined that another adult is to be brought into the unit to care for the children for an indefinite period, the authority will treat that adult as a visitor for the first twenty one calendar days. If court-awarded custody or legal guardianship is awarded to the caretaker, the authority may transfer the rental agreement to the caretaker until the oldest minor in the household reaches the age of majority, provided that the authority verifies that the caretaker meets the eligibility requirements set forth in section 17-2034-21; and provided further that the authority will not approve the inclusion of a caretaker where the occupancy standard would require a larger unit than the current unit size or the unit size appropriate for the family, if the family is currently in a unit size that is too small for its household composition. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42, [201G] 356D-43)

§[15-193-42] 17-2034-43 Reexamination. At least once every twelve months, the [corporation] authority shall reexamine a tenant's annual income, assets, family composition, and any other matter necessary to determine a tenant's rent and eligibility for continued occupancy. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42, [201G] 356D-43)

§[15-193-43] 17-2034-44 Reexamination results. (a) A [tenant] family shall be given written notification within a reasonable time, after determination by the staff, of both the [tenant's]

family's eligibility for continued occupancy and rent schedule.

(b) A [tenant] family found ineligible for continued occupancy by the staff shall be required to vacate the dwelling unit [within ninety days from the date of ineligibility].

[(c) A tenant aggrieved by the reexamination results may request a hearing pursuant to the corporation's grievance procedure as provided in section 15-183, HRS.] [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-44] 17-2034-45 Special reexamination. If at the time of admission or reexamination, a family's income cannot be reasonably determined for the next twelve months, the authority may schedule a special reexamination [shall be scheduled within three months] at any time prior to the next annual reexamination when deemed necessary. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-45] 17-2034-46 Interim rent adjustment. (a) [If applicable, the] The [corporation] authority may adjust a [tenant's] family's rent between reexamination if a tenant reports a change in family income. However, adjustments to rent shall not be made for covered families with reduced welfare benefit payments resulting from wefare sanctions for noncompliance with welfare self-sufficiency and work activity requirements.

(b) Adjustments, reflecting a lower rent, shall be made effective on the first of the month following the month the report was made. The authority will not process the rent adjustment if it confirms that the decrease in income will last less than thirty calendar days.

(c) A tenant who has obtained a decrease in rent under this section[,] shall report all income increases to the authority which occur prior to the next reexamination within ten business days of when the

tenant knows the increase will occur, and rent shall be readjusted accordingly. Any increase in rent shall be effective on the first day of the second month following the month in which the change occurred.

(d) A tenant who fails to report any increase in income after obtaining a decrease in rent under this section shall be subject to a back rent charge retroactive to the month in which the rent increase should have been made[.] pursuant to section 17-2034-48.

(e) A tenant shall report to the authority any changes in family composition. Rent adjustment shall be made between reexaminations when a person with income is added to the family and the rent adjustment shall be effective on the first of the second month following the approved inclusion. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42, [201G] 356D-43)

§[15-193-46] 17-2034-47 Tenant transfers. (a) Tenant transfers will be made without regard to race, sex, color, creed, religion, marital status, gender identity or expression, sexual orientation, national or ethnic origin, familial status, ancestry, disability, age, or HIV (human immunodeficiency virus) infection.

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

(1) To prevent overcrowding or under utilization of a dwelling unit as determined by the [corporation] authority at the time of the annual or interim reexamination;

(2) To preserve the purpose for which a project or unit was specifically developed or designed such as to meet the needs of the elderly, or a person with disabilities;

(3) [To meet a verifiable health or safety need; or] Based on an emergency where conditions of the dwelling unit, building or project pose an immediate, verifiable threat to life, health or safety of the family;

(4) For economic reasons affecting the tenant or the [corporation.] authority;

(5) For administrative reasons determined by the authority including, but not limited to, permitting modernization, renovation, redevelopment or rehabilitation work and transferring eligible tenants with disabilities from federally-assisted public housing projects to State-aided public housing projects; [or]

(6) When the family no longer requires the accessible features of an accessible unit and the authority had identified another family who requires the accessible features of the unit; or

[(6)] (7) As a reasonable accommodation.

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

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

(e) [Tenant] A family requesting a transfer shall not be transferred during periods when eviction proceedings have been initiated or are in process against such [tenant] family, which includes the issuance of a notice of violation of the rental agreement by the authority for which the authority is seeking eviction or during any period of conditional deferment of eviction action against such [tenant] family.

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

(g) The [corporation] authority may terminate the rental agreement of a tenant who refuses to transfer as required by the [corporation] authority. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42)

§[15-193-47] 17-2034-48 Backcharges. (a) A [tenant] family shall pay in full any backcharges within [one hundred eighty] sixty days [after being notified by the staff of the backcharge] from the date of notification of the backcharge; provided that where the family timely reports a change in income to the authority and a backcharge results from an increase in income, payment for any backcharges shall not be due until sixty days from the date of a completed reexamination or interim rent adjustment. Failure to do so shall result in the termination of the rental agreement [for non-payment of rent].

(b) The authority may, in its discretion, negotiate a reasonable payment arrangement, not to exceed 180 calendar days, with a family to ensure payment in full of any backcharges. When the authority determines not to exercise this discretion, the family shall be responsible for the full balance of backcharges as stated in subsection (a). [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-42, [201G] 356D-43)

§[15-193-48] 17-2034-49 Rental agreement termination. (a) A [tenant] family shall give the [corporation] authority at least twenty-eight days written notice that the [tenant] family will vacate the [tenant's] family's unit prior to the vacate date.

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

(1) Fails to observe or perform any covenant or obligation of the rental agreement, or rule of the [corporation] authority or housing project, or law or ordinance of a governmental agency that

pertains to or establishes standards of occupancy[;]. This includes but is not limited to the following:

(i) Serious or repeated violation of the material terms of the rental agreement, including failure to make payments due or fulfill household obligations set forth in the rental agreement;

(ii) Failure to provide family income, assets, employment and composition information and documentation to enable the authority to determine the family's rental rate and eligibility for continued occupancy;

(iii) Family no longer conforms to the occupancy limits as established by the authority for the unit occupied by the family and the family refuses to move to the first appropriate size unit offered;

(iv) When requested by the authority due to health and safety, repair, abatement, construction, renovation or redevelopment of the dwelling unit and the family refuses to move;

(v) Family is ineligible for continued occupancy;

(vi) At the time of admission, reexamination, interim or at any other time, the family has submitted false information or has withheld valuable information or has made wilful misstatements; and

(vii) Family fails to accept the authority's offer of a revision to the existing rental agreement.

(2) Engages in the illegal use of a [controlled substance;] drug or gives the authority reasonable cause to believe that the illegal use (or pattern of illegal use) of a drug or abuse (or pattern of abuse) of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other tenants;

[(3) Whose illegal use of a controlled substance, or abuse of alcohol, is determined by the

corporation to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents;

(4)] (3) Who the [corporation] authority determines engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other [residents] tenants; [or]

[(5)] (4) Who the [corporation] authority determines engages in any drug-related criminal activity on or near the [corporation's] authority's [property] premises;[.]

(5) Threatens the health or safety of an employee, contractor or agent of the authority or State;

(6) Violates the smoking prohibitions pursuant to section 17-2034-50 on more than two occasions and receives written notice of said violations; provided that a guest who is visiting a resident, or any member of the tenant's household, who violates the smoking prohibition shall be deemed a violation by the tenant, and shall be counted toward the tenant's violations; provided further that failure to respond to management's request will result in a separate Notice of Violation being issued to the Tenant(s) for the refusal to respond to management's request; provided further that if tenant, any member of the tenant's household, or any guest or other person under the tenant's control receives only one violation of section 17-2034-50 in one year, and participates in and completes a smoking cessation service program within the same year, the authority will clear the one violation and shall not deem the incident as a violation for the following year;

(8) Fails to maintain utility services;

(9) Has been convicted of a felony during the term of the tenancy, and the felony is related to the authority's property or funds, the resident association or tenant association's property or funds, homicide,

assault, terroristic threatening, firearms, dangerous weapons, kidnapping, sexual assault, extortion, burglary, unauthorized control of propelled vehicle, and criminal property damage. This subsection does not apply to tenant's guest or other person under tenant's control;

(10) Flees to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees;

(11) Violates a condition of probation or parole imposed under federal or state law; or

(12) Engages in wilful damage to the authority's property.

(c) The [corporation] authority shall give a tenant written notice of the proposed termination of the rental agreement of not less than:

(1) Fourteen days in the case of failure to pay rent;

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

(3) Thirty days in all other cases.

(d) The [corporation] authority shall terminate a rental agreement in accordance with chapter [201G,] 521, HRS. [Eff] (Auth: HRS §§ [201G] 356D-4, 356D-6.5, 356D-44) (Imp: HRS §356D-6.5, [201G] 356D-42, 356D-44)

§17-2034-50 Smoking prohibited. (a) Smoking is prohibited in all public housing projects, or portions of public housing projects, including inside dwelling units, except where marked by the authority as a designated smoking area, including:

(1) Each individual housing unit;

(2) In all common areas and community facilities in and around the authority's public housing projects. The authority may designate additional common areas; and

(3) Within a presumptively reasonable minimum distance of twenty feet from each individual building of the housing project, and from any entrances, exits, and windows that open to common areas, community facilities, and dwelling units, and ventilation intakes that serve common areas, community facilities, and dwelling units, including enclosed or partially enclosed areas where smoking is prohibited.

(b) One or more permissible designated smoking areas may be designated by the authority at least twenty feet away from any residential or other building, or any greater distance away as may ensure that the secondhand smoke does not infiltrate any dwelling unit, if such an area can be identified on the property, as authorized by Act 91, Session Laws of Hawaii 2014.

(c) Tenants, members of the tenant's household, and guests and visitors of the household shall promptly discontinue smoking upon management's request when observed smoking outside of a designated smoking area, if any. [Eff] (Auth: HRS §§356D-4, 356D-6.5, 356D-44) (Imp: HRS §§356D-6.5)

§17-2034-51 through 17-2034-59 Reserved

SUBCHAPTER 5

RENTS, [AND] SECURITY DEPOSITS, and OTHER CHARGES

§[15-193-60] 17-2034-60 Security deposits. (a) A tenant shall pay a security deposit, prior to admission to a housing project, in an amount not to exceed one month's rent. The security deposit may be applied to rent or used to repay charges owed to the [corporation] authority upon the termination of the rental agreement. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-42, [201G] 356D-43, 521-44)

§[15-193-61] 17-2034-61 Minimum rents. (a) The minimum rent shall be based upon the number of bedrooms in the dwelling unit.

(b) The minimum rents for state-aided family projects are set forth in exhibit [D,] C, which is incorporated by reference and attached. [Eff] (Auth: HRS §§[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-4, [201G] 356D-44)

§[15-193-62] 17-2034-62 Rent. A tenant shall pay thirty percent of adjusted annual income for rent or a minimum rent, as set forth in [15-193-61,] 17-2034-61, whichever is greater. [Eff] (Auth: HRS §§[201G] 356D-4, 356D-44), (Imp: HRS §§[201G] 356D-4, [201G] 356D-43, 356D-44)

§[15-193-63] 17-2034-63 Determining net earned income. The net earned income for a [tenant] family shall be determined by the following process:

1. From the gross annual earned income of each adult household member, deduct a standard deduction of twenty per cent; and if applicable,
2. After the twenty per cent standard deduction, deduct from the remainder an education credit for a household member that is a full-time

student seeking a post-secondary education. The education credit, which is provided for a tenant family and not individual family members, is calculated as:

A. The actual amount received from scholarship(s) to attain a post-secondary education degree; or

B. One thousand dollars ($1,000) per year; whichever is less. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-42, [201G] 356D-43, 356D-44)

§[15-193-64] 17-2034-64 Determining net unearned income. The net unearned income for a [tenant] family shall be determined by the following process:

1. If applicable, from the gross annual unearned income of each adult household member, deduct Medicare premiums that are actually deducted from social security benefits; and

2. If a household member is a full-time student seeking a post-secondary education, deduct an education credit, which is provided for a [tenant] family and not individual family members. The education credit is calculated as:

A. The actual amount received from scholarship(s) to attain a post-secondary education degree; or

B. One thousand dollars ($1,000) per year; whichever is less. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-42, [201G] 356D-43, 356D-44)

§[15-193-65] 17-2034-65 Determining adjusted annual income. Adjusted annual income is determined by adding the net earned income, as set forth in [15-193-63,] 17-2034-63, to the net unearned income, as set forth in [15-193-64.] 17-2034-64. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-42, [201G] 356D-43, 356D-44)

§17-2034-66 Other Charges. The authority may charge a family, in addition to monthly rent and applicable utility charges, the following:

(a) A late fee of $25.00 if the monthly rent is paid after the seventh business day of that month;

(b) A dishonored check fee of $25.00 for every check made payable to the authority that is returned for insufficient funds; and

(c) Maintenance costs which includes repair costs related to damages to the dwelling unit or appliances or equipment furnished by the authority, in excess of ordinary wear and tear, and for any repairs to project buildings, facilities, or common areas required because of the wrongful act or negligence of the family or the family's guest or visitor. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §§[201G] 356D-42, [201G] 356D-43, 356D-44)

§17-2034-67 Delinquent accounts. The authority may assign delinquent accounts to a collection agency. [Eff] (Auth: HRS §356D-4, 356D-44) (Imp: HRS §356D-42, 356D-45.5)

§17-2034-68 through 17-2034-69 Reserved

SUBCHAPTER 6

SPECIAL PROGRAMS

§17-2034-70 Special programs. The authority may administer programs that are created for special or specific purposes to benefit specific categories of persons as determined by the authority. This may include selection from wait lists and lists of participants using criteria that are different from those provided in this chapter. [Eff] (Auth: HRS §§356D-4, 356D-44) (Imp: HRS §§356D-4, 356D-44)

§17-2034-71 Occupancy by police officers. For the purpose of increasing security for tenants of a public housing project, the authority may enter into an agreement with police officers to allow occupancy of police officers who would not otherwise be eligible for occupancy in public housing, to reside in a public housing dwelling unit; provided that the police officer shall pay a security deposit and the monthly minimum rent as provided in section 17-2034-61. [Eff] (Auth: HRS §§356D-4, 356D-44 [356D-13]) (Imp: HRS §§356D-4, 356D-44)

§17-2034-72 through 17-2034-79 Reserved.

SUBCHAPTER [6] 7

MISCELLANEOUS PROVISIONS

§[15-193-70] 17-2034-80 Severability. If any part, section, sentence, clause, or phrase of this chapter, or its application to any person or transaction or other circumstances, is for any reason held to be unconstitutional or invalid, the remaining parts, sections, sentences, clauses, and phrases of this chapter, or the application of this chapter to other persons or transactions or circumstances, shall not be affected. [Eff] (Auth: HRS §[201G] 356D-4, 356D-44) (Imp: HRS §1-23)

§17-2034-81 Number and gender. Words in the singular or plural number and masculine gender shall have the same meaning as defined in section 1-17, HRS." [Eff 7/21/05; am and comp 9/4/07; comp] (Auth: HRS §356D-4, 356D-44) (Imp: HRS §1-17)

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

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

5. These amendments to and compilation of chapter 17-2034, Hawaii Administrative Rules shall take effect ten days after filing with the Office of the Lieutenant Governor.

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

_____
PONO SHIM,
Chairperson
Board of Directors
Hawaii Public Housing Authority

APPROVED AS TO FORM:

_____
Deputy Attorney General

METHODOLOGY FOR CALCULATING INCOME LIMITS

Income limits are calculated using a set of formula relationships. The U.S. Department of Housing and Urban Development (HUD) estimates median family income based on the most recent census data estimates updated with a combination of local Bureau of Labor statistics data and census divisional data. Separate median family income estimates are calculated for all Metropolitan Statistical Areas, Primary Metropolitan Statistical Areas and Metropolitan Counties.

Very Low-Income Limits:
Low-income limits are calculated using a set of formula relationships. The first step is to calculate the very-low income limits based on 50 percent of the estimated area median income for a four-person family as determined by HUD. Adjustments are then made if the 50 percent number is outside of formula constraints.

More specifically, the very low-income limit for a four-person family is calculated as follows:

50 percent of the area median family income is calculated and set as the tentative four-person family income limit;

If it is lower, the four-person income limit is increased to the amount at which 35 per cent of it equals 85 per cent of the annualized two-bedroom Section 8 Fair Market Rent or FMR (this adjusts income limits upward for areas where rental housing costs are unusually high in relation to the median income.

If it is higher, the four-person income limit is reduced to the amount at which 30 per cent of it equals 120 per cent of the two-bedroom FMR (this adjusts income limits downward for areas where rental housing costs are unusually low in relation to the median income);

To minimize program management problems, income limits are being held at the most recent fiscal year levels in areas where the FMR reductions would have resulted in

lower income limits; and in no instance are income limits less than if based on the State non-metropolitan median family income level.

Low-Income Limits:
The next step is to calculate the low-income limits. Most four-person low-income limits are the higher of 80 percent of the area median family income or 80 percent of the State nonmetropolitan median family income level. Because the very low-income limits are not always based on 50 percent of median, calculating low-income limits as 80 percent of median would produce anomalies inconsistent with statutory intent (e.g., very low-income limits could be higher than low-income limits). The calculation normally used, therefore, is to set the four-person low-income limit at 1.6 (i.e., 80%/50%) times the relevant four-person very low-income limit. The only exception is that the resulting income limit may not exceed the U.S. median family income level except when justified by high housing costs. Use of very low-income limits as a starting point for calculating other income limits has the effect of adjusting low-income limits in areas where the very low-income limits have been adjusted because of unusually high or low housing-cost-to-income relationships.

Family Size Adjustments:
Family size adjustments are made to provide higher income limits for larger families and lower income limits for smaller families. The factors used are as follows:

Number of Persons in Family and Percentage Adjustments

1	2	3	4	5	6	7	8
70%	80%	90%	Base	108%	116%	124%	132%

Income limits for families with more than eight persons are not included in the printed lists because of space

limitations. For each person in excess of eight, 8 percent of the four-person base should be added to the eight-person income limit. (For example, the nine-person limit equals 140 percent [132 + 8] of the relevant four-person income limit.) All income limits are rounded to the nearest $50 to reduce administrative burden.

Income Limits for Admissions and Continued Occupancy
Based upon the foregoing methodology, the following table sets forth the calculated income limits for admissions and continued occupancy in State-aided family public housing. These income limits are adjusted periodically whenever the HUD estimates of area median income are revised and are, therefore, subject to change.

