Review and Approved by Chad K. Taniguchi
March 20, 2008

FOR ACTION

SUBJECT: Request for Proposal Relating to the Sale of Property Owned by HHA Wilikina Apartments Project, Inc. (TMK 7-3-09:03) Located in Wahiawa, Oahu

I. FACTS

A. On January 18, 2007, the Board of Directors approved the staff recommendation that Hawaii Public Housing Authority (HPHA) issue a Request for Proposals (RFP) for the sale of HHA Wilikina Apartments.

B. HPHA has issued the RFP or will have issued the RFP by the time of the March 20, 2008 Wilikina Board meeting.

C. Article XIII, section 1 of the By-Laws of HHA Wilikina Apartments Project, Inc. allows HHA Wilikina Apartments Project, Inc. to authorize agents to enter into any contract to execute or deliver any instrument in the name of and on behalf of the Corporation by resolution.

II. DISCUSSION

A. While the Board authorized the issuance of the RFP at the January 18, 2008 meeting, the Board needs to take action to ratify the RFP and to authorize HPHA to act as the HHA Wilikina Apartments Project, Inc.'s agent for purposes of the RFP. This will make it clear that HPHA is acting in the name of and on behalf of HHA Wilikina Apartments Project, Inc. for purposes of the RFP.

III. RECOMMENDATION

The Deputy Attorney General recommends that the Board ratify the RFP issued for the sale of the Property and any subsequent documents related to the RFP and to authorize Hawaii Public Housing Authority to act as the Corporation's agent pursuant to section 1, Article XIII of the By-Laws, for the purpose of the RFP and any subsequently related documents.

Prepared by: Michael Hee, Chief, Private Contracts Section
Reviewed by: Derek Kimura, Property Management & Maintenance Section Branch Chief

Reviewed and approved by the Executive Director CT
March 20, 2008

FOR ACTION

SUBJECT: Amend By-Laws and Articles of Incorporation of the HHA Wilikina Apartments Project, Inc.

I. FACTS

A. A decision has been made to offer for sale property owned by HHA Wilikina Apartments Project, Inc. and the intent is to have the proceeds of the sale go to the Hawaii Public Housing Authority for expenditure by the Hawaii Public Housing Authority as directed by its Board.

B. The current By-Laws and Articles of Incorporation do not provide for the proceeds of the sale of property owned by HHA Wilikina Apartments Project, Inc. to be deposited with the Hawaii Public Housing Authority.

II. DISCUSSION

A. The proposed amendment to the By-Laws and the Resolution to amend the Articles of Incorporation will require that HHA Wilikina Apartments Project, Inc. deposit the proceeds of the sale of the property with the Hawaii Public Housing Authority for expenditure by the Hawaii Public Housing Authority as directed by its Board.

III. RECOMMENDATION

Staff recommends that the Board:

A. Amend Article XIII, section 3, of the By-Laws of the HHA Wilikina Apartments Project, Inc., to read as follows:

"SECTION 3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the board of Directors may select; provided that any proceeds of the sale of any property owned by the Corporation shall be deposited with the Hawaii Public Housing Authority, State of Hawaii, for expenditure by the Hawaii Public Housing Authority as directed by its Board."

B. Adopt the Resolution No. 13, attached, proposing to amend the Articles of Incorporation of the HHA Wilikina Apartments Project, Inc. to require that the proceeds of the sale of any property owned by the Corporation shall be deposited with the Hawaii Public Housing Authority for expenditure by the Hawaii Public Housing Authority as directed by its Board.

Attachment: Resolution No. 13

Prepared by: Michael Hee, Chief, Private Contracts Section
Reviewed by: Derek Kimura, Property Management & Maintenance Section Branch Chief

RESOLUTION NO. 13

WHEREAS, HHA Wilikina Apartments Project, Inc. was created for the purpose of owning, operating, and managing a multi-family housing project in furtherance of providing housing opportunities for the people of Hawaii, as well as to eliminate prejudice and discrimination in housing; and

WHEREAS, a decision has been made to offer for sale property owned by HHA Wilikina Apartment Project, Inc.; and

WHEREAS, HHA Wilikina Apartments Project, Inc., is governed by its Articles of Incorporation; and

WHEREAS, pursuant to Article XII of the Articles of Incorporation, in order for the Board of Directors to amend the Articles of Incorporation, the Board of Directors must adopt a resolution setting forth the amendments, now therefore;

BE IT RESOLVED by the Board of Directors of the HHA Wilikina Apartments Project, Inc. that the Articles of Incorporation of HHA Wilikina Apartments Project, Inc. are hereby proposed to be amended by adding a new article to read as follows:

> "Distribution in Event of Sale of Property Owned by the Corporation.
>
> The proceeds of the sale of any property owned by the Corporation shall be deposited with the Hawaii Public Housing Authority, State of Hawaii, for expenditure by the Hawaii Public Housing Authority as directed by its Board;" and

BE IT FURTHER RESOLVED that the proposed amendment shall be submitted for action by the Board of Directors at its next regular scheduled meeting; and

BE IT FURTHER RESOLVED that a copy of this Resolution shall be transmitted to each Director of the Board of Directors of HHA Wilikina Apartments Projects, Inc.

The UNDERSIGNED, hereby certifies that the foregoing Resolution was duly adopted by the Directors of the HHA Wilikina Apartments Project, Inc. on March 20, 2008.

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Eric Beaver, Chairperson