

Annual PHA Plan <i>(Standard PHAs and Troubled PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 02/29/2016
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Applicability. Form HUD-50075-ST is to be completed annually by **STANDARD PHAs** or **TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA do not need to submit this form.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A.	PHA Information.						
A.1	<p> PHA Name: <u>Hawaii Public Housing Authority</u> PHA Code: <u>HI001</u> PHA Type: <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/2019</u> PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units <u>5,406</u> Number of Housing Choice Vouchers (HCVs) <u>3,820</u> Total Combined Units/Vouchers <u>9,226</u> PHA Plan Submission Type: <input type="checkbox"/> Annual Submission <input checked="" type="checkbox"/> Revised Annual Submission </p> <p> Availability of Information. PHAs must have the elements listed below in sections B and C readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans. </p> <p> The PHA Plan and all supporting documents are available on the internet: http://www.hpha.hawaii.gov/housingplans/index.htm </p> <p> Hard copies of the plan are available at the following locations: </p> <table data-bbox="272 1549 1104 1890"> <tr> <td>Hawaii Public Housing Authority 1002 North School Street, Bldg. E Honolulu, Hawaii 96817</td> <td>Ka Hale Kahaluu 78-6725 Makolea Street Kailua-Kona, Hawaii 96740</td> </tr> <tr> <td>Lanakila Homes 600 Wailoa Street Hilo, Hawaii 96720</td> <td>Kahekili Terrace 2015 Holowai Place Wailuku, Hawaii 96793</td> </tr> <tr> <td>Kapaa 4726 Malu Road Kapaa, Hawaii 96746</td> <td></td> </tr> </table>	Hawaii Public Housing Authority 1002 North School Street, Bldg. E Honolulu, Hawaii 96817	Ka Hale Kahaluu 78-6725 Makolea Street Kailua-Kona, Hawaii 96740	Lanakila Homes 600 Wailoa Street Hilo, Hawaii 96720	Kahekili Terrace 2015 Holowai Place Wailuku, Hawaii 96793	Kapaa 4726 Malu Road Kapaa, Hawaii 96746	
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Kapaa 4726 Malu Road Kapaa, Hawaii 96746							

PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)

Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	
				PH	HCV
Lead PHA:					

B. Annual Plan Elements

B.1 Revision of PHA Plan Elements.

(a) Have the following PHA Plan elements been revised by the PHA?

Y N

- Statement of Housing Needs and Strategy for Addressing Housing Needs
- Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions
- Financial Resources
- Rent Determination
- Operation and Management
- Grievance Procedures
- Homeownership Programs
- Community Service and Self-Sufficiency Programs
- Safety and Crime Prevention
- Pet Policy
- Asset Management
- Substantial Deviation
- Significant Amendment/Modification

(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):

1. Statement of Housing Needs and Strategy for Addressing Housing Needs

Housing Needs: Housing Needs of Families on the Public Housing Waiting List as of July 1, 2017

Total Families on Waiting List = 8,378	# of families	% of total families
	Income Levels	
Extremely low income <=30% AMI	7,752	92.53%
Very low income (>30% but <=50% AMI)	509	6.08%
Low income (>50% but <80% AMI)	105	1.25%
Average income	12	0.14%
Families with children	3,099	36.99%

Elderly families	1,905	22.74
Families with Disabilities	1,794	21.41%
Single	1,580	18.86%
Racial Distribution		
Asian/Pacific Islander/Other	5,772	62.52%
White	1,406	16.78%
Hispanic	575	6.86%
Black	290	3.46%
American Indian, etc.	113	1.35%
Bedrooms Needed		
1BR and Studio	5,238	62.52%
2 BR	1,956	23.35%
3 BR	1,081	12.90%
4 BR	351	4.19%
5 BR	55	0.66%