Income and Asset Limits for Admission
(Effective [March 29, 2001]December 1, 2014)

County	1 Person	2 Persons	3 Persons	4 Persons
Honolulu	$[22,600]33,550	$[25,850]38,350	$[29,050]43,150	$[32,300]47,900
Hawaii	[18,100] 23,900	[20,700] 27,300	[23,250] 30,700	[25,850] 34,100
Kauai	[22,600] 30,250	[25,850] 34,550	[29,050] 38,850	[32,300] 43,150
Maui	[23,750] 26,850	[27,150] 30,700	[30,550] 34,550	[33,950] 38,350

County	5 Persons	6 Persons	7 Persons	8 Persons
Honolulu	$[34,900]51,750	$[37,450]55,600	$[40,050]59,400	$[42,650]63,250
Hawaii	[27,800] 36,850	[30,000] 39,600	[32,050] 42,300	[34,100] 45,050

Kauai	[34,900] 46,650	[37,450] 50,100	[40,050] 53,550	[42,650] 57,000
Maui	[36,650] 41,450	[39,400] 44,500	[42,100] 47,600	[44,800] 50,650

Income and Asset Limits for Continued Occupancy
(Effective [March 29, 2001]December 1, 2014)

County	1 Person	2 Persons	3 Persons	4 Persons
Honolulu	$[36,200]53,700	$[41,350]61,350	$[46,500]69,000	$[51,700]76,650
Hawaii	[28,950] 38,200	[33,100] 43,650	[37,200] 49,100	[41,350] 54,550
Kauai	[36,200] 48,300	[41,350] 55,200	[46,500] 62,100	[51,700] 69,000
Maui	[38,000] 43,000	[43,450] 49,150	[48,900] 55,300	[54,300] 61,400

County	5 Persons	6 Persons	7 Persons	8 Persons
Honolulu	$[55,800]82,800	$[59,950]88,950	$[64,100]95,050	$[68,200]101,200
Hawaii	[44,650] 58,950	[48,000] 63,300	[51,300] 67,650	[54,600] 72,050
Kauai	[55,800] 74,550	[59,950] 80,050	[64,100] 85,600	[68,200] 91,100
Maui	[58,650] 66,350	[63,000] 71,250	[67,350] 76,150	[71,700] 81,050

OCCUPANCY STANDARDS
2001

Unit allotment is based in accordance with the prevailing zoning and county building, health and fire codes. In determining the appropriate dwelling unit size for assistance, the following criteria shall be applied:

1. A family shall be assigned to the smallest unit suitable for its needs and each bedroom shall be occupied by at least one person.

2. The dwelling unit assigned should permit up to the maximum number of persons to occupy the unit in accordance with prevailing zoning and county building, health, and fire codes.

3. Every member of the household, regardless of age, shall be counted as a person. Children expected to be born by pregnant household members will also be counted as a person.

4. At the written request of the applicant, the [HCDCH] HPHA shall take into consideration in determining unit allotment, factors that include but are not limited to the following:

   a. In the case of single parents and dependent(s), separate bedrooms may be allotted to the parent and to the child/children; or

   b. Children of opposite sexes may be allotted separate bedrooms for each gender; or

   c. A person with valid medical ailments may be allotted a separate bedroom, provided the necessity for the separate bedroom is verified by a signed statement from a medical doctor and other supporting data; or

   d. A live-in care attendant of necessity may be allotted a separated bedroom.

e. Children who are in the process of being adopted, or whose legal custody is being obtained by a household will be included as members of the household for the purpose of determining unit size.

f. One person, the remaining member of a tenant family, may with prior consent of the [HCDCH,] HPHA, be permitted to continue to occupy the smallest size unit. The remaining member, may, with prior consent of the [HCDCH,] HPHA, add another person to the household, provided the new household qualifies as a family for continued occupancy and a larger dwelling is not required to accommodate the enlarged household.

MINIMUM RENTS FOR
STATE-AIDED FAMILY PUBLIC HOUSING PROJECTS
(Effective December 13, 2001)

The Minimum Monthly rents for all tenants of State-aided family public housing projects are as follows:

No. of Bedrooms	**Monthly Minimum Rent**
1	$108
2	128
3	152
4	180
5	212

Approved by the Executive Director
May 19, 2016

FOR ACTION

MOTION: To (1) Adopt Proposed Rules under the Governor's Proclamation, dated October 16, 2015 and Supplementary Proclamations, Entitled "Special Rent Supplement Program Rules" Which is Substantially Based on Chapter 15-184, Hawaii Administrative Rules (HAR), and Which Include the Rules and Requirements for HPHA's Special Rent Supplement Program, a Program Established to Provide Rent Subsidies to Qualified Homeless Person(s) or Family; and (2) to Authorize the Executive Director to Undertake All Other Actions Necessary to Implement the Special Rent Supplement Program for the Homeless, Including Promulgating the Rules Pursuant to Section 127A-25, Hawaii Revised Statutes

I. FACTS

A. The Hawaii Public Housing Authority (HPHA) administers the Rent Supplement Program, which is governed by a variety of state and agency statutes and rules, such as Chapter 356D, Hawaii Revised Statutes (HRS).

B. On October 15, 2015, the Governor of the State of Hawaii issued a Proclamation and subsequent Supplementary Proclamations dated October 26, 2015, December 24, 2015, February 19, 2016, and April 22, 2016 (hereinafter collectively referred to as "Proclamation"), which proclaimed an emergency related to homelessness in the State of Hawaii. A copy of the Proclamation is attached.

C. The Proclamation suspended, as allowed by law, numerous Hawaii statutes for the "speedy and efficient relief of damages, losses, and suffering resulting" from the homeless crisis in Hawaii.

D. Pursuant to the Proclamation, the Governor further directed all State agencies and officers to cooperate with and extend their services, materials, and facilities as may be required to assist in all efforts to address the objectives of this Proclamation in addressing the homeless situation.

II. DISCUSSION

A. Attached as Attachment A for the Board's consideration is a proposed Special Rent Supplement Program for Homeless which is largely based on the HPHA's current Rent Supplement Program governed by Chapter 15-184, HAR.

B. The major differences between this special program for the homeless and the current Rent Supplement Program are as follows:

1. Only homeless applicants can apply for the Special Rent Supplement Program for the Homeless.
2. Homeless applicants must apply for the program through a nonprofit agency currently working with the State's homeless population. Applicants will be added to the waitlist with the submission of a completed application packet.
3. Homeless applicants with a qualified unit will be given a preference.
4. Homeless applicants will be able to qualify for up to $1,000 in rental assistance for the first six months. After six months, homeless families will be eligible to receive up to $500 in rental assistance. Under the program rules most recently approved by the Board of Directors, families in the regular Rent Supplement Program can qualify for up to $500 in rental assistance.
5. The waiting list for the Special Rent Supplement Program for the Homeless will terminate with the Governor's Proclamation and any future supplementary Proclamations or when 100 homeless families are assisted, whichever comes first.

C. Notwithstanding Chapter 15-184, Hawai'i Administrative Rules (HAR), Rent Supplement Program, and subsequent repeal and adoption of new administrative rules to replace Chapter 15-184, HAR, the proposed rules for the Special Rent Supplement Program for Homeless shall apply only to homeless applicants and participants of this special rent supplement program.

D. Once approved by the HPHA Board of Directors, the agency must:

1. Post the rules on the applicable state or county government website; and
2. Publish the rules in a newspaper of general circulation in the State, by means calculated to bring its contents to the attention of the general public, including by official announcement by means of television or radio broadcast, or both, or by Internet; or where only known persons are concerned, by service upon these persons by registered or certified mail or by personal service.

The rules shall remain posted on the government website while in effect. When immediate promulgation of the rules is necessary in the opinion of the governor or mayor, as applicable, who shall be the sole judge thereof, in lieu of publication, the rules may be promulgated by television or radio broadcast, or both, or by Internet, or such other means as may be available; provided that the rules shall be posted and published thereafter at the earliest practicable date.

E. The Department of the Attorney General has reviewed the proposed rules.

F. Under the Governor's Proclamation, the lapsing of appropriations for the HPHA's current Rent Supplement Program will be suspended. This will allow the HPHA to fully fund the higher rent supplement limits as proposed.

III. RECOMMENDATION

That The Board (1) Adopt Proposed Rules under the Governor's Proclamation, dated October 16, 2015 and Supplementary Proclamations, entitled "Special Rent Supplement Program Rules" which is substantially based on Chapter 15-184, Hawaii Administrative Rules (HAR), and which include the rules and requirements for HPHA's Special Rent Supplement Program, a program established to provide rent subsidies to qualified homeless person(s) or family; and (2) Authorize the Executive Director to Undertake All Other Actions Necessary to Implement the Special Rent Supplement Program for the Homeless, Including Promulgating the Rules Pursuant to Section 127A-25, Hawaii Revised Statutes

Attachment A: Draft Rules for the HPHA's Special Rent Supplement Program
Attachment B: Proclamation by the Governor of the State of Hawaii, dated October 16, 2015, Supplementary Proclamation dated October 26, 2015, Second Supplementary Proclamation dated December 24, 2015, Third Supplementary Proclamation dated February 19, 2016, Fourth Supplementary Proclamation dated April 22, 2016

Prepared by: Barbara E. Arashiro, Executive Assistant _____

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

_____
Pono Shim
Chairperson

Attachment A

HAWAII PUBLIC HOUSING AUTHORITY

SPECIAL RENT SUPPLEMENT PROGRAM RULES

SUBCHAPTER 1 General Provisions

HPHA-RS-1.1	Purpose
HPHA-RS-1.2	Applicability
HPHA-RS-2	Definitions
HPHA-RS-3	Income limits
HPHA-RS-4	Asset limits
HPHA-RS-5	Asset transfer
HPHA-RS-6	Occupancy guidelines

SUBCHAPTER 2 Eligibility

HPHA-RS-11	Application
HPHA-RS-12	Verification
HPHA-RS-13	Eligibility for participation

SUBCHAPTER 3 Tenant Selection

HPHA-RS-21	Nondiscrimination
HPHA-RS-22	Waiting list
HPHA-RS-23	Preference
HPHA-RS-24	Removal from waiting list
HPHA-RS-25	Ineligible applicant
HPHA-RS-26	Closing the waiting list

SUBCHAPTER 4 Rent

HPHA-RS-31	Rent supplement payments
HPHA-RS-32	Rent calculation
HPHA-RS-33	Reexamination
HPHA-RS-34	Security deposits

SUBCHAPTER 5 Rent Supplement Agreements

HPHA-RS-41	Rent supplement agreement - housing owners
HPHA-RS-42	Rent supplement agreement - tenants
HPHA-RS-43	Authority's responsibility
HPHA-RS-44	Rent supplement agreement - termination

SUBCHAPTER 6 Qualified Housing Dwelling Unit

HPHA-RS-51 Eligibility for shared housing
HPHA-RS-52 Eligible dwelling units
HPHA-RS-53 Allocable share of rent
HPHA-RS-54 Shared housing addendum

SUBCHAPTER 7 Miscellaneous Provisions

HPHA-RS-61 Severability
HPHA-RS-62 Number

SUBCHAPTER 1

GENERAL PROVISIONS

HPHA-RS-1.1 Purpose. These rules are adopted to provide the requirements for participation by eligible applicants and housing owners in this special rent supplement program administered by the authority under Chapter 356D, Part VIII, Hawai'i Revised Statutes, and pursuant to the Proclamation issued by the Governor of the State of Hawai'i dated October 16, 2015, Supplementary Proclamation dated October 26, 2015, Second Supplementary Proclamation dated December 24, 2015, Third Supplementary Proclamation dated February 19, 2016, Fourth Supplementary Proclamation dated April 22, 2016, and any supplementary proclamations issued thereafter ("Emergency Proclamations"), and Chapter 127A, Hawai'i Revised Statutes, relating to the homelessness emergency ("Special Rent Supplement Program").

HPHA-RS-1.2 Applicability. Notwithstanding Chapter 15-184, Hawai'i Administrative Rules ("HAR"), Rent Supplement Program, and any subsequent repeal and adoption of new administrative rules to replace Chapter 15-184, HAR (collectively, "RSP HARs"), these rules shall apply only to applicants and participants of this Special Rent Supplement Program; provided that upon placement of not more than 100 applicants into dwelling units, or upon expiration of the Emergency Proclamations, whichever occurs first, these rules shall terminate, and the RSP HARs shall apply to all participants of this Special Rent Supplement Program. Notwithstanding the termination of these rules, any rent supplement agreement executed pursuant to this Special Rent Supplement Program and these rules, shall continue and be in effect for a period not to exceed 12 months.

HPHA-RS-2 Definitions. As used in this chapter:

"Applicant" means an individual or family who resides in a homeless emergency shelter or homeless

transitional shelter and who submits an application to participate in the program but is not yet a participant in the program.

"Assets" means total cash, securities, real and personal property less any outstanding liabilities secured by the assets. Assets do not include necessary personal property such as clothing, household furniture and automobiles.

"Authority" means the Hawaii public housing authority.

"Criminal activity" means any act or conduct which constitutes a criminal offense under any Federal or State law, rule or regulation, or county or municipal ordinance, committed by a tenant, a member of the tenant's household, a guest of the tenant or any person who is on the premises with the express or implied consent of the tenant, regardless if the person engaging in the act or conduct has been arrested or convicted for the applicable criminal offense.

"Displaced" means a family or elderly individual who is without housing, about to be without housing or was without housing within three years prior to applying for housing assistance and was displaced by some public or governmental action.

"Drug" means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. §802) as it existed on December 18, 2014.

"Drug-related criminal activity" means the illegal possession, manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use, of a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. §802).

"Dwelling unit" means a house, apartment or group of rooms, intended for residential occupancy as separate living quarters with each unit having direct access from either the outside of the building or through a common hall with each unit being equipped with complete kitchen and bathroom facilities for the exclusive use of the occupants, and is located in Hawaii. Dwelling units that present a serious health or safety hazard shall not be acceptable for use by

participants of the program.

"Elderly" means a family whose head, spouse, or sole member or spouse has attained the age of sixty-two.

"Family" means:

(1) One or more persons who live or intend to occupy a dwelling unit and whose income and resources are available to meet the family's need and who may, but need not be, related by blood, marriage, or operation of law, including foster children and hanai children and whose head of household has reached the age of majority, or is otherwise legally emancipated;

(2) A person who is pregnant or in the process of securing legal custody of a minor child or children, and who has reached the age of majority or is otherwise emancipated.

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

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

"Gender identity or expression" includes a person's actual or perceived gender, as well as a person's gender identity, gender-related self-image, gender-related appearance, or gender-related expression, regardless of whether that gender identity, gender-related self-image, gender-related appearance, or gender-related expression is different from that traditionally associated with the person's sex at birth.

"Hanai children" means a person or persons, under eighteen years of age, for whom a tenant provides food, nourishment and support for a minimum period of at least a year and who is acknowledged as the tenant's child among friends, relatives, and the community.

"Homeless emergency shelter" means a homeless facility designed to provide temporary shelter and appropriate and available services to homeless families or individuals for up to six weeks. Emergency shelters are characterized by their short-term, walk-in nature,

with the option for participants to enter into a case plan upon entry and community living quarters.

"Homeless transitional shelter" means a homeless facility designed to provide temporary shelter and appropriate and available social services to homeless families or individuals for up to twenty-four months.

"Household" includes "family", "elderly", and "displaced".

"Household income" means all income from any source before deductions or exemptions, anticipated to be received during the twelve month period following admission or redetermination of household income, as the case may be, by all persons occupying, or who are to occupy the dwelling, and by a household head temporarily separated from the household. Household income does not include the employment income of a minor or amounts specifically paid to the household for or in reimbursement of the cost of medical expenses for any household member.

"Housing owner" means the same as defined in section 356D-152, HRS, and may include an agent of an owner.

"HRS" means the Hawaii revised statutes.

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

"Minor" means a person less than eighteen years of age. An unborn child may not be counted as a minor.

"Participant" means the same as tenant.

"Program" means the Special Rent Supplement Program administered by the authority.

"Rent" means the monthly charge to a tenant for the use of a dwelling unit.

"Security deposit" means a monetary deposit required by a landlord prior to occupancy of the dwelling unit.

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

"Shared housing" means a dwelling unit with two or more bedrooms that is occupied by more than one person or household which share the housing cost for the dwelling.

"Standard unit" means the same as "dwelling

unit".

"Tenant" means a qualified person or family that is participating in the program.

"Unassisted household" means a person or family who is not participating in the program.

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

"Very low income" means 50 per cent of the median household income for the area as determined by the U.S. Department of Housing and Urban Development.

"Violent criminal activity" means any criminal activity that includes the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

HPHA-RS-3 Income limits. To be eligible to participate or continue participation in the program, an applicant's or tenant's adjusted household income shall not exceed the very low income limits most recently determined by the U.S. Department of Housing and Urban Development.

HPHA-RS-4 Asset limits. (a) An elderly family having assets valued at more than twice its applicable income limit is ineligible to participate in the program.

(b) A non-elderly family having assets which are valued at more than one and one half times its applicable income limit is ineligible to participate in the program.

HPHA-RS-5 Asset transfer. All assets transferred or assigned to another party, within a twenty-four month period prior to submitting an application or for the purpose of continuing to qualify for participation in the program, shall be included in determining a household's assets.

HPHA-RS-6 Occupancy guidelines. Eligible

applicants and tenants shall abide by the occupancy standards for admission and continued occupancy in this program as prescribed in exhibit A, entitled "Occupancy Standards", located at the end of this chapter.

SUBCHAPTER 2

ELIGIBILITY

HPHA-RS-11 Application. (a) A person seeking to participate in the program shall submit a completed application form, provided by the authority. The form shall include, but not be limited to, information relating to household income, household composition, social security number or a certification that the member does not have a social security number for each household member, evidence of citizenship or eligible immigrant status as provided under 24 C.F.R. §5.508, as it existed on April 7, 2016, for each household member, financial condition, and other program information necessary to determine eligibility and program demographics.

(b) The applicant shall be placed on a special statewide waiting list upon submission of a completed application form. Placement on the special statewide waiting list shall not be deemed a determination of eligibility or admission.

(c) An applicant who has misrepresented material information or has willfully withheld important information on the application form submitted to the authority shall not be eligible to file an application with the authority for placement on the regular waiting list under RSP HARs for twelve months from the date of written notification from the authority.

HPHA-RS-12 Verification. Applicants and tenants in the program shall provide, prior to admission or as the authority may require, documentation setting forth information concerning household income, household

composition, social security number or a certification that the member does not have a social security number for each household member, evidence of citizenship or eligible immigrant status as provided under 24 C.F.R. §5.508, as it existed on April 7, 2016, for each household member, financial condition or other information as may be requested.

