

# **Housing and Community Development Corporation of Hawaii**

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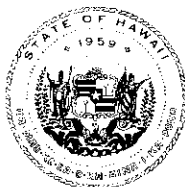


**Strategic Plan  
2005 - 2010**

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LINDA LINGLE  
GOVERNOR



STEPHANIE AVEIRO  
EXECUTIVE DIRECTOR

PAMELA Y. DODSON  
EXECUTIVE ASSISTANT

**STATE OF HAWAII**  
DEPARTMENT OF HUMAN SERVICES  
HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII  
677 QUEEN STREET, SUITE 300  
HONOLULU, HAWAII 96813  
FAX: (808) 587-0600

IN REPLY REFER TO:

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The Housing and Community Development Corporation of Hawaii ("HCDCH") is dedicated to increasing affordable housing opportunities for the people of Hawaii. This strategic plan charts the HCDCH's course of action by setting forth priority goals for the years 2005 through 2010 and the performance indicators by which the agency's effectiveness can be measured.

The strategic plan was developed through a collaborative effort. Governor Linda Lingle and the HCDCH Board of Directors gave significant vision and direction. A Strategic Planning Subcommittee of the Board provided staff with guidance in developing the new six-year strategic plan. Private and public stakeholders provided input through surveys, focus group discussions, and the convening of an affordable housing forum. The *Hawaii Housing Policy Study, 2003*; the *Homeless Point-In-Time Count Report, 2003*; the *FY 2003 State of Hawaii Analysis of Impediments*, the *IBM Independent Assessment*, and the planning for the 2005-2009 Consolidated Plan and 2005 PHA Plan have also informed this effort.

The HCDCH Strategic Plan will be a "living document." The HCDCH will aggressively pursue these goals within the context of available resources. We are excited to pursue our mission of *bringing people together to make housing dreams come true.*

Handwritten signature of Stephanie Aveiro in cursive script.

Stephanie Aveiro  
Executive Director

Handwritten signature of Charles A. Sted in cursive script.

Charles A. Sted  
Chair, Board of Directors

## **HCDCH Strategic Plan, 2005-2010**

The HCDCH Strategic Plan, 2005-2010 is organized as follows:

- The mission and vision of HCDCH.
- The strategic goals that the agency will pursue through 2010.
- The agency's strategic objectives for 2005.

The HCDCH executive leadership and staff will aggressively pursue these goals within the context of available resources. Achievement of the goals calls for years of focused effort. Particular goals require the development of more detailed work plans that vary in complexity.

To fulfill HCDCH's mission, adjustments will be made as necessary in response to new needs, emerging trends, and legal and regulatory requirements. The Executive Director will report quarterly to the Board of Directors on progress in achieving the goals, and the agency will annually assess this plan and the strategic goals.

For the calendar year of 2005, the HCDCH Board of Directors places first priority on meeting the performance targets detailed in the HUD Memorandum of Agreement to improve the operations of federal public housing and on increasing the inventory of affordable housing. The second level priority is to develop and implement an effective organization, and the third level priority is to end chronic homelessness.



## Mission and Vision

*HCDCH... bringing people together  
to make housing dreams come true.*

### **We:**

- **Promote quality housing that is attainable and equitable.**
- **Work creatively with residents and leaders to build vibrant communities with pride and responsibility.**
- **Improve the quality of life of residents and encourage upward mobility along the continuum of housing.**
- **Form effective partnerships with developers, lenders, private and public agencies and our customers to foster the creation and preservation of safe, stable and healthy communities.**
- **Effectively leverage resources to meet Hawaii's immediate and long-term housing needs.**
- **Maintain housing developments that are well-managed and financially viable.**

**HCDCH' strategic 2010 priority goals are to:**

- **Provide well-managed and financially viable rental housing where people are proud to live.**
- **Improve the quality of life for residents and encourage upward mobility along the continuum of housing.**
- **Increase the inventory of housing for working families and the elderly and preserve the inventory existing affordable units.**
- **End chronic homelessness in the State of Hawaii.**
- **Develop and operate an effective organization.**

**Goal 1: To provide well-managed and financially viable housing where people are proud to live.**

**Key Facts:**

- HCDCH owns more than 8,100 rental units and is the second largest owner of rental housing in the State of Hawaii, following the U.S. Department of Defense.
- HCDCH has executed a Memorandum of Agreement with the U.S. Department of Housing and Urban Development. HCDCH is committed to meeting specific performance targets by September 30, 2005 to improve the management and maintenance of federal public housing.
- Some of the agency's rental developments are in good repair and are financially viable, and some are not. The agency's federal public housing inventory has a backlog of needed renovation work of more than \$600 million.
- The HCDCH administers more than 3,500 Section 8 housing choice vouchers and certificates. The current housing market has seen rapidly increasing rents, and many Section 8 voucher holders are unable to find rental units.