Housing Needs of Families on the Section 8 Waiting List as of July 1, 2017

Total Families on Waiting List = 5,154	# of families	% of total families
Income Levels		
Extremely low income <=30% AMI	4,184	81.18%
Very low income (>30% but <=50% AMI)	773	15%
Low income (>50% but <80% AMI)	193	3.74%
Average income	4	0.08%
Families with children	1,306	25.34%
Elderly families	470	9.12%
Families with Disabilities	936	18.16%
Single	2,442	47.38%
Racial Distribution		
Asian/Pacific Islander/Other	3,420	66.36%
White	883	17.13%
Hispanic	519	10.07%
Black	415	8.05%
American Indian, etc.	73	1.42%
Bedrooms Needed		
1BR and Studio	3,096	60.07%
2 BR	1,255	24.35%
3 BR	631	12.24%
4 BR	160	3.10%
5 BR	36	0.70%
5+ BR	4	0.08%

The following data is drawn from the Hawaii Consolidated Plan PY 2015 – 2019 by the Hawaii Housing Finance and Development Corporation (HHFDC):

Projected Housing Need, 2014-2020					
% Area Median Income	Honolulu	Maui	Hawaii	Kauai	State
≤30%	4,076	1,377	2,355	330	8,138
30-50%	3,808	1,402	2,017	221	7,448
60%	2,415	748	1,003	462	4,629
60-80%	3,710	1,330	1,657	312	7,009
Sub-total affordable rental	14,008	4,857	7,033	1,325	27,224
80-100%	3,217	1,087	1,422	526	6,252
100-120%	2,950	956	1,292	433	5,631
120-140%	2,448	890	924	361	4,623
Sub-total affordable for-sale	8,615	2,933	3,638	1,320	16,506
>140%	8,573	6,204	4,041	1,555	20,373
TOTAL	31,197	13,994	14,712	4,200	64,103

*Source: Ricky Cassiday, Rental Housing Study, 12/30/14

Summary of Housing Needs

Demographics	Base Year: 2000	Most Recent Year: 2011	% Change
Population	1,211,537	1,346,554	11%
Households	403,572	445,513	10%
Median Income	\$49,820.00	\$67,116.00	35%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	59,400	51,995	83,300	54,850	195,970
Small Family Households *	16,530	17,890	34,125	23,635	102,605
Large Family Households *	4,695	5,605	10,680	8,165	27,755
Household contains at least one person 62-74 years of age	10,970	10,090	16,625	11,280	45,730
Household contains at least one person age 75 or older	10,725	10,195	12,675	7,235	21,730
Households with one or more children 6 years old or younger *	10,415	9,935	15,935	10,835	20,960

* the highest income category for these family types is >80% HAMFI

Table 6 - Total Households Table

Data Source: 2007-2011 CHAS

Housing Market Analysis

Housing Market Area:

The Hawaii Housing Market Area (HMA) is defined as the State of Hawaii which is comprised of the City & County of Honolulu and Counties of Hawai`i, Kaua`i, and Maui.

The following housing market analysis is based primarily on information from the following sources:

DBEDT, "Measuring Housing Demand in Hawaii, 2015-2025," April 2015; Rick Cassidy, "Affordable Rental Housing Study Updates, 2014" for Honolulu, Hawaii, Kauai, and Maui, December 2014; and U.S. Census, 2009-2013 American Community Survey 5-Year Estimates.

Housing Demand:

Housing demand is impacted by population growth, high cost of housing, the military presence, domestic migration and immigration, and foreign investment in Hawai`i real estate. As of July 2013, the resident population of the HMA is approximately 1,404,054. Between 1990 and 2013, population grew at an average annual rate of 1.0%. The City & County of Honolulu experienced slower population growth at 0.7% a year, Hawai`i and Maui counties grew at 2.0%, while Kaua`i County grew at 1.3% per year.

The resident population of Hawai`i, which includes active-duty military personnel and their dependents, is projected to increase to 1,708,900 in 2040, an average growth rate of 0.8% per year over the projection period. The Neighbor Island counties are projected to have higher population growth than Honolulu. The resident population of Honolulu is projected to increase at an annual rate of 0.4% from 2010 to 2040, while Hawai`i is projected to grow at 1.6% annually, Maui County at 1.4%, and Kaua`i County at 1.1%. As a result, the Neighbor Island population as the share of the state total will increase from 29.9% in 2010 to 36.4% in 2040, while the corresponding share of the City and County of Honolulu is projected to decrease from 70.1% to 63.6%.