HPHA-RS-13 Eligibility for participation. To be eligible to participate or continue participation in the program, the applicant and applicant's household members or tenant and tenant's household members shall:

(1) Qualify as a household;
(2) Have an adjusted household income which does not exceed the applicable income limit;
(3) Have assets which do not exceed the applicable asset limit;
(4) Have earning capabilities or whose financial situation gives reasonable assurance of meeting the rental payments on time as they become due;
(5) Not own, in whole or a majority interest in, a dwelling unit in the state of Hawaii;
(6) Not have an outstanding debt owed to the authority;
(7) Be eligible for a monthly rent supplement payment of a minimum of $25 and not more than $1,000;
(8) Provide a social security number for all family members or certify that the person does not have a social security number;
(9) Meet all requirements of part VIII, chapter 356D, HRS;
(10) Have their primary place of residence in Hawai'i or intends to make Hawai'i their primary place of residence;
(11) Not have a recent history of criminal activity involving crimes to persons or property or criminal acts that affect the health, safety, or right to peaceful enjoyment of the premises by other

residents. A person convicted for such a crime shall not be eligible for participation in the program until three years after completion of probation or the serving of the sentence;

(12) Not have been evicted from any of the authority's housing programs for drug related criminal activity for three years prior to admission. For purposes of this subsection, in determining eligibility, the authority may consider whether the evicted applicant or household member has successfully completed a rehabilitation program approved by the authority, or whether the circumstances leading to eviction no longer exist;

(13) Not engage in any drug related or violent criminal activity. For the purposes of this subsection, "violent criminal activity" means any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another;

(14) Not engage in the illegal use of a controlled substance or give the authority reasonable cause to believe that the illegal use of a controlled substance, pattern of illegal use, abuse of alcohol, or pattern of abuse of alcohol may interfere with the health and safety of the residents, or the right to peaceful enjoyment of the premises by other residents;

(A) For the purposes of this subsection "reasonable cause to believe" means by the preponderance of the evidence;

(B) For the purposes of this subsection, in determining whether to deny eligibility based on a pattern of use of a controlled substance or a pattern of abuse of alcohol, the authority may consider rehabilitation as provided for under 42 U.S.C. §13661(b)(2)(A)-(C) effective October 1, 1999;

(15) Except for a newborn child, a person shall not be permitted to join or rejoin the household until it is verified that the person meets the eligibility requirements set forth in this section;

(16) Not engage in or threaten abusive or violent behavior toward the authority's staff. For purposes of this subsection, "threaten" means an oral or written threat or physical gestures that communicate intent to abuse or commit violence. Abusive or violent behavior may be verbal or physical and include racial epithets, or other language, written or oral, that is customarily used to intimidate;

(17) Not cause any harm or damage to the authority, its staff, agents, representatives, or programs;

(18) Furnish evidence of citizenship or eligible immigrant status as provided for in 24 C.F.R. §5.508, as it existed on April 7, 2016; and

(19) Be referred from a homeless shelter, outreach, grant, or supportive service provider who has assisted the applicant in completion of an application for rent supplement, in locating a qualified dwelling unit and who agrees to provide case management follow-up services for no less than six months after applicant placement in this Special Rent Supplement Program.

SUBCHAPTER 3

TENANT SELECTION

HPHA-RS-21 Nondiscrimination. (a) The authority shall not deny any family or individual the opportunity to apply for or receive assistance under this chapter on the basis of race, color, sex, religion, marital status, creed, national or ethnic

origin, age, familial status, gender identity, sexual orientation, handicap or disability or HIV infection.

(b) The authority shall comply with state and federal nondiscrimination laws and with rules and regulations governing fair housing and equal opportunity in the administration of the Program. The authority shall provide a family with the United States Department of Housing and Urban Development discrimination complaint form and information on how to file a fair housing complaint if the family claims that discrimination prevented them from finding or leasing a suitable unit under the Program.

HPHA-RS-22 Special statewide waiting list. (a) The authority shall maintain a special statewide waiting list of applicants who may be eligible to obtain a certification of rent supplement eligibility.

(b) Placement of applicants on the special statewide waiting list shall be based upon date and time of receipt of completed application.

(c) An applicant must notify the authority, of any change that may affect the applicant's place on the special statewide waiting list and the authority's ability to contact the applicant. Changes include, but are not limited to, familial status, financial status, preference status, mailing address and current residence.

(d) The special statewide waiting list established by these rules will terminate upon placement of not more than 100 applicants into dwelling units or upon expiration of the Emergency Proclamations, whichever occurs first.

HPHA-RS-23 Preference. Notwithstanding the preference set forth in section 15-184-14, HAR, preference shall be given to applicants with a completed application and documentation verifying that the applicant has secured a qualified dwelling unit. Participation in the program shall be determined in order of submission date of proposed rental agreement or other documentation which identifies a qualified

unit by an applicant on the wait list.

HPHA-RS-24 Removal from special statewide waiting list. (a) An applicant may be removed from the waiting list for one of the following reasons:

(1) The applicant requests that the applicant's name be removed;

(2) The applicant no longer meets the eligibility criteria set forth in section HPHA-RS-13;

(3) The applicant fails to respond to the authority's reasonable efforts such as correspondence to the last known address to contact them;

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

(5) An applicant who has misrepresented material information or has wilfully withheld important information from the authority shall be removed from the waiting list for twelve months.

(b) The authority may consider reinstatement of an applicant on the special statewide waiting list due to extenuating circumstances. The authority may assign a new date and time to the application based on the date and time of notification of an acceptable reason for failure to respond to the authority.

(c) Reinstatement of an applicant to the special statewide waiting list must occur prior to the placement of not more than 100 applicants into dwelling units or the expiration of the Emergency Proclamations, whichever occurs first.

HPHA-RS-25 Ineligible applicant. An applicant determined to be ineligible for participation in the program shall be notified in writing of the termination and the reasons thereof by the authority.

HPHA-RS-26 Closing the special statewide waiting list. (a) The authority, at its discretion, may restrict or refuse acceptance of applications to the special statewide waiting list, when it determines that it is unable to assist applicants on the waiting list within a reasonable period of time.

(b) The authority shall publicly announce any closure and reopening of the application process for this special program by posting a notice on its website or in publication in a newspaper of general circulation.

SUBCHAPTER 4

RENT

HPHA-RS-31 Rent supplement payments. (a) The authority shall pay directly to the housing owner, or authorized representative, on behalf of a tenant, a monthly amount which is the difference between the established monthly rent for the tenant's dwelling unit and the tenant's allocable share of rent as established in section HPHA-RS-32 below; provided that the authority shall not make any initial monthly payments that exceed $1,000 on behalf of any tenant.

(b) Rent supplement payments will be made on behalf of a tenant for the period that the rental unit is occupied; except that if the tenant vacates the dwelling unit without proper notice, rent supplement payments will be continued to the time that the rental agreement could legally be terminated or to the date that the unit is re-rented, or to the last day of the month that the tenant vacated the unit and rent supplement payment was already made, whichever comes first.

(c) Initial monthly payments of up to $1,000 shall be reduced to regular monthly payments of no more than $500 on behalf of any tenant after six months of initial placement into a dwelling unit.

HPHA-RS-32 Rent calculation. (a) The tenant's allocable share of monthly rent shall be determined by subtracting $100 per minor child from the household income; multiplied by thirty per cent; divided by twelve and rounded to the closest dollar amount.

Example: tenant's household income = $15,000
number of minor children = 2

	$15,000	(household income)
-	$ 200	(less $100 for each minor)
	$14,800	
x	30%	
	$ 4,440	
÷	12	
	$ 370	tenant's allowable share of monthly rent

(b) The tenant shall pay to the landlord the allocable share of monthly rent as determined in subsection (a).

HPHA-RS-33 Reexamination. (a) The authority shall review the household's income, household composition and any other related matter to adjust, if necessary, the tenant's allocable share of monthly rent and the authority's rent supplement payment.

(b) A non-elderly household shall be reexamined at least once every twelve months.

(c) An elderly household shall be reexamined at least once every twenty-four months.

(d) If at the time of admission or annual reexamination, a household's income cannot be reasonably determined for the next twelve months, a six month reexamination may be scheduled.

(e) The tenant's allocable share of monthly rent shall be adjusted between reexaminations when a person with income is added to the household and the adjustment shall be effective on the first day of the second month following the approved inclusion.

(f) Reexamination may be performed either in-person or via mail.

HPHA-RS-34 Security deposits. (a) No portion of the rent supplement payments by the authority shall be applied or allocated to any security deposit demanded by a housing owner. The authority shall not be responsible for nor be required to pay a housing owner for the security deposit.

(b) The tenant may be referred to grant making agencies under contract with the Department of Human Services for assistance with security deposits.

SUBCHAPTER 5

RENT SUPPLEMENT AGREEMENTS

HPHA-RS-41 Rent supplement agreement - housing owners. (a) A rent supplement agreement, used by the authority, shall be executed between the authority and housing owners who rent dwelling units to tenants of the program. The form shall include, but not be limited to, an acknowledgment of the rental agreement between the owner and participant, the amount of rent and supplemental assistance, date that payment is due, to whom payment is to be made and the owner's and authority's responsibilities.

(b) Amendments to the rent supplement agreement shall be in writing, and approved by the authority and the housing owner.

HPHA-RS-42 Rent supplement agreement - tenants. (a) The head(s) of household of a tenant household shall execute a rent supplement agreement, used by the authority prior to participating in the program. The form shall include, but not be limited to, an acknowledgment of an agreement between the tenant and the authority, the rent and amount of supplemental assistance and the participant's and authority, responsibilities.

(b) The rent supplement agreement between the authority and tenant shall set forth the conditions of participation in the program.

HPHA-RS-43 Authority's responsibility. Other than the agreed-to rent supplement for the monthly rent, the authority shall not be held responsible to the housing owner for any portion of the tenant's allocable share of the rent, or be held responsible to the housing owner or tenant for any damages, breakage, or losses to the dwelling unit or any portion thereof, or to the furnishings, fixtures, and appliances where the same may have been caused by the tenant, housing owner or other causes.

HPHA-RS-44 Rent supplement agreement - termination. (a) A tenant shall give the authority at least thirty days written notice prior to the date that the tenant will withdraw from participation in the program.

(b) The authority may terminate a tenant's participation in the program when a tenant has:

(1) Established a pattern of late rent payments or is chronically delinquent with rent payments;

(2) Submitted false or misleading information or willfully withheld important information from the authority;

(3) Violated any provision of the rules or chapter 356D, HRS, as related to this program;

(4) Had the rental agreement terminated by the housing owner; or

(5) Transferred without prior approval to a dwelling unit of same or higher rent that does not meet the authority's occupancy standards.

(c) If a tenant has submitted false or misleading information or has willfully withheld important information which reduced the tenant's allocable monthly share of rent, the tenant shall reimburse the authority for the amount of supplemental overpayment. Repayment shall be made in accordance with a repayment plan as approved by the authority.

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

(1) Engages in the illegal use of a controlled substance;

(2) Whose illegal use of a controlled substance, or abuse of alcohol, is determined by the authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents;

(3) Engages in criminal activity that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents; or

(4) Engages in any drug related criminal activity on or off the premises assisted by the program.

(e) The authority shall give a tenant thirty days written notice prior to the date of termination of the rent supplement agreement.

(f) A housing owner shall give the authority thirty days written notice prior to the date the housing owner plans to withdraw from the program.

(g) The authority may suspend or terminate the rent supplement agreement based on the amount of funding available for the program.

SUBCHAPTER 6

QUALIFIED HOUSING DWELLING UNIT

HPHA-RS-51 Eligibility for shared housing. The following criteria shall apply for participation in shared housing:

(1) Eligibility requirements established in section HPHA-RS-13 shall apply;

(2) Preference provisions established in section HPHA-RS-23 shall apply;

(3) Two or more related or unrelated families may occupy a housing unit, provided that

occupancy is in compliance with exhibit A, entitled "Occupancy Standards", located at the end of this chapter;

(4) Except for a studio and a one bedroom unit, a participant and an unassisted person or household, which may include the housing owner, may reside in a shared housing unit;

(5) Two or more participant families may reside in a shared housing unit; and

(6) A housing owner who resides in the shared housing unit may not be related to the participant.

HPHA-RS-52 Eligible dwelling units. (a) An acceptable dwelling unit for shared housing is the same as defined in section HPHA-RS-2 with the following exceptions:

(1) Common space areas may be shared by all individuals and families living in the shared housing unit;

(2) Separate private bedrooms that are adequate in size for the participant's household size shall be available; and

(3) Areas, traditionally not designated for sleeping purposes, including but not limited to the bathroom(s), kitchen, dining room, utility room, and patio, shall be used as common areas unless mutually deemed by occupants of the dwelling unit to be exclusive use of an individual or household.

(b) The authority shall determine the acceptability of units for shared housing taking into consideration the adequacy of space, security, and other conditions so as not to pose any threat to health and safety of the participants.

(c) The authority shall determine the number of participants in this program.

HPHA-RS-53 Allocable share of rent. The allocable share of the dwelling unit rent shall be a prorated amount that is equitable and acceptable to

the authority, the owner, and the participant.

HPHA-RS-54 Shared housing addendum. An addendum to the rent supplement agreements for the housing owner and tenant, setting forth the conditions for shared housing, shall be executed by the housing owner, participant and authority.

SUBCHAPTER 7

MISCELLANEOUS PROVISIONS

HPHA-RS-61 Severability. If any part, section, sentence, clause, or phrase of this chapter, or its application to any person or transaction or other circumstances is for any reason held to be unconstitutional or invalid, the remaining parts, sections, sentences, clauses, and phrases of this chapter, or the application of this chapter to other persons or transactions or circumstances shall not be affected.

HPHA-RS-62 Number. The use of all words used in the singular shall extend to and include the plural.

Exhibit A

OCCUPANCY STANDARDS

In determining the appropriate dwelling unit size for assistance, the following criteria shall be applied:

1. The smallest unit suitable for the household's shall be considered and each bedroom shall be occupied by at least one person.

2. The dwelling unit shall permit up to the maximum number of persons to occupy the unit in accordance with prevailing zoning, and county building, health, and fire codes.

3. Every member of the household, regardless of age, shall be counted as a person; except that a child not yet born by a pregnant household member shall not be counted as a person in determining unit size.

4. Children who are in the process of being adopted, or whose legal custody is being obtained by a household, will be included as members of the household for the purposes of determining unit size.

5. A foster child shall be included in determining unit size only if the child will remain in the unit for more than six months.

6. Persons of different generations, persons of opposite sex (other than spouses) over the age of five, and unrelated adults may be allocated separate bedrooms.

7. A live-in attendant may be provided a separate bedroom; however, no additional bedrooms will be provided for the attendant's household.

8. A person with a valid medical ailment may be allowed a separate bedroom, provided the necessity for the separate bedroom is verified by a signed statement from a medical doctor and other supporting data.

OFFICE OF THE GOVERNOR
STATE OF HAWAI'I

PROCLAMATION

By the authority vested in me as Governor by the Constitution and laws of the State of Hawai'i, in order to provide relief for disaster damages, losses, and suffering, and to protect the health, safety, and welfare of the people, I, DAVID Y. IGE, Governor of the State of Hawai'i, hereby determine, designate and proclaim as follows:

WHEREAS, a recent statewide homeless count highlights the significant increase in homelessness for the entire state; and

WHEREAS, the 2015 Statewide Point-in-Time Count, which is a statewide unduplicated count of homeless individuals and families throughout Hawai'i, estimates the total number of homeless individuals statewide is 7,620; and

WHEREAS, the statewide Count estimates the number of unsheltered homeless individuals is 3,843; and

WHEREAS, of the 3,843 unsheltered homeless individuals, the statewide Count estimates that there are 185 unsheltered families, which consist of a total of 439 unsheltered children throughout the state; and

WHEREAS, these unsheltered homeless individuals and families are living on privately owned and public lands, including the streets, public parks, beaches, and elsewhere on each island; and

WHEREAS, these unsheltered homeless individuals and families are without access to portable toilets, bathrooms, showers and clean water; and

WHEREAS, these unsheltered homeless individuals and families require health and social services in order to maintain themselves safely and in reasonable health; and

WHEREAS, the efforts of state and county law enforcement agencies enforcing state and county laws and providing for the public health and safety are resulting in homeless moving from public lands; and

WHEREAS, existing shelters have been successful in assisting a large number of homeless, but many more individuals remain in need of shelter and assistance; and

WHEREAS, various other shelter projects and opportunities are in the process of being developed, but more time is needed to allow for completion; and

WHEREAS, the completion of more shelter projects is necessary to protect the health and safety of not only the homeless individuals, but all members of the community; and

WHEREAS, the largest population of homeless unsheltered families live on the island of Oahu, consisting of approximately 71 unsheltered families for a total of 153 unsheltered children under the age of 18 years of age; and

WHEREAS, the State is exploring various locations on which temporary buildings may be constructed, installed, or renovated in order to shelter these homeless individuals in a safe and sanitary manner and to provide necessary health and social services to them; and

WHEREAS, these possible locations, as well as others that may be identified, will be designed to provide temporary transitional shelter for the homeless and to provide necessary health and social services to assist these individuals and families in successfully transitioning into permanent housing; and

WHEREAS, the completion of the shelter site, together with any associated contracts, is necessary to protect the health and safety for the homeless individuals and families; and

WHEREAS, in addition to the temporary shelter initiative, and associated contracts, the State Department of Human Services, Homeless Programs Office currently administers numerous contracts with private providers for homeless services statewide; and

WHEREAS, these State homeless programs provide emergency and/or transitional shelter, including adequate meals or cooking facilities; outreach services, including case management to enable families to obtain and retain permanent housing, job training, medical and social services referrals, childcare, educational and life skills

classes; emergency grants, which provide monetary assistance to assist with housing, food, medical and other types of expenses arising from emergency needs, including housing rental deposit and rent, utility costs/deposit, emergency medical care and expenses, transportation and job-hunting expenses; and housing placement, which coordinates housing opportunities with private landlords; and

WHEREAS, the contracts for these existing State funded homeless programs will terminate at the end of December 2015 and January 2016 but there is a great risk that procurement will not be completed before the termination date of these contracts; and

WHEREAS, if these State funded homeless programs were to close or cease operations, homeless services would discontinue and significant numbers of homeless individuals and families would be without the necessary life-sustaining services, including the temporary shelter services, leaving many more individuals and families displaced increasing the number of unsheltered homeless statewide; and

WHEREAS, the lack of secure, safe, and sanitary shelter, and adequate health and social services, for this large number of people without homes is endangering the health, safety, and welfare of the people, including families and children, and poses a threat to the environment, and demands emergency action to prevent or mitigate suffering, injury, loss, or damage; and

WHEREAS, the Legislature of the State of Hawaii has appropriated from the general revenues of the State, monies as may be necessary for expenditure by or under the direction of the Governor for the immediate relief of the conditions created by the disaster; and

WHEREAS, in expending such monies, the Governor may allot any portion to any agency, office, or employee of the state or a county for the most expeditious and efficient relief of the conditions created by the disaster; and

WHEREAS, pursuant to sections 127A-14 and 127A-16, Hawaii Revised Statutes, the Governor is authorized to determine whether an emergency or disaster has occurred, or there is an imminent danger or threat of an emergency or disaster and authorize actions under chapter 127A, Hawaii Revised Statutes, and the expenditure of funds thereunder; and

WHEREAS, pursuant to section 127A-13(a)(3), Hawaii Revised Statutes, the Governor is authorized to suspend any law which impedes or tends to impede or is detrimental to the expeditious and efficient execution of, or to conflict with, emergency functions, including laws specifically made applicable to emergency personnel; and

WHEREAS, pursuant to section 127A-13(a)(2), Hawaii Revised Statutes, the Governor is further authorized to relieve hardship and inequities or obstructions to the public health, safety, and welfare found by the Governor to exist in the laws and to result from the operation of federal programs or measures taken under chapter 127A, Hawaii Revised Statutes, by suspending laws in whole or in part, or by alleviating the provisions of laws on such terms and conditions as the Governor may impose; and

WHEREAS, pursuant to section 127A-12(a)(8), Hawaii Revised Statutes, the Governor may suspend chapters 103D and sections 103-50, 103-53, 103-55, 105-1 to 105-10, and 464-4, Hawaii Revised Statutes, and I find that these provisions, in whole or in part, impede or tend to impede the expeditious discharge of emergency disaster relief functions for this occurrence and that compliance therewith is impracticable due to existing conditions; and

WHEREAS, pursuant to section 127A-12(b)(16), Hawaii Revised Statutes, the Governor is further authorized to order and direct government agencies, officials, officers, and employees of the State, to take such action and employ such measures for law enforcement, medical, health, firefighting, traffic control, warnings and signals, engineering, rescue, construction, emergency housing, other welfare, hospitalization, transportation, water supply, public information, training, and other emergency functions as may be necessary, and utilize the services, materials, and facilities of the agencies and officers; and