**Action Strategies:**

1. Improve the management of rental properties.
  - Improve the integrity of the admissions and continued occupancy system.
  - Streamline the admissions and continued occupancy system.
  - Improve rent collections.
  - Create safe and secure living environments for residents of HCDCH properties.
  - Improve the curb appeal of properties.
  - Establish and implement maintenance schedules.
  - Revitalize or renovate aging rental developments.
  - Explore various forms of property management – including private, civil service and resident management – and select as appropriate.

**Performance Measures:** Public Housing Assessment System (PHAS) scores, Real Estate Assessment Center (REAC) scores, other comparable measures.

2. Expand financing resources and strategies to provide quality rental housing.
  - Restructure the real property portfolio to leverage resources to address deficiencies and capital needs of rental projects.
  - Use mixed financing to address capital needs.

**Performance Measures:** Annual unit inspections, REAC scores.

3. Improve the long-term financial viability of rental properties.
  - Adopt asset management approach.
  - Implement project-based budgeting and accounting.
  - Establish reserves and appropriate rents.

**Performance Measures:** Number of developments under asset management strategy, projects' ratios of revenues to expenses, project reserves.

4. Maximize the use of Section 8 vouchers and certificates and other rent subsidies for affordable housing.
  - Revise Section 8 rules, procedures, and operations to assist voucher holders to secure housing.
  - Project-base Section 8 vouchers.
  - Increase usage of state rental subsidy programs

**Performance Measures:** SEMAP scores and comparable measures, voucher utilization rate.

## **Goal 2: Improve the quality of life for residents and encourage upward mobility along the continuum of housing.**

### **Key Facts:**

- Among 4,552 resident households in federal public housing, 63% of the households have incomes below 30% of median; the average income is \$12,418. Thirty-nine percent (39%) have income from wages; 44% from welfare; 52% from SSI/SS/Pension; and 24% from other income sources.
- Among resident households with Section 8 vouchers, 57% have incomes below 30% of median; the average income is \$14,526. Fifty-two percent (52%) have income from wages; 43% from welfare; 43% from SSI/SS/Pensions; and 22% from other income sources.
- Thirty-seven (37%) of the resident households in federal public housing have moved in the past 5 years; 33% have moved between 5 and 10 years ago; and 31% last moved more than 10 years ago.
- Seventeen percent (17%) of the HCDCH rental housing units are designated for persons who are elderly or disabled.
- Hawaii traditionally lags 10 percentage points behind the national homeownership rate of 68%. Homeownership promotes community stability and benefits families.

Compared to renters of comparable income, homeowners have access to significantly more equity, and their children are more likely to go to college and to become homeowners.

- The major barriers to equal housing opportunities are the limited supply of housing units for low and moderate income households, applicants' lack of knowledge about fair housing rights and resources, and the absence of a coordinated, long range plan for Hawaii fair housing issues.

**Action Strategies:**

1. Build positive relationships with residents and resident groups to assist in achieving HCDCH goals.
  - Have resident representative on Board, respond to Resident Advisory Board comments on PHA plan, administer resident participation funds effectively.
  - Support resident involvement that improves the housing environment and security.
  - Provide technical assistance for start-up and operation of Resident Associations.

**Performance Measures:** Resident representative on Board, annual response to RAB comments on PHA plan, number of resident associations expending resident participation funds, number of developments with resident participation in crime and safety efforts, number of active resident associations.

2. Assist residents to improve their status through access to supportive services and self-sufficiency and job-training programs.
  - Maintain an effective Family Self-Sufficiency (FSS) program with the participation of 161 voucher and 25 public housing households.
  - Promote linkages to self-sufficiency and job training programs.
  - Assist elderly and disabled residents to age in place.
  - Integrate housing and supportive services with DHS.

**Performance Measures:** Number of active FSS households, number of residents who increase earned income, number of elderly and disabled residents receiving supportive services, replication of housing and supportive services model into additional housing developments.

3. Expand opportunities for homeownership.
  - Provide Section 8 Homeownership Option Program.
  - Improve the Hula Mae Single Family Program.
  - Increase usage of the Mortgage Credit Certificate Program.

**Performance Measure:** Number of new homeowners assisted by HCDCH.



4. Continue development of partnerships to affirmatively further fair housing.

**Performance Measures:** Number of partnerships developed and maintained, completion of two updated Analyses of Impediments.

**Goal 3: Increase the inventory of housing for working families and the elderly and preserve the inventory of existing affordable units.**

**Key Facts:**

- Overall, the housing market is very robust except at the lower end. Hawaii has seen only 6.7% growth in rental units over the last decade.
- High land and construction costs result in a market where development of even relatively high-end multifamily rental projects is not financially feasible.
- All four counties identify workforce housing as critical for the state's economic vitality. A surging economy increases the demand for service employees. Yet housing prices are rising beyond the reach of both service workers and moderate income families and individuals. Employers face difficulties in recruiting workers and paying the salaries to meet housing costs. The economy also loses on consumer spending, due to residents' housing costs.