Migration is one of the most important contributors to the state's population growth. Foreign migration to Hawai`i has been steady, increasing from 5,400 people per year on average in the 1900s to about 6,600 people over the past decade. However, domestic migration had a stronger increase, from about 32,000 people per year in the 1900s to above 43,000 people per year on average since 2002.

Another important driver of housing demand is the increase in the number of residential rental units being used as vacation rentals. There is evidence that local residential housing units are increasingly catering visitors, either full or part time. According to the Hawaii Tourism Authority, "...the popularity and demand for alternative accommodations have grown rapidly over the years. If all of the identified units were available for visitor use at the same time, these units would account for up to 25% of Hawaii's total lodging inventory..."

Foreign buyers are yet another source of increased demand for housing in the local real estate market. The National Association of Realtors estimates that foreign buyers of properties in Hawaii Account for 3.6% of all homes sold in 2012. Furthermore, in 2013, Hawaii properties were the second most popular for the Japanese buyers and the fourth most popular for the Canadian buyers. This increased demand from foreign buyers exerts additional price pressures on the housing sector, since often foreign buyers are not income-constrained and, in many cases, buy properties with cash.

DBEDT forecasts a long-range demand for a total of about 64,700 new housing units in Hawaii by the year 2025. Thus is based largely on the assumed increase in the number of households and is dependent on changes in social and economic factors, expected migration and immigration, and expected changes in the size and age distribution of the adult population. Forecasted demand by county is as follows:

Honolulu, 25,800 units; Hawaii, 19,600 units; Maui, 14,000 units; and Kauai, 5,300 units.

Number of Housing Units

In 2009-2013, Hawaii had a total of 522,200 housing units, 14% of which were vacant. Of the total housing units, 62% were single-unit structures, 38% were in multi-unit structures, and less than 0.5% were mobile homes. An estimated 29% of the housing units were built since 1990.

In the 1980s, the available housing inventory expanded by an average of just under 6,000 units per year. In the 1990s, the housing inventory increased by nearly 7,000 units per year and remained at about this level in the years prior to the recession (expanding by about 6,500 units per year between 2000 and 2008). As the economy recovered from the recession between 2009 and 2013, the housing supply expanded at a slower pace at only about 2,400 units per year.

In 1990, Honolulu accounted for 72.3% of the housing units, followed by Hawaii, Maui then Kauai at 12.4%, 10.8%, and 4.5% respectively. By 2013, Honolulu County accounted for 64.7% of total state housing units, Hawaii County had 16.0%; Maui County had 13.5% while Kauai County had 5.7% of the total.

The 2009-2013 ACS 5-Year Estimates reports that of the 449,800 occupied housing units, 259,300 (58%) were owner occupied and 190,500 (42%) were renter occupied. Historically, the homeownership rate in Hawaii has increased from approximately 50% in 1986 to above 60% between 2004 and 2007. As a result of the recession, the homeownership rate in Hawaii fell to about 55% in 2011. However, as the economy has recovered, the rate has been increasing.

After the recession, there was a temporary shift from owning to renting that was caused by a variety of factors including stricter mortgage lending requirements, job losses, and rapid increases in home prices which priced many potential home buyers out of the market. This in turn resulted in sustained rental price increases. While homeownership rates have recently increased, they are still below the pre-recession level.

The increase in Hawaii's housing stock needs to be compared with the population increase over time. The figure below highlights the expansion of housing supply in the late 1980s and early 2000s, compared with annual population growth. There is an increasing gap between annual population growth and housing supply growth. The result of this increasing gap has been continued housing price increases, leading to an unbalanced housing market.

Building permit activity provides a way to project where the housing markets is going in the short-term. A high level of activity indicates more supply, which means that more demand will be met, and the potential for prices adjusting downwards. A low level of permits indicates less supply of housing and potentially higher prices.

The permit data for residential construction is not encouraging. There has not been a sustained increase in private residential construction, which is required to increase the housing supply.