WHEREAS, pursuant to section 127A-12(b)(9), Hawaii Revised Statutes, the Governor may appoint, employ, train, equip, and maintain, with compensation, or on a volunteer basis without compensation and without regard to chapters 76, 78, and 88, such agencies, officers, and other persons as the Governor deems necessary to carry out emergency management functions; determine to what extent any law prohibiting the holding of more than one office or employment applies to the agencies, officers, and

other persons; and subject to the provisions of chapter 127A, Hawaii Revised Statutes, provide for the interchange of personnel, by detail, transfer, or otherwise, between agencies or departments of the State; and

WHEREAS, pursuant to section 127A-12(b)(19), Hawaii Revised Statutes, the Governor may take any and all steps necessary or appropriate to carry out the purposes of chapter 127A, Hawaii Revised Statutes notwithstanding that powers in section 127A-13(a) may only be exercised during an emergency period; and

NOW, THEREFORE, I, DAVID Y. IGE, Governor of the State of Hawaii, hereby determine that an emergency or disaster contemplated by section 127A-14, Hawaii Revised Statutes, has occurred in the State of Hawai'i, and do hereby proclaim an emergency for the purpose of implementing the emergency management functions as allowed by law, authorizing the expenditure of State monies as appropriated for the speedy and efficient relief of damages, losses, and suffering resulting from the emergency, and hereby invoke the following measures under the Hawaii Revised Statutes:

1. Sections 127A-13 and 127A-12, Hawaii Revised Statutes, suspend, as allowed by law, the following statutes and regulations to the extent necessary for the purpose of establishing a temporary transitional shelter and facilitating contracting with private providers of homeless services:
   a. Chapter 6E, Hawaii Revised Statutes, **Historic Preservation**.
   b. Section 37-41, Hawaii Revised Statutes, **appropriations to revert to state treasury**.
   c. Section 37-74(d), Hawaii Revised Statutes, **program execution**, except for sub-sections 37-74(d)(2) and 37-74(d)(3), Hawaii Revised Statutes, and any such transfers or changes shall be considered authorized transfers or changes for purposes of section 34-74(d)(1) for legislative reporting requirements.
   d. Section 40-66, Hawaii Revised Statutes, **lapsing of appropriations**.

e. Chapter 46, **county organization and administration** as any county ordinance, rule, regulation, law, or provision in any form applies to any county permitting, licensing, zoning, variance, processes, procedures, fees, or any other requirements that hinder, delay, or impede the purpose of this Proclamation.

f. Chapter 89, Hawaii Revised Statutes, **Collective Bargaining In Public Employment**.

g. Chapter 89C, Hawaii Revised Statutes, **Public Officers And Employees Excluded From Collective Bargaining**.

h. Chapter 92, **Public Agency Meetings and Records**, to the extent that any notice requirements or any other provisions of Chapter 92 may delay the expeditious action, decision, or approval of any agency.

i. Section 102-2, Hawaii Revised Statutes, **Contracts For Concessions In Government Buildings; Bid Requirements**.

j. Section 103-2, Hawaii Revised Statutes, **General Fund**.

k. Section 103-53, Hawaii Revised Statutes, **Contracts With The State Or Counties; Tax Clearances, Assignments**.

l. Section 103-55, Hawaii Revised Statutes, **wages, hours, and working conditions of employees of contractors performing services**.

m. Chapter 103D, Hawaii Revised Statutes, **Hawaii public procurement code**.

n. Chapter 103F, Hawaii Revised Statutes, **Purchases of Health and Human Services**.

o. Chapter 104, Hawaii Revised Statutes, **wages and hours of employees on public works**.

p. Sections 105-1 to 105-10, Hawaii Revised Statutes, **use of government vehicles, limitations**.

q. Section 127A-30, Hawaii Revised Statutes, **Rental or sale of essential commodities during a state of emergency; prohibition against price increases.**

r. Chapter 171, Hawaii Revised Statutes, **Public Lands.**

s. Chapter 205, Hawaii Revised Statutes, **Land Use Commission.**

t. Chapter 205A, Hawaii Revised Statutes, **Coastal zone management.**

u. Chapter 206E, Hawaii Revised Statutes, **Hawaii Community Development Authority.**

v. Chapter 343, Hawaii Revised Statutes, **Environmental impact statements.**

w. Chapter 346, Hawaii Revised Statutes, **Social Services.**

x. Section 464-4, Hawaii Revised Statutes, **public works required to be supervised by certain professionals.**

y. Sections 601-1.5, 708-817, 708-818, 708-820, 708-830.5, and 708-840, Hawaii Revised Statutes, to the extent that these sections contain provisions for the suspension, tolling, extension, or granting of relief from deadlines, time schedules, or filing requirements in civil, criminal, or administrative matters before the courts of the state or to the extent that these sections contain provisions for criminal penalties that are automatically heightened by reason of any declared disaster or emergency.

2. Section 127A-12(b), Hawaii Revised Statutes, and in order to provide emergency relief consistent with the intent of this Proclamation, I hereby direct all state agencies and officers to cooperate with and extend their services, materials, and facilities as may be required to assist in all efforts to address the objectives of this Proclamation in addressing the homeless situation.

I FURTHER DECLARE that a disaster emergency relief period shall commence immediately and shall terminate automatically sixty days after the issuance of this Proclamation or by a separate proclamation whichever occurs first. Notwithstanding the

termination of a disaster emergency relief period, any contracts, agreements, procurements, or programs entered into, started, or continued by reason of the provisions of this Proclamation shall continue. However, any contract entered into under this Proclamation for providing homeless services shall be limited to a period not to exceed 12 months.

I FURTHER DECLARE that this Proclamation is not intended to create, and does not create, any rights or benefits, whether substantive or procedural, or enforceable at law or in equity, against the State of Hawai'i or its agencies, departments, entities, officers, employees, or any other person.

Done at the State Capitol, this
16th day of October, 2015.

DAVID Y. IGE
Governor of Hawaii

APPROVED:

DOUGLAS S. CHIN
Attorney General
State of Hawaii

OFFICE OF THE GOVERNOR
STATE OF HAWAI'I

SUPPLEMENTARY PROCLAMATION

By the authority vested in me as Governor by the Constitution and laws of the State of Hawai'i, in order to provide relief for disaster damages, losses, and suffering, and to protect the health, safety, and welfare of the people, I, DAVID Y. IGE, Governor of the State of Hawai'i, hereby determine, designate and proclaim as follows:

WHEREAS, pursuant to Chapter 127A, Hawaii Revised Statutes, emergency powers are conferred on the Governor of the State of Hawaii to deal with disasters or emergencies, to maintain the strength, resources, and economic life of the community, and to protect the public health, safety, and welfare; and

WHEREAS, It has become necessary to supplement my Proclamation of October 16, 2015, relating to the homeless emergency; and

WHEREAS, it has become clear that it will require additional efforts and assistance to properly ease the homeless emergency that exists in the State of Hawaii beyond the establishment of an additional temporary transitional shelter and facilitating contracting with private providers of homeless services; and

WHEREAS, the best opportunity to address the homeless emergency is with a coordinated response from many fronts involving many different state, county, and private agencies; and

WHEREAS, to ensure long-term success, this coordinated response effort must include establishing and maintaining good relationships with the homeless population, educating both the homeless and providers of service to the homeless; assisting with services, training, and opportunities, and relocation; and

WHEREAS, it has become necessary to expand the homeless emergency response efforts to include all efforts necessary to respond to the current homeless emergency in the State of Hawaii.

NOW, THEREFORE, I, DAVID Y. IGE, Governor of the State of Hawaii, hereby further determine that an emergency or disaster contemplated by section 127A-14, Hawaii Revised Statutes, has occurred in the State of Hawai'i, and do hereby supplement my October 16, 2015 Proclamation in order to provide further emergency relief by:

1. Expanding the purpose of my October 16, 2015 Proclamation to include all efforts necessary to respond to the current homeless emergency in the State of Hawaii, including, if necessary, property restoration efforts, provided further that to the greatest extent practicable and where possible, state agencies will endeavor to include a coordinated response among participating state, county, and private agencies that include:

   a. Establishing and maintaining good relationships with the homeless population;

   b. Educating the homeless population and providers of service to the homeless;

   c. Assisting with providing services, training, and opportunities to the homeless population; and

   d. Employing relocation efforts.

2. Authorizing and invoking sections 127A-13 and 127A-12, Hawaii Revised Statutes, by suspending, as allowed by law, the following statutes and regulations to the extent necessary for the purpose of providing emergency relief as necessary to address the homeless emergency contemplated in my October 16, Proclamation and this Supplementary Proclamation:

   a. Chapter 91, Hawaii Revised Statutes, **Administrative Procedure**, as those provisions relate to rulemaking.

3. Section 127A-12(b), Hawaii Revised Statutes by expanding my directive contained in my October 16, 2015 Proclamation that all state agencies and officers cooperate with and extend their services, materials, and facilities as may be required to assist in all efforts to address the objectives of the homeless emergency to include the interchange of personnel, by detail, transfer, or otherwise, between agencies or departments of the State as needed or requested.

I FURTHER DECLARE that all the provisions of my Proclamation of October 16, 2015, shall remain in full force and effect and are hereby included in the provisions of this Supplementary Proclamation and the disaster emergency relief period shall continue until terminated automatically sixty days after the issuance of this Supplementary Proclamation or by a separate proclamation whichever occurs first.

Done at the State Capitol, this
26th day of October, 2015.

DAVID Y. IGE
Governor of Hawaii

APPROVED:

DOUGLAS S. CHIN
Attorney General
State of Hawaii

OFFICE OF THE GOVERNOR
STATE OF HAWAI'I

SECOND SUPPLEMENTARY PROCLAMATION

By the authority vested in me as Governor by the Constitution and laws of the State of Hawai'i, in order to provide relief for disaster damages, losses, and suffering, and to protect the health, safety, and welfare of the people, I, DAVID Y. IGE, Governor of the State of Hawai'i, hereby determine, designate and proclaim as follows:

WHEREAS, pursuant to Chapter 127A, Hawaii Revised Statutes, emergency powers are conferred on the Governor of the State of Hawai'i to deal with disasters or emergencies, to maintain the strength, resources, and economic life of the community, and to protect the public health, safety, and welfare; and

WHEREAS, It has become necessary to supplement my Proclamation of October 16, 2015, and my Supplementary Proclamation of October 26, 2015 relating to the homeless emergency; and

WHEREAS, the County of Kaua'i has an estimated homeless population in excess of three hundred persons with only one homeless shelter to serve nineteen persons and is engaged in plans to establish a Temporary Houseless and Assessment Shelter to accommodate up to twenty individuals per day and serve as a safe and central environment for homeless individuals to receive social services, meals, laundry assistance, and hygiene services; and

WHEREAS, the County of Maui has experienced an estimated twenty percent increase in its homeless population, including a twenty-three percent increase in the number of unsheltered homeless persons and is also engaged in plans to address its unsheltered homeless population by establishing Pu'uhonua, or Sanctuaries, in Kahului, Wailuku, and Lahaina to offer modular units to be placed on property located in close proximity to existing emergency or transitional homeless shelters to serve approximately one hundred ninety individuals with an estimated number of sixty four per site; and

WHEREAS, the County of Hawai'i has experienced an estimated fifty-five percent increase in unsheltered homeless persons and is engaged in plans to establish a micro-unit housing project in West Hawai'i to target chronically homeless households

to serve up to thirty two individuals and also provide individual and group counseling as well as wraparound social services; and

WHEREAS, the City and County of Honolulu has an estimated homeless population in excess of 4,900 that represents two-thirds of the State's total estimated homeless population and is engaged in plans to establish long-term housing projects specifically designed to serve homeless individuals or families, which will be geographically distributed throughout the island of O'ahu; and

WHEREAS, it has become clear that additional and continued efforts and assistance are needed to properly ease the homeless emergency that exists in the State of Hawai'i; and

WHEREAS, it has become necessary to expand the homeless emergency response efforts to include efforts at the county level to respond to the current homeless emergency in the State of Hawai'i.

NOW, THEREFORE, I, DAVID Y. IGE, Governor of the State of Hawai'i, hereby further determine that an emergency or disaster contemplated by section 127A-14, Hawaii Revised Statutes, has occurred in the State of Hawai'i and do hereby supplement my October 16, 2015 Proclamation and my Supplementary Proclamation of October 26, 2015 relating to the homeless emergency in order to provide further emergency relief by:

1. Expanding the purpose of my proclamations to include the efforts of the County of Kaua'i in its plans to establish a Temporary Houseless and Assessment Shelter to accommodate up to twenty individuals per day and serve as a safe and central environment for homeless individuals to receive social services, meals, laundry assistance, and hygiene services.
2. Expanding the purpose of my proclamations to include the efforts of the County of Maui in its plans to establish Pu'uhonua, or Sanctuaries, in Kahului, Wailuku, and Lahaina to offer modular units to be placed on property located in close proximity to existing emergency or transitional homeless shelters to serve approximately one hundred ninety individuals with an estimated number of sixty four per site.

3. Expanding the purpose of my proclamations to include the efforts of the County of Hawai'i in plans to establish a micro-unit housing project in West Hawai'i to target chronically homeless households to serve up to thirty two individuals and also provide individual and group counseling as well as wraparound social services.

4. Expanding the purpose of my proclamations to include the efforts of the City and County of Honolulu in plans to establish up to six housing projects ranging from long-term temporary housing to permanent housing to specifically serve homeless individuals or families. Such housing projects will be geographically distributed throughout the island of O'ahu

I FURTHER DECLARE that all the provisions of my Proclamation of October 16, 2015 and my Supplementary Proclamation of October 26, 2015 relating to the homeless emergency, shall remain in full force and effect and are hereby included in the provisions of this Second Supplementary Proclamation and the disaster emergency relief period shall continue until terminated automatically sixty days after December 25, 2015 or by a separate proclamation whichever occurs first. Notwithstanding the termination of a disaster emergency relief period, any contracts, agreements, procurements, or programs entered into, started, or continued by reason of the provisions of my proclamations relating to this emergency shall continue. However, any contract entered into under this Proclamation for providing homeless services shall be limited to a period not to exceed 12 months, but may be extended for a period of 6 months provided such extension is at no additional cost.

Done at the State Capitol, this
24th day of December, 2015.

DAVID Y. IGE
Governor of Hawai'i

APPROVED:

DOUGLAS S. CHIN
Attorney General
State of Hawai'i

OFFICE OF THE GOVERNOR
STATE OF HAWAI'I

THIRD SUPPLEMENTARY PROCLAMATION

By the authority vested in me as Acting Governor by the Constitution and laws of the State of Hawai'i, in order to provide relief for disaster damages, losses, and suffering, and to protect the health, safety, and welfare of the people, I, SHAN S. TSUTSUI, Acting Governor of the State of Hawai'i, hereby determine, designate and proclaim as follows:

WHEREAS, pursuant to Chapter 127A, Hawaii Revised Statutes, emergency powers are conferred on the Governor of the State of Hawai'i to deal with disasters or emergencies, to maintain the strength, resources, and economic life of the community, and to protect the public health, safety, and welfare; and

WHEREAS, it has become necessary to supplement Governor Ige's Proclamation of October 16, 2015, his Supplementary Proclamation of October 26, 2015, and his Second Supplementary Proclamation of December 24, 2015 relating to the homeless emergency; and

WHEREAS, the County of Maui is engaged in plans to address its unsheltered homeless population by establishing a long-term housing project in Wailuku to target homeless households to serve between 64 to 128 households; and

WHEREAS, all counties in the State are facing this homeless emergency and need to be able to expend county moneys for the repair and maintenance of existing county shelters; and

WHEREAS, the conditions giving rise to the homeless emergency continue; and

NOW, THEREFORE, I, SHAN S. TSUTSUI, Acting Governor of the State of Hawai'i, hereby further determine that an emergency or disaster contemplated by section 127A-14, Hawaii Revised Statutes, continues in the State of Hawai'i, and do hereby supplement Governor Ige's October 16, 2015 Proclamation, his Supplementary Proclamation of October 26, 2015, and his Second Supplementary Proclamation of December 24, 2015 relating to the homeless emergency in order to provide emergency

633698_2

relief by expanding the purpose of his proclamations to include the efforts of the County of Maui in its plans to establish a long-term housing project in Wailuku to target homeless households to serve between 64 to 128 households and all counties for the repair and maintenance of existing county shelters.

I FURTHER DECLARE that all the provisions of Governor Ige's Proclamation of October 16, 2015, his Supplementary Proclamation of October 26, 2015, and his Second Supplementary Proclamation of December 24, 2015 relating to the homeless emergency, shall remain in full force and effect and are hereby included in the provisions of this Third Supplementary Proclamation and the disaster emergency relief period shall continue until terminated automatically sixty days after February 23, 2016 or by a separate proclamation whichever occurs first. Notwithstanding the termination of a disaster emergency relief period, any contracts, agreements, procurements, programs, or employment of personnel entered into, started, or continued by reason of the provisions of my proclamations relating to this emergency shall continue. However, any contract entered into under this Proclamation for providing homeless services shall be limited to a period not to exceed 12 months, but may be extended for a period of 6 months provided such extension is at no additional cost above existing contract compensation and payment schedules.

Done at the State Capitol, this
19th day of February, 2016

Shan S. Tsutsui
Acting Governor of Hawaii

APPROVED:

DOUGLAS S. CHIN
Attorney General
State of Hawaii

OFFICE OF THE GOVERNOR
STATE OF HAWAI'I

FOURTH SUPPLEMENTARY PROCLAMATION

By the authority vested in me as ~~Acting~~ Ayg Governor by the Constitution and laws of the State of Hawai'i, in order to provide relief for disaster damages, losses, and suffering, and to protect the health, safety, and welfare of the people, I, DAVID Y. IGE, Governor of the State of Hawai'i, hereby determine, designate and proclaim as follows:

WHEREAS, pursuant to Chapter 127A, Hawai'i Revised Statutes, emergency powers are conferred on the Governor of the State of Hawai'i to deal with disasters or emergencies, to maintain the strength, resources, and economic life of the community, and to protect the public health, safety, and welfare; and

WHEREAS, it has become necessary to supplement my Proclamation of October 16, 2015, my Supplementary Proclamation of October 26, 2015, my Second Supplementary Proclamation of December 24, 2015, and the Third Supplementary Proclamation of February 19, 2016, relating to the homeless emergency; and

WHEREAS, the conditions giving rise to the homeless emergency continue; and

NOW, THEREFORE, I, DAVID Y. IGE, Governor of the State of Hawai'i, hereby further determine that an emergency or disaster contemplated by section 127A-14, Hawai'i Revised Statutes, continues in the State of Hawai'i, and do hereby continue and extend my Proclamation of October 16, 2015, my Supplementary Proclamation of October 26, 2015, my Second Supplementary Proclamation of December 24, 2015, and the Third Supplementary Proclamation of February 19, 2016, relating to the homeless emergency in order to provide emergency relief and hereby declare that all the provisions of these proclamations shall remain in full force and effect and are hereby included in the provisions of this Fourth Supplementary Proclamation and the disaster emergency relief period shall continue until terminated sixty days after April 23, 2016 or by a separate proclamation whichever occurs first. Notwithstanding the termination of a disaster emergency relief period, any contracts, agreements, procurements, programs, or employment of personnel entered into, started, or continued by reason of the provisions of my proclamations relating to this emergency shall continue. However, any

contract entered into under this Proclamation for providing homeless services shall be limited to a period not to exceed 12 months, but may be extended for a period of 6 months provided such extension is at no additional cost above existing contract compensation and payment schedules.