**Action strategies:**

1. Leverage all resources to develop affordable rental units.
  - Promote mixed income and mixed use housing developments.
  - Increase utilization of rental financing programs.
  - Increase HCDCH gap equity financing capacity.

**Performance Measures:** Number of affordable rental units developed with HCDCH assistance, dollar values of HCDCH multi-family loans and number of entities obtaining loans, dollar value of HCDCH financing capacity.

2. Expand resources and strategies to produce affordable rental housing.
  - Restructure real property portfolio.
  - Utilize developable state lands for affordable rental housing.
  - Partner with counties to integrate resources, such as developer fees to satisfy affordable housing conditions, to develop affordable rental housing.

**Performance Measures:** Number of affordable units, disposition of developable land, dollar value of additional resources obtained.

3. Refinance HUD-assisted, privately owned affordable rental units to preserve affordability.

**Performance Measure:** Number of units preserved with HCDCH assistance.

## **Goal 4: End chronic homelessness in the State of Hawaii.**

### **Key Facts:**

- The Hawaii Homeless Point-In-Time Study, 2003 estimates the number of homeless in the state at 14,596 during a year, with just over 6,000 estimated to be homeless at any given time.
- Twenty percent (20%) of the homeless in Hawaii, the “chronic homeless,” consume more than 50% of resources available to homeless programs.
- The HCDCH is an active member of each county’s Continuum of Care planning group, organized to develop strategies to address homeless issues.

### **Action Strategies:**

1. Move people from transitional shelters to permanent housing within 12 months.

**Performance Measures:** Number and percentage of people moved from transitional shelters to permanent housing within 12 months.

2. Expand permanent housing opportunities for the chronic homeless through construction and rent subsidies in integrated settings.

**Performance Measure:** 800 new housing units for chronic homeless by 2010.

3. Increase supportive services through outreach, stipend and grant programs.

**Performance Measures:** Dollar value and number of funding sources.

4. Collaborate with public and private community partners to prevent homelessness and provide early intervention.

**Performance Measures:** Decrease in the number of chronically homeless persons in Hawaii.

## **Goal 5: Develop and operate an effective organization.**

### **Key Facts:**

- HCDCH needs to improve and maintain an effective organizational infrastructure – internal and external communication, collaboration with partners, information technology, financial management systems, procurement, staffing, and performance standards.
- HCDCH plays a unique role in the State of Hawaii through its statewide reach, partnerships with county governments, and financing capacity. HCDCH has ongoing opportunities to leverage its partnerships to improve housing opportunities for the residents of Hawaii.

### **Action Strategies:**

1. Implement Information Technology (IT) systems that support HCDCH's operations and goals.
  - Upgrade computer hardware and software.
  - Improve reliability of IT system.

**Performance Measures:** PHAS scores, upgraded hardware and software according to IT plan; decreased downtime in servers, e-mail and website.

2. Implement accounting and budgeting systems that support HCDCH's operations and goals.

**Performance Measures:** Meeting of MOA performance targets, PHAS scores, no financial findings on annual audit.

3. Implement an effective organizational structure.


**Performance Measures:** Approval of reorganization, implementation of reorganization.

4. Develop and implement a communications plan and collaboration efforts.
  - Media outreach
  - Develop and maintain state of the art Internet and Intranet websites.
  - Establish and maintain partnerships.

**Performance Measures:** Amount of positive media coverage, number of partners in collaborative efforts.

5. Maintain adequate staffing with appropriate skills and training.
  - Develop and maintain clear policies and Standard Operating Procedures
  - Provide training and appropriate support.
  - Recruit and retain staff for critical positions.
  - Develop and implement performance measures.

**Performance Measures:** Up-to-date policies and standard operating procedures, implementation of training program, number of critical staff positions filled, percentage of staff or sections meeting performance measures.



## **Calendar Year 2005 Strategic Objectives**

In calendar year 2005, the HCDCH will focus on (1) addressing the performance targets in the HUD MOA by September 30, 2005, and (2) increasing the inventory of affordable rental housing units.

Objectives for the year include the following:

1. Satisfactorily meet all performance targets in the HUD MOA by 9/30/05. These targets include improvements in governance, organization and staffing, finance and procurement, housing management, security, property maintenance, resident services and initiatives, use of capital funds, and management information systems.
2. Obtain additional funding for the Rental Housing Trust Fund.
3. Provide land and financing resources to develop or preserve 400 rental housing units.
4. Complete the assessment of HCDCH's real property, recommend leveraged real estate solutions to address deficiencies and capital needs of HCDCH's housing portfolio with emphasis on federal public housing, and take initial steps to implement.
5. Create a replicable model of leveraged resources – such as land, partners, and financing – to develop affordable rental housing.
6. Complete the HCDCH reorganization.
7. Obtain 20 Shelter Plus Care vouchers.