Following two years of decline, the pace of building has stabilized. According to UHERO, University of Hawaii Economic Research Organization's Hawaii Construction Forecast dated September 28, 2018, The value of construction permits is posting healthy gains across all sub-sectors this year, and projects either planned or in the pipeline will maintain construction activity near its current level through the end of the decade. "as activity in the industry has retreated from its peak, price pressures have eased, and construction costs posted an outright decline in the first half of this year. But solid national demand for building materials, import tariffs, and rising energy prices will push construction costs higher in coming years." In their September 21, 2018 State Forecast, UHERO reported that the Hawaii economic expansion has slowed, with construction continuing to shed jobs, dropping back further from the peak reached in 2016, although there remains a healthy pipeline of construction work that should stabilize the industry near its current level

The Department of Business, Economic Development and Tourism (DBEDT) reported that the indicators of Hawaii's construction industry were mixed in the third quarter of 2018. The private building authorizations, State CIP expenditures, and construction jobs increased; but the government contracts awarded decreased.

The report stated that in the third quarter of 2018, private building authorizations in the state increased \$20.9 million or 2.9 percent, compared with the third quarter of 2017. In Honolulu County, there was a decrease of \$70 million or 15.1 percent. Hawaii County experienced an increase of \$82.8 million or 82.8%, while Maui County increased \$23.8 million or 22.5 percent, and Kauai County decreased \$15.7 million or 29.7 percent compared with the previous year. According to their fourth quarter report. Government contracts awarded decreased \$250.3 million or 38.8 percent in the third quarter of 2018. State government CIP expenditures increased \$46.5 million or 12.3 percent in the third quarter of 2017, followed by a CIP expenditure increase of \$337.5 million or 35.9 percent in the first three quarters of 2018, compared with the same period last year.

Cost of Housing

The median housing price for single-family resales in 2018 for Honolulu County at \$781,194, and \$421,000 for condominiums. In the third quarter of 2018, the number of single-family unit resales declined 7.3 percent, and the number of condominium resales declined 2.7 percent. In the first quarter of 2018, Maui County single-family unit resales median price was \$690,000 or 1.4 percent lower than the same period last year. The condominium unit resales median price was \$475,000 or 0.5 percent lower than the previous year.

Oahu renters paid the highest median rent in 2013 at \$1,535 per month, followed by Maui County renters at \$1,292 per month, Kauai County rents at \$1,281, and Hawaii County renters with the lowest rent at \$1,017 per month.

An estimated 48% of owners with mortgages, 12% of owners without mortgages, and 56% of renters in Hawaii spent 30% or more of household income on housing.

2. Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions

The HPHA is proposing the following amendments/revisions/updates under the Housing Choice Voucher program(s) in order to prevent circumventing the waiting lists and promote efficiency:

- Update policy on additions to the household after admission into the Housing Choice Voucher program to allow additions of more than one family member only through birth, adoption, court awarded custody, or hanai, when the addition would increase the subsidy to the family. (982.402, 982.401(d), 982.4. [24 CFR 982.551(h)(2)]
- Adopt policy on changes to household composition when a family member who is 18 and over remove themselves from the household; and to establish the following policies when such family members seek readmission to the household: [24 CFR 982.551(h)(2)]
 - A. They are prohibited from readmission to the household.
 - B. They are required to apply as new applicants for placement on the waitlist.
 - C. The HPHA may consider medical hardship or other extenuating circumstances, and if determined necessary as a reasonable accommodation, may allow such family members to be added to the household as a live-in-aide only.
- Update policy regarding the designation of the head of household, spouse, and co-head of the family in the event of marriage of the head or co-head individuals who may not be related by blood, marriage, adoption, or other operation of law, subsequent to admission to the program, to clarify as follows: [HUD 50058 Instruction Booklet]
 - A. If the head marries, the head's spouse automatically replaces the original co-head as the spouse. The original co-head automatically becomes an authorized family member.
 - B. If the co-head marries, as a family can only have a spouse or co-head, but not both, the family determines whether the co-head's spouse will become the head of household, or an authorized household member.
- Adopt revisions to the Housing Choice Voucher policy and Hawaii Administrative Rules to shorten the length of time for a temporary absence from 120 days to 60 days, allowing for specific exceptions for valid medical issues or as allowed under the CFR. [24 CFR 982.312]
- Adopt a policy which allows for a tenant with a live-in aide who is lawfully present or admitted to the United States to receive subsidy for an additional bedroom in the Housing Choice Voucher program, or to occupy a unit in the public housing program. (24 CFR Section 982.402(a), 24 CFR Section 982.402(b)(8), § 982.402(b)(6), 24 CFR Section 5.403, 24 CFR Section 982.316)
- Adopt policy to include special unit types including single room occupancy to expand lease up options for voucher holders and ensure that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8. (24 CFR 982.601.b) Adopt a policy to pay landlords via electronic deposit into their account. (HUD recommendation)