Done at the State Capitol, this
22nd day of April, 2016

David Y. Ige
Governor of Hawai'i

APPROVED:

DOUGLAS S. CHIN
Attorney General
State of Hawai'i

Hawaii Public Housing Authority
Report for the Month of April 2016

I. Planning

A. Legislation

A separate report will be provided to the Board regarding Legislation impacting the HPHA.

B. PHA Plan

HPHA's draft Public Housing Agency Plan and related supplemental documents were submitted to HUD on April 15, 2016. HUD has 75 days to review and approve the PHA Plan.

II. Fiscal Management

A. Variance Report for March 2016: Revenue for the Month of March

CFP Grant Income $89,106 less than budget

The Public Housing Capital Fund Program (CFP) is a HUD grant for capital and management activities, including the modernization and development of public housing. By HUD rule, a PHA has two years to obligate and two years to spend it after CFP grant is made available annually.

CFP is drawn through HUD's Electronic Line of Credit System (eLOCCS) based on Budget Line Items (BLI). BLIs are further grouped into soft cost (BLI Numbers 1406, 1408 and 1410) for management activities, and hard cost (BLI Numbers greater than 1430) for capital projects.

CFP drawings and expenditures that are not capitalized are reported on this line as operating income. Capitalization of CFP expenditure is reported in Balance Sheet under Construction in Progress.

Out of $864,207 March expenditure, $157,600 is of R & M in nature and reported under this line, the rest is capitalized.

State CIP Fund $75,544 less than budget

State Legislature appropriates Capital Improvement Project fund (CIP). Spending agency has two or three years to encumber the appropriation before it lapses.

CIP expenditures that are not capitalized are reported on this line as operating income. Capitalization of CIP expenditure is reported in Balance Sheet under Construction in Progress.

Out of March CIP expenditure of $1,262,469, $38,256 is for R & M and recognized as income under this line.

Other Income $111,876 less than budget

The variance consists of unfavorable variances of: $9,268 less tenant payment not directly related to dwelling units rent; $1,745 less fraud recovery; $1,406 less admin fee earned on port-in accounts; $3,363 less front line services fee; $46,701 less fee revenue from central maintenance crew, and $69,306 less miscellaneous income that captures all types of incomes not specified otherwise.

The unfavorable variances are partially offset by the favorable variances of: $2,864 more investment revenue; $5,836 more FSS coordination fee and $11,213 more fees charged by special team crew to programs.

B. Expenses for the Month of March

Administrative $215,015 less than budget, a favorable variance

The $215,015 variance consists of favorable variances of: $188,124 less admin salaries and fringe benefits of HPHA employees, of which $150,451 and $32,921 contributable to COCC and FLRP, respectively; $28,420 less auditing fees; $15,169 less office expense; $27,808 less admin furniture and equipment; $3,363 less front line service fee; $34,402 less legal expense; and $4,476 less travel expense,

The favorable variance is partially offset by budget overruns of $5,535 more admin salaries and fringe benefits of private management companies; $11,463 more managing agent fees from privately managed AMPs and Bremerton, the company managing section 8 contract administration program, and $69,749 more other admin expense that captures admin expenses not specified otherwise.

Tenant Services $20,261 less than budget, a favorable variance

Tenant Services include relocation costs, resident participation program costs and tenant service costs for any services directly related to meeting tenant needs.

The $20,261 variance consists of $7,417 less relocation costs; $7,736 less resident participation program cost, and $5,108 less tenant service cost.

Utilities $136,685 less than budget, a favorable variance

Utilities include water, sewer, electricity and gas expenses.

The variance consists of budget savings of $163,417 on electricity and $23,090 on gas, offset by budget overruns of $27,163 on water and $22,659 on sewer expenses.

Protective Services $25,414 less than budget

The variance is because of $25,414 less protective services, of which $14,439 contributable to FLRP.

General Expenses $8,225 less than budget

The $8,225 favorable variance is combination of the favorable variance of $11,994 for other general expense, and budget overruns of $918 for motor pool vehicle rental expense, and $2,851 for severance expense.

C. Revenue YTD

State CIP Fund $636,528 less than budget

State Legislature appropriates Capital Improvement Project fund (CIP). Spending agency has two or three years to encumber the appropriation before it is lapsing.

CIP expenditures that are not capitalized are reported on this line as operating income. Capitalization of CIP expenditure is reported in Balance Sheet under Construction in Progress.

The $636,528 variance is mainly because of timing, as the budgeted State CIP Fund revenue spreads out among 12 months evenly, whereas actual expenditure fluctuates depending on project progress.

$387,672 out of YTD $12,263,518 CIP expenditure is not capitalized therefore reported on this line as revenue.

Grant Income $1,815,671 less than budget

The unfavorable variances consist of $1,807,598 less revenue for FLRP; $20,238 less revenue for state rental supplemental program; $1,099,671 less revenue for COCC mainly because budgeted $1,168,747 from State CIP appropriation to reimburse associated costs of administering State CIP projects did not happen.

The unfavorable variance is partially offset by $74,932 more revenue for state family housing program and $1,036,904 more revenue for state elders housing program.

Other Income $810,789 less than budget

The $810,789 variance consists of unfavorable variances of: $79,676 less tenant payments not directly related to dwelling unit rent, of which $67,121 contributable to FLRP; $42,431 less front line services fee; $420,309 less work order revenue by central maintenance crew, and $623,247 less miscellaneous income that captures all types of income not specified otherwise.

The unfavorable variances are partially offset by favorable variances of: $21,168 more investment income; $2,924 more fraud recovery; $17,757 more FSS coordination fee; $538 more revenue of admin fee earned on port-in, and $312,487 more work order revenue by Special Team members.

D. Expenses YTD

Administrative $2,071,206 less than budget, a favorable variance

The $2,071,206 variance consists of favorable variances of: $1,566,973 less administrative salaries and fringe benefits of HPHA employees, of which $1,084,436 and $332,684 contributable to COCC and FLRP, respectively; $20 less managing agent fee charged by private management companies and Bremerton, the company managing section 8 contract administration program; $140,289 less office expenses; $284,666 less furniture and equipment; $42,431 less front line services; $147,851 less legal expense; and $34,127 less travel expense,

The favorable variances are partially offset by budget overruns of: $76,376 for administrative salaries and fringe benefits of private management companies, $50,847 auditing fees, and $17,928 more other admin cost that captures other administrative expenses not specified otherwise

Tenant Services $436,530 less than budget, a favorable variance

Tenant Services include relocation costs, resident participation program costs and tenant service costs for any services directly related to meeting tenant needs.

The $436,530 variance consists of $196,707 less relocation costs; $62,628 less resident participation program cost, and $177,195 less tenant service cost.

Utilities $1,288,252 less than budget, a favorable variance

Utilities include water, sewer, electricity and gas expenses.

The $1,288,252 favorable variance consists of; $1,164,129 less electricity expense of which $846,130 contributable to FLRP, and $330,102 less gas expense of which $293,087 contributable to FLRP.

The favorable variances are partially offset by $80,222 more water expense of which $89,314 contributable to FLRP, and $125,757 more sewer expense of which $114,614 contributable to FLRP.

Maintenance $1,666,962 less than budget, a favorable variance

The $1,666,962 favorable variance consists of: $343,236 less salaries and fringe benefits for HPHA maintenance employees; $32,648 less materials and supplies for building, ground, safety, painting, electric, janitorial maintenances, etc.; $1,018,691 less furniture, appliance and equipment, and $986,171 less repair and maintenance services provided for refuse collection, sewer and plumbing, pest control, building, tree trimming, vehicle and equipment, janitorial, elevator, fire extinguisher, appliance, electric, HVAC, etc.

The favorable variances are partially offset by the following budget overruns: $343,979 more salary and benefit for maintenance employees of private management companies, and $369,805 more repair work done by central maintenance crew and special team members.

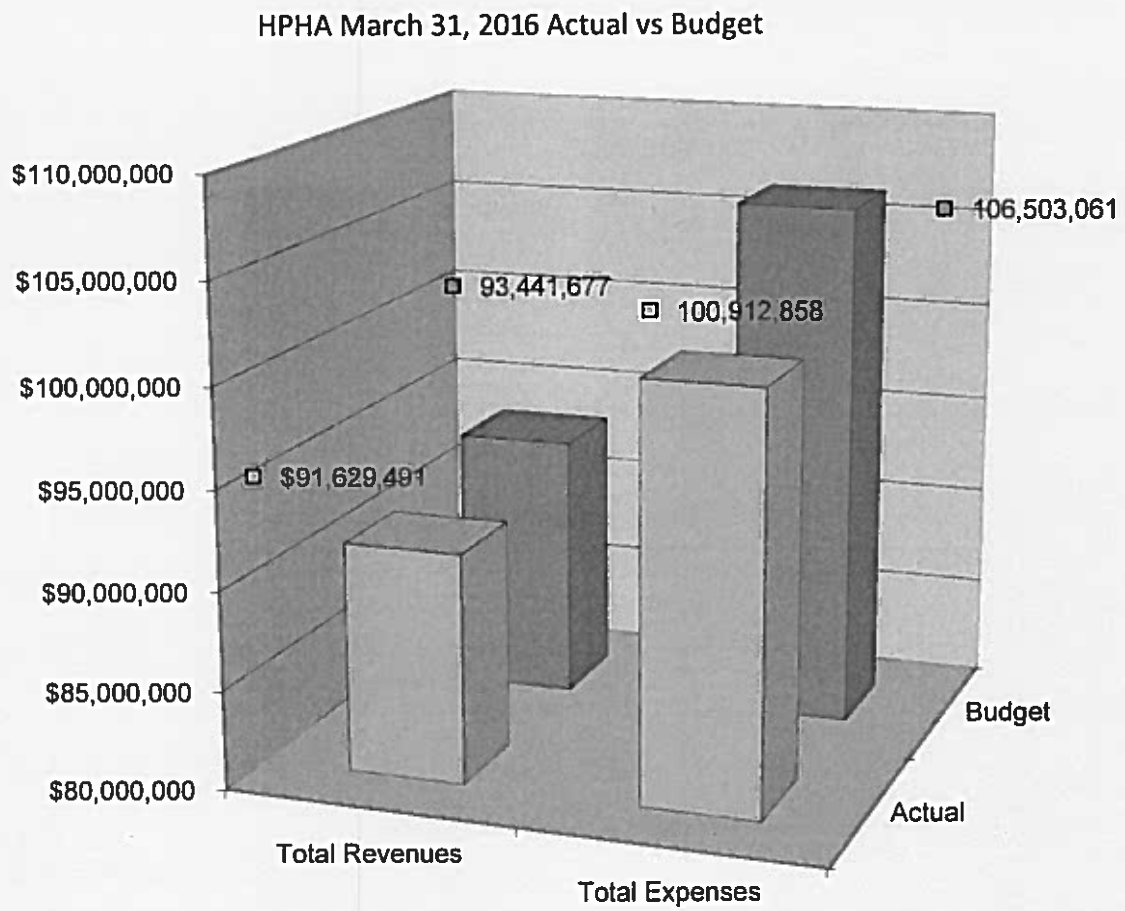
General Expenses $1,157,799 more than budget

The $1,157,799 unfavorable variance is mainly caused by an unbudgeted expense of $1,284,999 incurred in January 2016 as explained for January variance. Additional unfavorable variances include $5,412 for motor pool vehicle rental expense, and $7,860 undistributed expense of Pcard charges.

The unfavorable variance is partially offset by budget savings of $96,250 for other general expense and $44,222 for severance expense.

HAWAII PUBLIC HOUSING AUTHORITY
Agency Total
Actual vs Budget Comparison
For the Month of March 2016, and the 9 Months ended March 31, 2016
(Amounts in Full Dollars)

Month of March 2016					Year to Date ended March 31, 2016						
		Variance					Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
1,554,043	1,439,240	114,803	8%	Dwelling Rental Income	13,827,124	12,958,121	869,003	7%	13,053,837	773,287	6%
7,331,800	6,984,122	347,679	5%	HUD Operating Subsidies	63,523,153	62,841,910	681,243	1%	58,709,285	4,813,867	8%
157,600	246,706	(89,106)	-36%	CFP Grant Income	2,346,937	2,220,355	126,582	6%	24,830	2,322,107	9352%
379,841	399,425	(19,584)	-5%	COCC Fee Income	3,368,798	3,594,825	(226,027)	-6%	3,380,358	(11,560)	0%
38,256	113,800	(75,544)	-66%	State CIP Fund	387,672	1,024,200	(636,528)	-62%	1,126,711	(739,039)	-66%
701,319	696,461	4,859	1%	Grant Income	5,621,222	7,436,893	(1,815,671)	-24%	3,619,368	2,001,854	55%
258,399	370,275	(111,876)	-30%	Other Income	2,554,585	3,365,374	(810,789)	-24%	2,757,887	(203,302)	-7%
$ 10,421,259	10,250,029	171,231	2%	Total Revenues	$ 91,629,491	93,441,677	(1,812,187)	-2%	82,672,277	8,957,214	11%
				EXPENSES							
1,394,466	1,609,480	215,015	13%	Administrative	12,262,467	14,333,674	2,071,206	14%	11,262,612	(999,855)	-9%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
323,739	344,179	20,441	6%	Management Fees	2,870,575	3,094,739	224,164	7%	3,547,894	677,319	19%
56,103	55,388	(715)	-1%	Bookkeeping Fees	498,223	498,147	(76)	0%	490,006	(8,216)	-2%
5,047,230	5,044,469	(2,761)	0%	Housing Assistance Payments	44,323,736	45,325,221	1,001,485	2%	40,850,331	(3,473,406)	-9%
34,396	54,657	20,261	37%	Tenant Services	202,809	639,340	436,530	68%	394,012	191,202	49%
1,017,767	1,154,453	136,685	12%	Utilities	9,100,040	10,388,292	1,288,252	12%	10,081,752	981,712	10%
1,751,621	1,740,249	(11,372)	-1%	Maintenance	14,994,182	16,661,144	1,666,962	10%	13,591,045	(1,403,137)	-10%
172,535	197,949	25,414	13%	Protective Services	1,675,311	1,781,541	106,230	6%	1,625,856	(49,455)	-3%
76,460	79,764	3,304	4%	Insurance	679,373	717,714	38,341	5%	715,339	35,966	5%
1,438,948	1,412,463	(26,485)	-2%	Depreciation Expense	12,805,802	12,712,167	(93,635)	-1%	12,009,494	(796,308)	-7%
19,596	21,129	1,533	7%	Bad Debt Expense	122,208	130,749	8,541	7%	92,215	(29,993)	-33%
13,412	21,637	8,225	38%	General Expenses	1,378,132	220,333	(1,157,799)	-525%	380,310	(997,821)	-262%
11,346,272	11,735,818	389,545	3%	Total Expenses	100,912,858	106,503,061	5,590,203	5%	95,040,866	(5,871,992)	-6%
$ (925,013)	(1,485,789)	560,776	38%	Net Income(Loss)	$ (9,283,367)	(13,061,384)	3,778,016	29%	(12,368,589)	3,085,222	25%
				CASH BASIS:							
(925,013)	(1,485,789)	560,776	38%	Net Income(loss) per Above	(9,283,367)	(13,061,384)	3,778,016	29%	(12,368,589)	3,085,222	25%
				Add back non cash items:							
1,438,948	1,412,463	26,485	2%	Depreciation Expense	12,805,802	12,712,167	93,635	1%	12,009,494	796,308	7%
19,596	21,129	(1,533)	-7%	Bad Debt Expense	122,208	130,749	(8,541)	-7%	92,215	29,993	33%
$ 533,531	(52,198)	585,729	1122%	TOTAL CASH BASIS	$ 3,644,643	(218,467)	3,863,110	1768%	(266,880)	3,911,522	1466%



	Total Revenues	Total Expenses
Actual	$91,629,491	100,912,858
Budget	93,441,677	106,503,061

HAWAII PUBLIC HOUSING AUTHORITY
Consolidated Balance Sheet
Agency Total (Funds 130 To 150, 007, 020, 024, 181, 265, 318 & 337)
As of March 31, 2016 and February 29, 2016

	As of March 31 2016	As of February 29 2016	Increase (Decrease)
ASSETS:			
Cash	69,786,515	70,265,263	(478,749)
Receivables:			
Tenant Receivables	980,869	1,186,896	(206,027)
Other	1,277,685	1,278,042	(357)
Less Allowance for Doubtful Accounts	(910,423)	(1,088,885)	178,463
Total receivables	1,348,132	1,376,053	(27,921)
Accrued Interest	3,967	5,339	(1,372)
Prepaid Expenses	2,562,899	2,619,107	(56,208)
Inventories	540,779	541,757	(978)
Interprogram Due From	(286,609)	(301,426)	14,817
Total Current Assets	73,955,682	74,506,093	(550,411)
Property, Plant & Equipment:			
Land	23,824,737	23,824,737	-
Buildings	600,561,241	600,561,241	-
Furniture & Equipment	5,631,591	5,623,644	7,947
Motor vehicles	1,691,849	1,691,849	-
Construction in Progress	41,211,504	39,275,440	1,936,064
Less: Accumulated Depreciation	(373,605,347)	(372,166,399)	(1,438,948)
Notes, Loans & Mortgage Receivable-Non Current	8,716,630	8,716,630	-
Other Long term assets	-	-	-
Deferred Outflows of Resources	3,137,321	3,137,321	-
Total Assets & Deferred Outflow of Resources	$ 385,125,207	$ 385,170,555	(45,348)
LIABILITIES AND NET POSITION			
Accounts Payable	2,782,330	3,292,821	(510,490)
Accrued Expenses	-	-	-
Accrued Salaries & Wages	806,694	806,694	-
Accrued Vacation	1,486,141	1,486,141	-
Tenant Security Deposits	755,011	755,946	(935)
Other Liabilities & Deferred Income	1,222,177	2,154,640	(932,463)
Total Current Liabilities	7,052,353	8,496,241	(1,443,888)
Accrued Liabilities	18,039,316	18,039,316	-
Net Pension Liability	23,355,937	23,355,937	-
Deferred Inflows of Resources	2,903,051	2,903,051	-
Net Assets			
Investment in capital assets	299,315,575	298,810,512	505,063
Restricted Net Assets	371,180	371,180	-
Unrestricted Net Assets	43,371,162	41,552,672	1,818,490
Net Income Year to Date	(9,283,367)	(8,358,354)	(925,013)
Total Net Assets	333,774,550	332,376,010	1,398,540
Total Liabilities, Deferred Inflow of Resources & Net Position	$ 385,125,207	385,170,555	(45,348)

HAWAII PUBLIC HOUSING AUTHORITY
Federal Low Rent Program
Actual vs Budget Comparison
For the Month of March 2016, and the 9 Months ended March 31, 2016
(Amounts in Full Dollars)

Month of March 2016					Year to Date ended March 31, 2016						
		Variance					Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
1,287,458	1,177,820	109,638	9%	Dwelling Rental Income	11,453,177	10,605,341	847,836	8%	10,755,695	697,482	6%
2,037,999	1,789,138	248,861	14%	HUD Operating Subsidies	17,619,692	16,087,060	1,532,632	10%	16,342,344	1,277,348	8%
157,600	78,309	79,291	101%	CFP Grant Income	1,440,240	704,784	735,457	104%	24,830	1,415,410	5700%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
32,203	105,500	(73,297)	-69%	State CIP Fund	349,090	949,500	(600,410)	-63%	1,062,225	(713,135)	-67%
158,703	358,466	(199,762)	-56%	Grant Income	1,418,593	3,226,191	(1,807,598)	-56%	-	1,418,593	100%
33,598	42,863	(9,265)	-22%	Other Income	306,678	386,936	(80,258)	-21%	1,516,434	(1,209,756)	-80%
$ 3,707,561	3,552,096	155,464	4%	**Total Revenues**	$ 32,587,469	31,959,811	627,658	2%	29,701,528	2,885,941	10%
				EXPENSES							
465,820	555,442	89,622	16%	Administrative	4,244,594	4,838,994	594,400	12%	4,116,747	(127,846)	-3%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
246,048	253,405	7,357	3%	Management Fees	2,181,316	2,277,774	96,458	4%	2,217,274	35,958	2%
33,495	34,800	1,305	4%	Bookkeeping Fees	297,975	312,855	14,880	5%	301,988	4,013	1%
3,812	115	(3,697)	-3215%	Housing Assistance Payments	20,345	1,035	(19,310)	-1866%	3,789	(16,556)	-437%
10,244	34,162	23,919	70%	Tenant Services	80,221	454,885	374,664	82%	275,806	195,584	71%
857,623	945,772	88,149	9%	Utilities	7,574,962	8,510,250	935,288	11%	8,347,430	772,468	9%
1,295,759	1,305,766	10,008	1%	Maintenance	11,327,222	12,736,796	1,409,574	11%	10,062,668	(1,264,554)	-13%
182,180	196,529	14,349	7%	Protective Services	1,675,630	1,768,764	93,134	5%	1,617,367	(58,263)	-4%
54,276	62,792	8,516	14%	Insurance	504,966	564,964	59,997	11%	577,078	72,112	12%
1,239,741	1,213,257	(26,484)	-2%	Depreciation Expense	11,012,939	10,919,313	(93,626)	-1%	10,238,050	(774,889)	-8%
18,077	19,529	1,452	7%	Bad Debt Expense	108,537	116,349	7,812	7%	92,215	(16,322)	-18%
3,216	7,605	4,389	58%	General Expenses	15,375	68,445	53,070	78%	100,805	85,429	85%
4,410,292	4,629,175	218,883	5%	**Total Expenses**	39,044,081	42,570,423	3,526,342	8%	37,951,216	(1,092,865)	-3%
$ (702,731)	(1,077,079)	374,348	35%	**Net Income(Loss)**	$ (6,456,612)	(10,610,612)	4,154,000	39%	(8,249,688)	1,793,076	22%
				CASH BASIS:							
(702,731)	(1,077,079)	374,348	35%	Net Income(loss) per Above	(6,456,612)	(10,610,612)	4,154,000	39%	(8,249,688)	1,793,076	22%
				Add back non cash items:							
1,239,741	1,213,257	26,484	2%	Depreciation Expense	11,012,939	10,919,313	93,626	1%	10,238,050	774,889	8%
18,077	19,529	(1,452)	-7%	Bad Debt Expense	108,537	116,349	(7,812)	-7%	92,215	16,322	18%
$ 555,087	155,707	399,380	256%	**TOTAL CASH BASIS**	$ 4,664,864	425,051	4,239,814	997%	2,080,577	2,584,287	124%

HAWAII PUBLIC HOUSING AUTHORITY
Federal Low Rent Program by AMPs
Actual vs Budget Comparison
For the Month of March 2016, and the 9 Months ended March 31, 2016
(Amounts in Full Dollars)

Month of March 2016				ACCRUAL BASIS	Year to Date ended March 31, 2016						
		Variance					Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
314,295	304,301	9,994	3%	Asset Management Project - 30	2,683,523	2,738,710	(55,187)	-2%	2,842,598	(159,074)	-6%
357,261	310,393	46,869	15%	Asset Management Project - 31	3,577,727	2,801,394	776,334	28%	2,575,933	1,001,794	39%
382,042	353,045	28,997	8%	Asset Management Project - 32	3,441,990	3,174,021	267,969	8%	2,911,397	530,593	18%
283,806	236,397	47,408	20%	Asset Management Project - 33	2,692,748	2,124,840	567,907	27%	2,183,450	509,298	23%
385,296	382,213	3,083	1%	Asset Management Project - 34	3,292,409	3,424,412	(132,003)	-4%	3,382,680	(90,271)	-3%
427,219	441,484	(14,265)	-3%	Asset Management Project - 35	3,689,163	3,973,359	(284,197)	-7%	3,744,687	(55,525)	-1%
204,501	224,903	(20,402)	-9%	Asset Management Project - 37	1,731,391	2,024,129	(292,738)	-14%	1,494,801	236,590	16%
231,723	209,985	21,738	10%	Asset Management Project - 38	1,964,411	1,891,646	72,764	4%	1,750,671	213,739	12%
160,275	169,465	(9,189)	-5%	Asset Management Project - 39	1,368,165	1,523,343	(155,178)	-10%	1,259,517	108,649	9%
183,624	172,889	10,735	6%	Asset Management Project - 40	1,582,033	1,556,001	26,031	2%	1,372,058	209,975	15%
136,358	147,446	(11,089)	-8%	Asset Management Project - 43	1,186,747	1,327,017	(140,270)	-11%	1,093,235	93,512	9%
194,685	178,474	16,211	9%	Asset Management Project - 44	1,638,210	1,611,045	27,165	2%	1,697,066	(58,857)	-3%
160,711	139,994	20,717	15%	Asset Management Project - 45	1,378,272	1,262,387	115,886	9%	1,187,334	190,938	16%
69,571	74,156	(4,586)	-6%	Asset Management Project - 46	598,556	664,949	(66,393)	-10%	526,302	72,254	14%
113,842	117,608	(3,766)	-3%	Asset Management Project - 49	965,052	1,058,472	(93,420)	-9%	881,883	83,169	9%
102,352	89,343	13,010	15%	Asset Management Project - 50	797,072	804,084	(7,012)	-1%	797,916	(844)	0%
$ 3,707,561	3,552,096	155,464	4%	Total Revenues	$ 32,587,469	31,959,811	627,658	2%	29,701,528	2,885,941	10%
				NET INCOME(LOSS)							
(176,871)	(104,749)	(72,122)	-69%	Asset Management Project - 30	(865,120)	(943,184)	78,064	8%	(690,197)	(174,923)	-25%
(149,982)	(178,276)	28,293	16%	Asset Management Project - 31	(516,525)	(1,663,133)	1,146,608	69%	(1,828,805)	1,312,280	72%
57,285	(16,158)	73,444	455%	Asset Management Project - 32	217,993	(218,088)	436,081	200%	(503,959)	721,952	143%
9,898	(58,194)	68,092	117%	Asset Management Project - 33	90,401	(538,532)	628,934	117%	(419,712)	510,114	122%
98,996	(72,266)	171,261	237%	Asset Management Project - 34	(170,392)	(584,669)	414,277	71%	118,745	(289,137)	-243%
16,988	(72,960)	89,949	123%	Asset Management Project - 35	(120,564)	(678,693)	558,129	82%	150,821	(271,384)	-180%
(117,497)	(147,330)	29,833	20%	Asset Management Project - 37	(1,238,497)	(1,630,216)	391,719	24%	(1,360,416)	121,919	9%
(64,373)	(55,539)	(8,834)	-16%	Asset Management Project - 38	(605,001)	(570,944)	(34,056)	-6%	(411,847)	(193,154)	-47%
(33,523)	(41,400)	7,877	19%	Asset Management Project - 39	(388,357)	(543,284)	154,927	29%	(545,414)	157,057	29%
(7,239)	(350)	(6,889)	-1968%	Asset Management Project - 40	(68,583)	(2,731)	(65,852)	-2411%	(173,636)	105,053	61%
(67,157)	(72,763)	5,606	8%	Asset Management Project - 43	(561,451)	(638,779)	77,328	12%	(698,389)	136,938	20%
(137,837)	(85,891)	(51,947)	-60%	Asset Management Project - 44	(746,411)	(850,175)	103,764	12%	(568,718)	(177,694)	-31%
(52,538)	(52,251)	(286)	-1%	Asset Management Project - 45	(451,738)	(508,867)	57,130	11%	(487,285)	35,548	7%
(97,900)	(40,187)	(57,713)	-144%	Asset Management Project - 46	(503,264)	(448,957)	(54,307)	-12%	(478,861)	(24,403)	-5%
17,994	(58,631)	76,625	131%	Asset Management Project - 49	(426,781)	(587,100)	160,319	27%	(465,056)	38,275	8%
1,025	(20,133)	21,158	105%	Asset Management Project - 50	(102,322)	(203,258)	100,936	50%	113,041	(215,363)	-191%
$ (702,731)	(1,077,079)	374,348	35%	Total Net Income(Loss)	$ (6,456,612)	(10,610,612)	4,154,000	39%	(8,249,688)	1,793,076	22%

HAWAII PUBLIC HOUSING AUTHORITY
Federal Low Rent Program by AMPs
Actual vs Budget Comparison
For the Month of March 2016, and the 9 Months ended March 31, 2016
(Amounts in Full Dollars)

Month of March 2016				CASH BASIS	Year to Date ended March 31, 2016						
		Variance					Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
314,295	304,301	9,994	3%	Asset Management Project - 30	2,683,523	2,738,710	(55,187)	-2%	2,842,598	(159,074)	-6%
357,261	310,393	46,869	15%	Asset Management Project - 31	3,577,727	2,801,394	776,334	28%	2,575,933	1,001,794	39%
382,042	353,045	28,997	8%	Asset Management Project - 32	3,441,990	3,174,021	267,969	8%	2,911,397	530,593	18%
283,806	236,397	47,408	20%	Asset Management Project - 33	2,692,748	2,124,840	567,907	27%	2,183,450	509,298	23%
385,296	382,213	3,083	1%	Asset Management Project - 34	3,292,409	3,424,412	(132,003)	-4%	3,382,680	(90,271)	-3%
427,219	441,484	(14,265)	-3%	Asset Management Project - 35	3,689,163	3,973,359	(284,197)	-7%	3,744,687	(55,525)	-1%
204,501	224,903	(20,402)	-9%	Asset Management Project - 37	1,731,391	2,024,129	(292,738)	-14%	1,494,801	236,590	16%
231,723	209,985	21,738	10%	Asset Management Project - 38	1,964,411	1,891,646	72,764	4%	1,750,671	213,739	12%
160,275	169,465	(9,189)	-5%	Asset Management Project - 39	1,368,165	1,523,343	(155,178)	-10%	1,259,517	108,649	9%
183,624	172,889	10,735	6%	Asset Management Project - 40	1,582,033	1,556,001	26,031	2%	1,372,058	209,975	15%
136,358	147,446	(11,089)	-8%	Asset Management Project - 43	1,186,747	1,327,017	(140,270)	-11%	1,093,235	93,512	9%
194,685	178,474	16,211	9%	Asset Management Project - 44	1,638,210	1,611,045	27,165	2%	1,697,066	(58,857)	-3%
160,711	139,994	20,717	15%	Asset Management Project - 45	1,378,272	1,262,387	115,886	9%	1,187,334	190,938	16%
69,571	74,156	(4,586)	-6%	Asset Management Project - 46	598,556	664,949	(66,393)	-10%	526,302	72,254	14%
113,842	117,608	(3,766)	-3%	Asset Management Project - 49	965,052	1,058,472	(93,420)	-9%	881,883	83,169	9%
102,352	89,343	13,010	15%	Asset Management Project - 50	797,072	804,084	(7,012)	-1%	797,916	(844)	0%
$ 3,707,561	3,552,096	155,464	4%	Total Revenues	$ 32,587,469	31,959,811	627,658	2%	29,701,528	2,885,941	10%
				NET INCOME(LOSS)							
(64,981)	6,466	(71,448)	-1105%	Asset Management Project - 30	138,760	57,751	81,009	140%	201,829	(63,068)	-31%
41,832	13,688	28,143	206%	Asset Management Project - 31	1,197,851	52,543	1,145,308	2180%	(212,183)	1,410,034	665%
83,271	9,828	73,444	747%	Asset Management Project - 32	451,867	15,786	436,081	2762%	(273,626)	725,493	265%
72,844	4,765	68,079	1429%	Asset Management Project - 33	656,915	28,104	628,812	2237%	149,961	506,955	338%
173,089	(1,871)	174,959	9352%	Asset Management Project - 34	494,366	48,886	445,480	911%	701,425	(207,059)	-30%
99,476	9,887	89,590	906%	Asset Management Project - 35	611,216	54,586	556,630	1020%	877,642	(266,426)	-30%
51,978	29,726	22,252	75%	Asset Management Project - 37	286,772	(36,712)	323,484	881%	73,539	213,233	290%
34,521	12,759	21,762	171%	Asset Management Project - 38	160,859	43,738	117,122	268%	146,150	14,709	10%
25,722	18,381	7,342	40%	Asset Management Project - 39	132,220	(21,255)	153,475	722%	(25,385)	157,606	621%
(5,001)	1,834	(6,835)	-373%	Asset Management Project - 40	(48,441)	16,925	(65,366)	-386%	(153,980)	105,539	69%
7,696	2,191	5,505	251%	Asset Management Project - 43	104,544	27,719	76,825	277%	(22,609)	127,153	562%
(42,249)	10,266	(52,516)	-512%	Asset Management Project - 44	117,977	15,238	102,739	674%	315,941	(197,964)	-63%
11,843	12,130	(286)	-2%	Asset Management Project - 45	130,811	74,006	56,806	77%	99,032	31,779	32%
(48,161)	9,084	(57,245)	-630%	Asset Management Project - 46	(59,695)	(5,518)	(54,177)	-982%	(35,422)	(24,273)	-69%
78,871	7,542	71,329	946%	Asset Management Project - 49	100,640	(963)	101,603	10546%	9,459	91,181	964%
34,336	9,031	25,305	280%	Asset Management Project - 50	188,201	54,218	133,983	247%	228,804	(40,603)	-18%
$ 555,087	155,707	399,380	256%	Total Net Income(Loss)	$ 4,664,864	425,051	4,239,814	997%	2,080,577	2,584,287	124%

HAWAII PUBLIC HOUSING AUTHORITY
Housing Choice Voucher Program
Actual vs Budget Comparison
For the Month of March 2016, and the 9 Months ended March 31, 2016
(Amounts in Full Dollars)

Month of March 2016					Year to Date ended March 31, 2016						
		Variance					Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
-	-	-	0%	Dwelling Rental Income	-	-	-	0%	-	-	0%
2,453,606	2,621,919	(168,313)	-6%	HUD Operating Subsidies	21,627,863	23,597,274	(1,969,411)	-8%	18,845,988	2,781,875	15%
-	-	-	0%	CFP Grant Income	-	-	-	0%	-	-	0%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
-	-	-	0%	Grant Income	-	-	-	0%	-	-	0%
11,123	57,606	(46,483)	-81%	Other Income	101,593	518,454	(416,861)	-80%	468,312	(366,719)	-78%
$ 2,464,729	2,679,525	(214,797)	-8%	Total Revenues	$ 21,729,456	24,115,728	(2,386,272)	-10%	19,314,300	2,415,156	13%
				EXPENSES							
193,743	123,245	(70,498)	-57%	Administrative	1,021,996	1,199,591	177,595	15%	788,635	(233,361)	-30%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
25,800	23,270	(2,530)	-11%	Management Fees	228,504	209,430	(19,074)	-9%	208,140	(20,364)	-10%
16,125	14,550	(1,575)	-11%	Bookkeeping Fees	142,815	130,950	(11,865)	-9%	130,088	(12,728)	-10%
2,282,078	2,487,654	205,576	8%	Housing Assistance Payments	20,656,917	22,388,886	1,731,969	8%	18,125,265	(2,531,652)	-14%
24,134	19,155	(4,979)	-26%	Tenant Services	121,657	172,395	50,738	29%	117,205	(4,453)	-4%
929	4,300	3,371	78%	Utilities	10,896	38,700	27,804	72%	33,642	22,746	68%
1,350	1,710	360	21%	Maintenance	5,600	17,490	11,890	68%	10,968	5,368	49%
67	60	(7)	-12%	Protective Services	605	540	(65)	-12%	538	(67)	-13%
257	420	163	39%	Insurance	2,330	3,780	1,450	38%	3,271	942	29%
3,308	8,300	4,992	60%	General Expenses	35,005	74,700	39,695	53%	66,406	31,401	47%
2,547,792	2,682,664	134,872	5%	Total Expenses	22,226,325	24,236,462	2,010,137	8%	19,484,156	(2,742,169)	-14%
$ (83,063)	(3,138)	(79,925)	-2547%	Net Income(Loss)	$ (496,869)	(120,734)	(376,135)	-312%	(169,856)	(327,013)	-193%
				CASH BASIS:							
(83,063)	(3,138)	(79,925)	-2547%	Net Income(loss) per Above	(496,869)	(120,734)	(376,135)	-312%	(169,856)	(327,013)	-193%
				Add back non cash items:							
-	-	-	0%	Depreciation Expense	-	-	-	0%	-	-	0%
-	-	-	0%	Bad Debt Expense	-	-	-	0%	-	-	0%
$ (83,063)	(3,138)	(79,925)	-2547%	TOTAL CASH BASIS	$ (496,869)	(120,734)	(376,135)	-312%	(169,856)	(327,013)	-193%

HAWAII PUBLIC HOUSING AUTHORITY
State Low Rent
Actual vs Budget Comparison
For the Month of March 2016, and the 9 Months ended March 31, 2016
(Amounts in Full Dollars)

Month of March 2016					Year to Date ended March 31, 2016						
		Variance					Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
93,958	92,175	1,783	2%	Dwelling Rental Income	830,796	829,575	$ 1,221	0%	771,421	$ 59,375	8%
-	-	-	0%	HUD Operating Subsidies	-	-	-	0%	-	-	0%
-	-	-	0%	CFP Grant Income	-	-	-	0%	-	-	0%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
-	3,700	(3,700)	-100%	State CIP Fund	-	33,300	(33,300)	-100%	44,020	(44,020)	-100%
77,683	100,001	(22,318)	-22%	Grant Income	974,941	900,009	74,932	8%	-	974,941	100%
2,481	4,140	(1,659)	-40%	Other Income	29,588	37,040	(7,452)	-20%	107,595	(78,008)	-73%
$ 174,123	200,016	(25,893)	-13%	**Total Revenues**	$ 1,835,324	1,799,924	35,400	2%	923,036	912,288	99%
				EXPENSES							
24,507	30,821	6,314	20%	Administrative	224,361	265,106	40,745	15%	222,021	(2,341)	-1%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
15,940	16,123	183	1%	Management Fees	138,335	145,107	6,772	5%	141,648	3,313	2%
1,913	1,936	24	1%	Bookkeeping Fees	16,598	17,424	827	5%	16,995	398	2%
-	-	-	0%	Housing Assistance Payments	-	-	-	0%	-	-	0%
-	-	-	0%	Tenant Services	440	-	(440)	-100%	89	(351)	-396%
57,230	70,448	13,218	19%	Utilities	550,308	634,032	83,724	13%	597,806	47,498	8%
72,438	72,441	3	0%	Maintenance	491,868	697,054	205,186	29%	463,278	(28,590)	-6%
-	-	-	0%	Protective Services	43	-	(43)	-100%	241	197	82%
3,173	3,280	107	3%	Insurance	28,521	29,521	1,001	3%	28,949	428	1%
76,880	76,879	(1)	0%	Depreciation Expense	691,920	691,911	(9)	0%	691,939	19	0%
760	800	40	5%	Bad Debt Expense	6,840	7,200	360	5%	-	(6,840)	-100%
-	-	-	0%	General Expenses	(840)	-	840	100%	-	840	100%
252,840	272,728	19,888	7%	**Total Expenses**	2,148,393	2,487,355	338,962	14%	2,162,965	14,572	1%
$ (78,717)	(72,712)	(6,005)	-8%	**Net Income(Loss)**	$ (313,069)	(687,431)	374,362	54%	(1,239,929)	926,860	75%
				CASH BASIS:							
(78,717)	(72,712)	(6,005)	-8%	Net Income(loss) per Above	(313,069)	(687,431)	374,362	54%	(1,239,929)	926,860	75%
				Add back non cash items:							
76,880	76,879	1	0%	Depreciation Expense	691,920	691,911	9	0%	691,939	(19)	0%
760	800	(40)	-5%	Bad Debt Expense	6,840	7,200	(360)	-5%	-	6,840	100%
$ (1,077)	4,967	(6,044)	-122%	**TOTAL CASH BASIS**	$ 385,691	11,680	374,011	3202%	(547,990)	933,681	170%

HAWAII PUBLIC HOUSING AUTHORITY
State Elderly Program
Actual vs Budget Comparison
For the Month of March 2016, and the 9 Months ended March 31, 2016
(Amounts in Full Dollars)

Month of March 2016					Year to Date ended March 31, 2016						
		Variance					Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
172,627	169,245	3,382	2%	Dwelling Rental Income	1,543,152	1,523,205	$ 19,947	1%	1,526,721	16,431	1%
-	-	-	0%	HUD Operating Subsidies	-	-	-	0%	-	-	0%
-	-	-	0%	CFP Grant Income	-	-	-	0%	-	-	0%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
3,570	2,600	970	37%	State CIP Fund	26,501	23,400	3,101	13%	20,466	6,035	29%
127,752	150,000	(22,248)	-15%	Grant Income	2,386,904	1,350,000	1,036,904	77%	-	2,386,904	100%
6,803	7,465	(662)	-9%	Other Income	57,372	67,185	(9,813)	-15%	379,002	(321,630)	-85%
$ 310,753	329,310	(18,557)	-6%	**Total Revenues**	$ 4,013,929	2,963,790	1,050,139	35%	1,926,189	2,087,740	108%
				EXPENSES							
44,463	50,500	6,037	12%	Administrative	405,163	454,500	49,337	11%	226,779	(178,384)	-79%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
35,443	35,631	188	1%	Management Fees	318,176	320,679	2,503	1%	319,051	875	0%
4,253	2,227	(2,026)	-91%	Bookkeeping Fees	38,175	20,043	(18,132)	-90%	38,280	105	0%
-	-	-	0%	Housing Assistance Payments	-	-	-	0%	-	-	0%
-	700	700	100%	Tenant Services	-	6,300	6,300	100%	193	193	100%
93,789	121,185	27,396	23%	Utilities	882,294	1,090,665	208,371	19%	1,018,821	136,528	13%
120,909	97,181	(23,728)	-24%	Maintenance	740,673	874,629	133,955	15%	812,652	71,978	9%
-	575	575	100%	Protective Services	1,421	5,175	3,754	73%	387	(1,034)	-267%
6,511	9,881	3,370	34%	Insurance	66,971	88,929	21,958	25%	73,284	6,313	9%
118,314	118,314	-	0%	Depreciation Expense	1,064,826	1,064,826	-	0%	1,064,826	-	0%
759	800	41	5%	Bad Debt Expense	6,831	7,200	369	5%	-	(6,831)	-100%
-	-	-	0%	General Expenses	-	-	-	0%	-	-	0%
424,441	436,994	12,553	3%	**Total Expenses**	3,524,530	3,932,945	408,415	10%	3,554,274	29,744	1%
$ (113,689)	(107,684)	(6,005)	-6%	**Net Income(Loss)**	$ 489,399	(969,155)	1,458,555	150%	(1,628,084)	2,117,484	130%
				CASH BASIS:							
(113,689)	(107,684)	(6,005)	-6%	Net Income(loss) per Above	489,399	(969,155)	1,458,555	150%	(1,628,084)	2,117,484	130%
				Add back non cash items:							
118,314	118,314	-	0%	Depreciation Expense	1,064,826	1,064,826	-	0%	1,064,826	-	0%
759	800	(41)	-5%	Bad Debt Expense	6,831	7,200	(369)	-5%	-	6,831	100%
$ 5,384	11,430	(6,046)	-53%	**TOTAL CASH BASIS**	$ 1,561,056	102,871	1,458,186	1417%	(563,258)	2,124,315	377%

HAWAII PUBLIC HOUSING AUTHORITY
State Rent Supplement Program
Actual vs Budget Comparison
For the Month of March 2016, and the 9 Months ended March 31, 2016
(Amounts in Full Dollars)

Month of March 2016					Year to Date ended March 31, 2016						
		Variance					Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
-	-	-	0%	Dwelling Rental Income	-	-	-	0%	-	-	0%
-	-	-	0%	HUD Operating Subsidies	-	-	-	0%	-	-	0%
-	-	-	0%	CFP Grant Income	-	-	-	0%	-	-	0%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
332,309	87,994	244,315	278%	Grant Income	771,708	791,946	(20,238)	-3%	715,818	55,890	8%
-	-	-	0%	Other Income	-	-	-	0%	-	-	0%
$ 332,309	87,994	244,315	278%	**Total Revenues**	$ 771,708	791,946	(20,238)	-3%	715,818	55,890	8%
				EXPENSES							
4,687	7,212	2,525	35%	Administrative	55,551	64,908	9,357	14%	54,500	(1,050)	-2%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
507	-	(507)	-100%	Management Fees	4,245	-	(4,245)	-100%	4,239	(6)	0%
318	-	(318)	-100%	Bookkeeping Fees	2,660	-	(2,660)	-100%	2,656	(4)	0%
34,191	80,000	45,809	57%	Housing Assistance Payments	301,081	645,000	343,919	53%	289,009	(12,072)	-4%
-	-	-	0%	Tenant Services	-	-	-	0%	-	-	0%
-	625	625	100%	Utilities	41	5,625	5,584	99%	4,937	4,896	99%
-	240	240	100%	Maintenance	475	2,280	1,805	79%	4,133	3,659	89%
-	-	-	0%	Protective Services	-	-	-	0%	-	-	0%
-	-	-	0%	Insurance	-	-	-	0%	-	-	0%
-	-	-	0%	General Expenses	-	-	-	0%	-	-	0%
39,703	88,077	48,374	55%	**Total Expenses**	364,052	717,813	353,761	49%	359,476	(4,577)	-1%
$ 292,606	(83)	292,689	352637%	**Net Income(Loss)**	$ 407,656	74,133	333,523	450%	356,342	51,313	14%
				CASH BASIS:							
292,606	(83)	292,689	352637%	Net Income(loss) per Above	407,656	74,133	333,523	450%	356,342	51,313	14%
				Add back non cash items:							
-	-	-	0%	Depreciation Expense	-	-	-	0%	-	-	0%
-	-	-	0%	Bad Debt Expense	-	-	-	0%	-	-	0%
$ 292,606	(83)	292,689	352637%	**TOTAL CASH BASIS**	$ 407,656	74,133	333,523	450%	356,342	51,313	14%

HAWAII PUBLIC HOUSING AUTHORITY
Section 8 Contract Administration
Actual vs Budget Comparison
For the Month of March 2016, and the 9 Months ended March 31, 2016
(Amounts in Full Dollars)

Month of March 2016					Year to Date ended March 31, 2016						
		Variance					Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
-	-	-	0%	Dwelling Rental Income	-	-	-	0%	-	-	0%
2,831,074	2,573,064	258,010	10%	HUD Operating Subsidies	24,227,792	23,157,576	1,070,216	5%	23,489,175	738,616	3%
-	-	-	0%	CFP Grant Income	-	-	-	0%	-	-	0%
-	-	-	0%	COCC Fee Income	-	-	-	0%	-	-	0%
-	-	-	0%	Grant Income	-	-	-	0%	-	-	0%
17	15	2	16%	Other Income	145	135	10	7%	(143,048)	143,193	100%
$ 2,831,091	2,573,079	258,012	10%	**Total Revenues**	$ 24,227,936	23,157,711	1,070,225	5%	23,346,127	881,809	4%
				EXPENSES							
80,220	76,959	(3,261)	-4%	Administrative	682,025	700,131	18,106	3%	83,287	(598,738)	-719%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
-	15,750	15,750	100%	Management Fees	-	141,750	141,750	100%	657,542	657,542	100%
-	1,875	1,875	100%	Bookkeeping Fees	-	16,875	16,875	100%	-	-	0%
2,727,149	2,476,700	(250,449)	-10%	Housing Assistance Payments	23,345,394	22,290,300	(1,055,094)	-5%	22,432,268	(913,125)	-4%
-	-	-	0%	Tenant Services	-	-	-	0%	-	-	0%
-	-	-	0%	Utilities	-	-	-	0%	-	-	0%
-	791	791	100%	Maintenance	-	7,119	7,119	100%	-	-	0%
-	-	-	0%	Protective Services	-	-	-	0%	-	-	0%
-	-	-	0%	Insurance	-	-	-	0%	-	-	0%
-	450	450	100%	General Expenses	10,256	4,050	(6,206)	-153%	3,303	(6,952)	-210%
2,807,368	2,572,525	(234,843)	-9%	**Total Expenses**	24,037,674	23,160,225	(877,449)	-4%	23,176,400	(861,274)	-4%
$ 23,723	554	23,169	4182%	**Net Income(Loss)**	$ 190,262	(2,514)	192,776	7668%	169,727	20,535	12%
				CASH BASIS:							
23,723	554	23,169	4182%	Net Income(loss) per Above	190,262	(2,514)	192,776	7668%	169,727	20,535	12%
				Add back non cash items:							
-	-	-	0%	Depreciation Expense	-	-	-	0%	-	-	0%
-	-	-	0%	Bad Debt Expense	-	-	-	0%	-	-	0%
23,723	554	23,169	4182%	**TOTAL CASH BASIS**	$ 190,262	(2,514)	192,776	7668%	169,727	20,535	12%

HAWAII PUBLIC HOUSING AUTHORITY
Central Office Cost Center
Actual vs Budget Comparison
For the Month of March 2016, and the 9 Months ended March 31, 2016
(Amounts in Full Dollars)

Month of March 2016					Year to Date ended March 31, 2016						
		Variance					Variance			Variance	
Actual	Budget	Amount	%		Actual	Budget	Amount	%	Prior Year	Amount	%
				REVENUES							
-	-	-	0%	Dwelling Rental Income	-	-	-	0%	-	-	0%
9,122	-	9,122	100%	Ongoing Admin Fee Earned	47,806	-	47,806	100%	-	47,806	100%
-	168,397	(168,397)	-100%	CFP Grant Income	906,697	1,515,571	(608,874)	-40%	-	906,697	100%
379,841	399,425	(19,584)	-5%	COCC Fee Income	3,368,798	3,594,825	(226,027)	-6%	3,380,358	(11,560)	0%
4,871	-	4,871	100%	Grant Income	69,077	1,168,747	(1,099,670)	-94%	-	69,077	100%
204,377	258,186	(53,809)	-21%	Other Income	2,059,210	2,355,624	(296,414)	-13%	1,894,187	165,023	9%
$ 598,212	826,008	(227,796)	-28%	**Total Revenues**	$ 6,451,588	8,634,767	(2,183,179)	-25%	5,274,545	1,177,043	22%
				EXPENSES							
581,289	765,301	184,013	24%	Administrative	5,570,531	6,810,444	1,239,913	18%	5,704,653	134,122	2%
-	-	-	0%	Asset Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Management Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Bookkeeping Fees	-	-	-	0%	-	-	0%
-	-	-	0%	Housing Assistance Payments	-	-	-	0%	-	-	0%
19	640	621	97%	Tenant Services	491	5,760	5,269	91%	719	228	32%
7,515	12,123	4,608	38%	Utilities	81,539	109,020	27,481	25%	79,115	(2,424)	-3%
261,166	262,120	954	0%	Maintenance	2,428,344	2,325,777	(102,567)	-4%	2,237,346	(190,998)	-9%
798	785	(13)	-2%	Protective Services	8,122	7,062	(1,060)	-15%	7,323	(799)	-11%
12,243	3,391	(8,852)	-261%	Insurance	76,585	30,519	(46,066)	-151%	32,757	(43,828)	-134%
4,013	4,013	-	0%	Depreciation Expense	36,117	36,117	-	0%	14,679	(21,438)	-146%
6,887	5,282	(1,605)	-30%	General Expenses	1,318,337	73,138	(1,245,199)	-1703%	209,797	(1,108,540)	-528%
873,928	1,053,654	179,726	17%	**Total Expenses**	9,520,066	9,397,838	(122,228)	-1%	8,286,389	(1,233,677)	-15%
$ (275,716)	(227,647)	(48,070)	-21%	**Net Income(Loss)**	$ (3,068,478)	(763,071)	(2,305,408)	-302%	(3,011,844)	(56,635)	-2%
				CASH BASIS:							
(275,716)	(227,647)	(48,070)	-21%	Net Income(loss) per Above	(3,068,478)	(763,071)	(2,305,408)	-302%	(3,011,844)	(56,635)	-2%
				Add back non cash items:							
4,013	4,013	-	0%	Depreciation Expense	36,117	36,117	-	0%	14,679	21,438	146%
-	-	-	0%	Bad Debt Expense	-	-	-	0%	-	-	0%
$ (271,703)	(223,634)	(48,070)	-21%	**TOTAL CASH BASIS**	$ (3,032,361)	(726,954)	(2,305,408)	-317%	(2,997,165)	(35,197)	-1%

III. Contract & Procurement Office

A. Solicitation(s) Issued in April 2016:

Solicitation No.	Title	Due Date
RFQ PMB-2016-18	Maintenance Tools and Equipment for the Property Management and Maintenance Services Section	April 22, 2016

B. Contract(s) Executed in April 2016:

Contract No.	Contractor & Description	Amount
CMS 16-07	**Economy Plumbing & Sheet Metal, Inc. dba Economy Plumbing & Air Conditioning** Provide Preventive Maintenance to Major Systems (Boilers, Water Heaters, Heat Pumps, Hot Water Storage Tanks, Booster Pumps, Backflow Preventers) at Kalakaua Homes, Makua Alii, and Paoakalani (AMP 34) and Punchbowl Homes, Kalanihuia, Makamae, Pumehana, and Spencer House (AMP 35) on the Island of Oahu End Date: 12 Months from Notice to Proceed	Total Amount: $12,460.00
CMS 16-06	**Economy Plumbing & Sheet Metal, Inc. dba Economy Plumbing & Air Conditioning** Provide Labor, Material, and Equipment to Replace or Upgrade Existing Major Systems (Boilers, Water Heaters, Heat Pumps, Hot Water Storage Tanks, Booster Pumps, Backflow Preventers) at Kalakaua Homes, Makua Alii, and Paoakalani (AMP 34) and Punchbowl Homes, Kalanihuia, Makamae, Pumehana, and Spencer House (AMP 35) on the Island of Oahu Completion Date: 270 Calendar Days from Notice to Proceed	Total Amount: $1,910,000.00

Contract No.	Contractor & Description	Amount
CMS 16-05	**International Wastewater Technologies, Inc.** Provide Preventive Maintenance Services to Sewage Lift Station at Kauhale Ohana (AMP 45) on the Island of Oahu End Date: 12 Months from Notice to Proceed	Total Amount: $1,780.10
CMS 16-04	**Society Contracting, LLC** Provide Labor, Material, and Equipment for Trellis Removal at Hoolulu (MU 42) on the Island of Oahu Completion Date: 25 Calendar Days from Notice to Proceed	Total Amount: $30,000.00
CMS 15-20-SC02	**National Fire Protection Co., Inc.** Provide Additional Labor, Material, and Equipment and Extension of Time of 30 Calendar Days for Improvements to Fire Prevention Systems at Hale Poai, Kamalu and Hoolulu (MU 42) on the Island of Oahu Completion Date: May 1, 2016	Suppl Amount: $26,182.19 Total Amount: $161,129.55
CMS 15-01-SC03	**Allied Pacific Builders, LLC** Provide Additional Labor, Material, and Equipment and Extension of Time of 7 Calendar Days for Site and Dwelling Improvements to Hale Laulima (AMP 30) on the Island of Oahu Completion Date: November 7, 2016	Suppl Amount: $16,350.00 Total Amount: $8,329,481.00
CMS 15-01-SC02	**Allied Pacific Builders, LLC** Provide Additional Labor, Material, and Equipment and Extension of Time of 30 Calendar Days for Site and Dwelling Improvements to Hale Laulima (AMP 30) on the Island of Oahu Completion Date: October 31, 2016	Suppl Amount: $42,058.00 Total Amount: $8,313,131.00

Contract No.	Contractor & Description	Amount
CMS 14-30-CO07	**Diede Construction, Inc.** Provide Additional Labor, Material, and Equipment and Reduction in Scope of Work for Modernization of Mayor Wright Homes (AMP 32) on the Island of Oahu Completion Date: August 10, 2016	Suppl Amount: ($25,628.78) Credit Total Amount: $4,931,673.17
CMS 14-30-CO06	**Diede Construction, Inc.** Provide Additional Labor, Material, and Equipment and Reduction in Scope of Work for Modernization of Mayor Wright Homes (AMP 32) on the Island of Oahu Completion Date: July 21, 2016	Suppl Amount: ($11,104.67) Credit Total Amount: $4,957,301.95
CMS 14-10-SC05	**Heartwood Pacific LLC** Provide Additional Labor, Material, and Equipment for Site and Building Improvements at Pomaikai (AMP 37) on the Island of Hawaii Completion Date: June 10, 2016	Suppl Amount: $47,124.00 Total Amount: $3,544,959.00
CMS 14-05-SC02	**Tomco Corporation** For Payment Purposes, Revise Compensation and Repayment Schedule to Replace State Capital Improvement Funds with Federal Capital Funds for Site and Building Improvements at Hui O Hanamaulu (AMP 38) on the Island of Kauai Completion Date: September 1, 2015	Suppl Amount: n/a Total Amount: $3,772,756.13
CMS 14-01-SC01	**InSynergy Engineering** Provide Additional Design and Consultant Services for Improvements to Major Systems (Boilers, Water Heaters, Heat Pumps, Booster Pumps, Backflow Preventers, Fire Prevention and Alarm Systems, Emergency Generators and Call-for-Aid Systems for AMP 34, AMP 35, AMP 45, MU 42 on the Island of Oahu End Date: January 14, 2019	Suppl Amount: $763,397.00 Total Amount: $1,082,285.00

Contract No.	Contractor & Description	Amount
CMS 13-15-SC02	**Okahara & Associates dba DMT Consultant Engineers** Provide Additional Design and Consultant Services for Repair to Trash Chutes at Makua Alii (AMP 34) and Punchbowl Homes, Makamae, and Pumehana (AMP 35) on the Island of Oahu Completion Date: May 21, 2018	Suppl Amount: $6,200.00 Total Amount: $251,387.41
CMS 11-04-SC04	**Riecke Sunnland Kono Architects Ltd.** Provide Additional Design and Consultant Services and Reduction in Scope of Services for Site and Building Improvements to Kahale Mua – Federal and Kahale Mua – State (AMP 39) on the Island of Molokai End Date: October 31, 2018	Suppl Amount: $60,928.15 Total Amount: $625,895.60
PMB 15-01-SC01	**Realty Laua LLC** Continue to Provide Property Management and Maintenance Services for the Ka Hale O Kamehaikana Community Resource Center on the Island of Oahu End Date: September 30, 2016	Suppl Amount: $229,344.00 Total Amount: $642,816.00
PMB 14-04-SC02	**Hawaii Affordable Properties, Inc.** Continue to Provide Property Management, Maintenance and Resident Services for Hale Poai, Laiola, Kamalu, Hoolulu, Halia Hale (MU 42) on the Island of Oahu End Date: March 31, 2017	Suppl Amount: $1,190,853.00 Total Amount: $3,450,341.00
PMB 14-01-SC06	**Realty Laua LLC** Continue to Provide Property Management, Maintenance and Resident Services for Koolau Village, Hookipa Kahaluu, Kaneohe Apartments, Kauhale Ohana, Waimanalo Homes (AMP 45) on the Island of Oahu End Date: July 15, 2016	Suppl Amount: $281,411.00 Total Amount: $1,116,252.00

Contract No.	Contractor & Description	Amount
PMB 12-07-SC08	**Realty Laua LLC** Continue to Provide Property Management, Maintenance and Resident Services for Waimaha-Sunflower, Kauiokalani, Maili I, Maili II, Nanakuli Homes (AMP 44) on the Island of Oahu End Date: August 31, 2016	Suppl Amount: $357,536.00 Total Amount: $2,797,497.00

C. Planned Solicitation/Contract Activities for May/June 2016

Solicitation(s):

- Issue Invitation-for-Bids for Laundry Services for AMP 38 on the Island of Kauai.

- Issue Invitation-for-Bids for Provision of Refrigerators for State and Federal Low Income Housing Properties Statewide.

Contract(s)

- Execute New Contract to Provide Property Management, Maintenance and Resident Services for AMP 43 on the Island of Hawaii.

- Execute New Contract to Provide Property Management, Maintenance and Resident Services for AMP 46 on the Island of Hawaii.

- Execute New Contract to Provide Property Management and Maintenance Services for the Affordable Rental Housing Property Known as Ke Kumu Ekahi on the Island of Hawaii.

- Execute New Contract(s) to Provide Laundry Services at AMP 34 on the Island of Oahu and AMP 39 on the Island of Molokai.

- Execute New Contract(s) for Security Services for AMP 31, AMP 32, and AMP 35 on the Island of Oahu.

- Execute New Contract for Custodial Services at the HPHA Central Offices on the Island of Oahu.

- Execute New Contract for HPHA Website Redesign Services.

- Execute New Contract to Administer and Implement the Section 8 Family Self-Sufficiency Program, the Section 8 Homeownership Option Program, and the Federal Low Income Public Housing Family Self-Sufficiency Program.

- Execute Supplemental Contracts to Continue to Provide Refuse Collection Services for Various AMPs Statewide.

- Execute Supplemental Contract to Continue to Provide Security Services at AMP 34 on the Island of Oahu.

- Execute Supplemental Contract to Continue to Provide Ranges for Various AMPs Statewide.

- Execute Supplemental Contract to Continue to Provide Property Management, Maintenance and Resident Services for AMP 45 on the Island of Oahu.

- Execute Supplemental Contract to Continue to Provide Emergency Generator Preventive Maintenance Services for Various AMPs on the Island of Oahu.

- Execute Supplemental Contract to Continue to Provide Elevator Preventive Maintenance Services for Various AMPs on the Island of Oahu.

- Execute Supplemental Contract to Continue to Provide Preventive Maintenance Services to the Sewage Treatment Plant at AMP 49 on the Island of Oahu.

- Execute Supplemental Contract to Continue to Provide Preventive Maintenance Services to the Sewage Lift Pump Station at AMP 49 on the Island of Oahu.

- Execute Supplemental Contract to Continue to Provide Individual Wastewater System Maintenance at AMP 38 on the Island of Kauai.

IV. Property Management and Maintenance Services

A. PMMSB continues its efforts to reduce the number of our vacant units and increase the numbers of families we successfully place in homes.

Total Move Ins for April:	56 units
Vacancies:	43 units
Net gain:	13 units

B. Formal Grievance Hearings

Our grievance process is essential whenever a tenant disputes HPHA's action or failure to act, pursuant to their rental agreement with HPHA or under HPHA's regulations.

In the month of April, we have logged and processed 64 tenant complaints, sent out 25 response letters to tenants, and 3 to elected officials acting on their behalf. Our HPHA Hearing Officer has conducted 9 grievance hearings and received 9 further requests for future grievance hearings.

Island	Federal Public Housing (number of cases heard) for April	Type of Grievance Hearing Conducted
Oahu	3	Physical violence on property, drugs and paraphernalia found in the unit, tenant growing marijuana in the unit.
Big Island	6	Smoking on property, misconduct, drugs, violence on the project, rent delinquency and default on repayment plan, unauthorized.

C. Hearings

17 Eviction cases heard for the month of April 2016, 12 for rent, 5 for non-rent, criminal activities and other violations.

D. Program Activities

1. The Family Self-Sufficiency (FSS) program has 25 available slots for our Federal Low-Income Public Housing residents. There are currently 18 families enrolled in the program, with only 11 active escrow accounts. The FSS program rewards a family by creating an FSS savings account; when the family's share of rent increases

the FSS will match the increase in rent and make a monthly deposit until the family reaches their goals. The net active balance to date for the11 families is $49,139.00.

2. National Facility Consultants (NFC) was awarded the contract to update the HPHA's 2016 Federal LIPH utility allowance. The new proposed allowances were published statewide in all the major newspapers on April 28, 2016.

E. Planned Activities for May 2016

1. HPHA continues to focus on improving our REAC scores and Property Management Specialists have been diligently working with the AMP staff by providing guidance and technical support to all AMPs, particularly these with upcoming REAC inspections in May.

V. Construction Management Branch

A. Program Activities and Major Projects

Vacant Units Undergoing Modernization as of April 28, 2016

1. On-going construction and design continues on vacant units undergoing modernization (requiring work beyond that of routine maintenance and repairs) totaling 256 units of which 25 are State units and 231 are Federal units.

2. Status by County of Vacant Units under construction or design:
   a. O`ahu: 145 units total
      1) Demo/dispo: 4
      2) Under Construction: 132
      3) Bid: 4
      4) In Design/About to go out to bid: 9

   b. Hawai`i: 86 units total
      1) Demolished: 62
      2) Under Construction: 10
      3) In Design/About to go out to bid: 14

   c. Maui: 7 units total
      1) Under Construction: 7

   d. Molokai: 18 units total
      2) In Design/About to go out to bid: 18

Multi-Site Projects:

1. Maintenance to Elevators
   a. 16 Federal Elevators Maintenance and Repairs (Kone, Inc.) – Working closely with the contractor. Maintenance service to all elevators is on schedule.

   b. 10 State Elevators Maintenance and Repairs (Schindler) – Working closely with the contractor. Maintenance service to all elevators is on schedule.

O`ahu Projects:

1. Kalihi Valley Homes – Major Modernization

   a. Through routine inspection another boulder has been sighted in the hillside above Kalihi Valley Homes that may have the potential of coming down onto the public housing below. HPHA has contacted the Board of Water Supply, BWS, the property owner of the hillside, to investigate and remove the boulder and any other precarious boulders encountered in their investigation. BWS has retained a consultant to investigate and HPHA is awaiting a response from Board of Water Supply as to the result. HPHA to send formal letter requesting status of the investigation

2. Kuhio Park Terrace – Roadway and Site Improvements

   a. Construction is on-going. Phase 1 and (portions of phase 2) sidewalk work is being conducted.

   b. HPHA is in discussions with the City and County of Honolulu regarding street ownership and maintenance of Linapuni Street and Ahonui Street. Also at issue are the guard shack and gates on the streets leading into the property.

3. Punchbowl Homes, Makamae, and Pumehana – Repair To Trash Chutes.

   The bids were opened on April 8, 2016. The CMB is reviewing the bid from the apparent low bidder.

4. State Elderly Projects (MU 42)

   a. Upgrade to Fire Prevention Systems – The contractor completed the replacement of all fire sprinkler heads at

Ho`olulu and Kamalu. New fire pumps and controllers were installed at Hale Po`ai, Kamalu & Ho`olulu. The controller for the Ho`olulu fire pump was lost in shipment, the contractor is waiting for another controller to arrive. Currently the fire pump is working with the existing controller.

b. Improvement to Major Systems: Water Heaters, Heat Pumps and Booster Pumps – The construction contract was awarded to Doonwood Engineering. The contract is routing for execution

5. Palolo Valley Homes
Major Modernization (Phases 1 & 2) – Tenants moved into Buildings 18 and 19 starting the week of May 2nd. Work on Buildings 14 and 15 (12 units) will start May 11th. The overall completion date is estimated at November 2016.

6. Kauhale Ohana

a. ADA Compliance – Construction is on-going for 3 units and site work. Punchlist for unit 107 is scheduled for May 4, 2016.

b. Maintenance of Lift Station – Issued Notice to Proceed on May 1, 2016.

7. Makua Ali`i – Trash Chute Repair

The construction is on track to complete by May 31, 2016.

8. Kaui`okalani – Site and Building Improvements

Bids were opened on April 22, 2016. The CMB has requested clarification from the apparent low bidder.

9. Nanakuli Homes – Drainage and Site Improvements

Bids were opened on April 12, 2016. The CMB is currently evaluating the apparent low bidder to make an award.

Hawai`i Projects:

1. Pomaikai – Site and Building Improvements
a. The Community Center is 100% complete.

b. 7 of 10 units in Building 935 were completed in January. The 3 ADA units were completed in April. All 10 units have been returned to the AMP.

c. Building 925 is 50% completed. Completion is anticipated for June 2016.

3. Hale Hau`oli – Installation of New Sidewalk Ramp

Three quotes for this project were obtained and are being reviewed for responsiveness and responsibleness. The award will be made to the lowest bidder

4. Noelani I & II – Replacement to Waterlines and Solar Installation

Performed pre-final inspection on March 28, 2016. Punchlist is ongoing.

5. AMP 46 – Investigation and Survey at Noelani I & II, Ke Kumu Ekahi, Ke Kumu Elua, Ke Kumu Ekolu for Unexploded Ordinances.

The consultant selection is in process

Mau`i County Projects:

1. David Malo Circle and Makani Kai Hale – Physical Improvements

Contractor completed Phase I of work at David Malo Buildings 106, 107 & 108 and started on Phase II, Buildings 101, 102 & 109. A total of 6 units were accepted and turned over to the AMP on April 14, 2016. These units will be used as hotel units to move people in and out during phase II work.

2. Kahekili Terrace – Contaminated Soil Mitigation

The Department of Health notified HPHA of the presence of higher than allowable environmental toxins at select areas at the Kahekili Terrace site. These toxins are associated with chemicals used in former agricultural operations prior to the construction of housing. CMB is currently working to select a consultant in order to perform testing, cleanup if needed and management services.

3. Kahale Mua (Federal) – Site and Building Improvements

The consultant is working on revising the drawings to go out for bid, estimated May 2, 2016.

Kaua`i Projects:

1. AMP 38 – Infrastructure and Site Improvements

   Consultant has been selected for the design and fee negotiations have begun.

B. State Capital Improvement Projects (CIP) & Federal Capital Fund Program (CFP)

1. HPHA is on track and working diligently to meet all Federal CFP and State CIP deadlines.

2. Economic Development Initiative (EDI) Grants have two Expenditure Deadlines: September 30, 2016 for Lanakila and Kalihi Valley Homes; and September 30 2017 for Kahale Mua and Pahala. HPHA is on track to expending these funds.

3. Replacement Housing Factor grant funds: There are varying federal deadlines for obligation and expenditure of these grants. The funds are entirely budgeted for the Lanakila demolition. HPHA has already expended most of the funds and is on track with all obligation and expenditure deadlines.

4. The next State encumbrance deadline is June 30, 2016 for the State BY2013-2015 CIP. HPHA currently is at 76% encumbrance against appropriation. The Construction Management Branch is on track to fully encumbering by the deadline.

5. Environmental Reviews

   a. The Hawaii Public Housing Authority applies annually for HUD funds. One of the requirements to obtaining these funds is to conduct Environmental Reviews (ER) on all 70 federal public housing sites. These ER's assess all potential impacts (noise, native animals, coastal impacts, archaeological, historic, hazardous materials, etc) construction activities at the housing sites might have on the environment. ER's are required every 5 years and for new development activity. Once completed, a Responsible Entity is required to sign the ER's. In this case, the Responsible Entity is the Governor. Governor David Ige signed the ER's on April 26, 2016.

6. The Construction Management Branch submitted missing Fiscal Year 2012-2013 Section 3 report for the Capital Fund Program and Operating Fund Program to the new Section 3 Performance Evaluation and Registry System (SPEARS) reporting system in April 2016 and is current on all Section 3 Reports under the new SPEARS reporting system. The next report, Fiscal Year 2015-2016 will be due January 10, 2017.

VI. Section 8 Subsidy Programs

HPHA manages the Housing Choice Voucher Program, Project Based Voucher Program, Veteran's Affairs Supportive Housing, Non-Elderly Disabled Vouchers, Performance Based Contract Administration, and State Rent Supplement Program.

A. Program Activities

1. Voucher activity for April 2016:

- In support of management's direction to increase the voucher lease up count, HPHA expended a total of $2,319,568 (106.5% of eligible HUD funds received) in housing assistance payments to private landlords on behalf of 2234 voucher holders in April 2016.

- Three families who received a Housing Choice Voucher (HCV) from the waitlist found rental units and moved into the unit in April 2016.

- HPHA expended $35,619 on behalf of 170 families served under the rent supplement program statewide in April 2016.

- As of April 2016, 399 veterans were assisted with Veterans Administration Supportive Housing Vouchers (VASH). Monetary assistance was $319,792. Ten veterans who were searching for a home found a rental unit and leased up. Ten veterans received VASH vouchers in April 2016 and are currently in housing search.

- A grant application for funding for the Family Self Sufficiency program was submitted to HUD on behalf of HPHA in April 2016.

- The Section 8 branch submitted an application to HUD to administer 57 additional VASH vouchers.

2. Voucher lease up activity for April 2016:

	April 2016		
Voucher Type	# leased	# of vacancies	# in housing search
Housing Choice Vouchers	3		70
VASH	10		38
Kuhio Park Towers	1	0	1
Palolo Homes Project Based Section 8	2	0	3
Port In (from other PHA)	6		2

3. Inspections update:

	April 2016
Housing Quality Standards (HQS) Inspections	215
HQS Failed Inspections	110
Quality Control Inspections	37

4. Family Self Sufficiency (FSS) Program

- The Family Self Sufficiency (FSS) program assisted 50 Section 8 clients in April 2016. There were 28 active escrow accounts with a total deposit of $6265 in April 2016.

VII. Compliance Office

A. Program Activities for April

- Approximately 197 tenant requests for reasonable accommodations under Section 504 of the Rehabilitation Act and the Fair Housing Act were processed and approved requests were for:

  a. Transfers to accessible or ground floor units (7);

  b. Installation of air conditioning (2);

  c. Approval to keep assistance animal (3).

- Coordinated Fair Housing Month activities, including Governor's proclamation to commemorate the 48th anniversary of the passage of the Fair Housing Act; fair housing training for management staff; Fair Housing Awareness day at the Hawaii State Capitol; and participation

in the City & County of Honolulu's fair housing workshop at the Blaisdell Center for the general public;

- Worked with the Department of the Attorney General to record confirmations of ownership for Hale Aloha O Puna and Ka Hale Kahaluu;

- Reviewed technical infeasibility statement form and curb ramp request relating to accessibility improvements in and around HPHA public housing projects;

- Reviewed and provided comments to draft Analysis of Impediments to Fair Housing study conducted by University of Hawaii at Manoa, Center on Disability Studies;

- Assisted with revising draft changes to Hawaii Administrative Rules for the State Family Public Housing Program, Rent Supplement Program, and State Elderly Housing Program; and

- Tracked and submitted testimony on legislation.

B. Planned activities for May/June

- Continue to work on declarations of trust project by reviewing releases and declarations of trust forms for additional federally-assisted public housing properties for submission to the United States Department of Housing and Urban Development for execution;

- Continue to pursue changes to the Administrative Rules for the State Elderly Housing Program, State Family Housing Program, Rent Supplement Program, and other programs;

- Recommend changes to Section 8 briefing packet and Administrative Plan based on recent changes to federal regulations;

- Work with the Fair Housing Coordinators of the Counties and Hawaii Housing Finance and Development Corporation to continue to administer the joint procurement contract for the update to the fair housing analysis of impediments for the State of Hawaii;

- Complete administration of the contract with National Center for Housing Management for HPHA Self-evaluation and Transition Plan, by working with staff to finalize draft transition plans, and providing to and reviewing draft transition plans from the consultant to finalize the transition plan; and

- Draft revisions to the Admissions and Continued Occupancy Policy for the Federally Assisted Low-income Public Housing Program for the Federally Assisted Low-income Public Housing Program to implement the approved changes to the Hawaii Administrative Rules.

VIII. Information Technology Office

A. Program Activities

1. WordPress intranet for HPHA under construction (HPHA-HALEWIKI). Summer Youth Employment Program will be used to assist with implementation and development.

2. HPHA migration to Office 365.
   - All Offices and AMPs nearly completed.
   - MS Outlook implementation initiated with setup of Lotus Notes server converter to allow for single repository for archiving.

3. SAM.gov – updated HPHA's annual business registration in the System for Award Management's website to continue to do business with the Federal government through April 22, 2017.

4. Ongoing maintenance phase with Emphasys and HPHA.
   - WebApp currently being reviewed and tested. Addition of final touches, such as display of language options available in native fonts on the main landing page. Currently, all languages are shown in English on drop down menu.
   - Migration to virtual environment for Elite at maintenance phase. Secondary RDS for Load Balancing and upgrade of OS 2008 server in process from 2005 in process.

5. VoIP project for HPHA being revised.

6. Replacement plan for end of life cycle for PCs inventoried and commenced.

IX. Personnel

A. Summary of Staffing:

Filled positions (FTE):	276
Positions budgeted (recruit and fill)	35
New request as of 4/30/16	18
Other vacancies	53

B. Program Activities:

1. HPHA participated in the State Capitol Job Fair on 5/4/16. The agency was able to conduct on the 'on the spot' interview for various positions. Interview committees were able to successfully recommend the hire 89day positions.

2. New addition to HPHA workforce: Public Housing Specialist, trade workers (Electrician, Carpenters), Social Service Aide IV, Secretaries, and Office Assistants.

3. Work on developing internal guidelines and procedures for new mandatory reference check on all new hires including exempt, civil service, and non-civil service 89-days appointment. This new mandate is effective May 2, 2016.

4. On-going administrative investigations and labor relations.

5. Worker's Compensation: 3 injuries reported with average lost time of 7 days.