- Adopt a policy that does not allow the owner to keep the housing assistance payment for the remainder of the month when the family moves out of the unit. Housing assistance payments end the date HPHA determines the family has vacated the unit. Amounts overpaid to the owner must be returned to HPHA. HUD HCV Guidebook 22-13, 24 CFR 792.103, 982.311
- Amend policy to state that when a family is requesting to downsize, the voucher size will be changed at the end of the lease term.
- Update HPHA's administrative rules and administrative plan with policies regarding VASH voucher, including conversion of a VASH voucher to a Section 8 Housing Choice Voucher when the qualifying veteran or veteran's no longer needs the VASH voucher or qualifies for the VASH voucher. [24 CFR 982]
- Update policy for repayment agreements.
Per PIH 2010-19 expired May 31, 2011
- Adopt administrative rules to implement Hawaii Revised Statutes §356D-13.5 regarding remaining members of assisted tenant families to allow only the original household members at the time of voucher issuance to retain the voucher where other members of the family have left the unit; and to provide for the automatic return of the voucher to the HPHA once all original household members are no longer in the household; and to provide an exception for families where the original parents in the household are survived by minors who were subsequently added to the household, until the youngest minor reaches the age of 21 years, or reaches the age of 23 if the youngest minor is a full-time student at a business school, technical school, college, community college, or university.
- Adopt administrative rules to allow the HPHA to implement a lottery system to:
 - A. Randomly choose families (excluding the elderly, disabled, victims of domestic violence, and VASH) to terminate from the Housing Choice Voucher Program if the HPHA must terminate Housing Assistance Payments contracts due to insufficient funding; and
 - B. Randomly choose families (considering all adopted preferences) to place on the waiting lists process for participation in the Housing Choice Voucher Program.
- Adopt rules which allows HPHA to conduct Home Quality Standards (HQS) inspections every other year, except in circumstances where HPHA may determine a need for an annual inspection (e.g. tenant complaint).
- Adopt rules where the HPHA may award Housing Choice Vouchers to public housing residents for the following reasons in the following order and not equal priority:
 - a) Existing public housing tenants who are involuntarily displaced for reasons such as for relocation due to modernization activity, or based on an emergency where conditions of the public housing dwelling unit, building, or project pose an immediate, verifiable threat to life, health or safety of the family, and the family cannot be relocated to another public housing unit in the same program, meeting their needs.
 - b) Approved for a transfer as a reasonable accommodation for a unit with special features based on need and availability.
 - c) Victims of domestic violence, or stalking, or reprisals, or hate crime, and cannot be safely transferred to another public housing unit in the same program.
 - d) Homeless families, provided "Homeless" is defined by HUD.
- Establish a policy to allow for the use of Special Purpose Vouchers, including but not limited to mainstream vouchers, VASH, and Family Unification Program vouchers, and provides that recipients of SPVs are exempt from being terminated from the program when there is insufficient program funding.
- Amend family break-up policy to award the voucher to the family member who is awarded custody of the majority of minor children or who has the majority of days of custody. 24 CFR 982.315
- Amend Housing Choice Voucher policy to require applicants with a criminal history to include latest conviction date or arrest date.

The HPHA plans to adopt changes to its Administrative Rules, Admissions and Continued Occupancy Policy, and Administrative Plan as follows:

- Update preference policy to remove from definition of “involuntarily displaced”, applicants who are displaced by action of the housing owner for reasons beyond the applicant’s control and despite the applicant meeting all previously imposed conditions of occupancy.
- Update preference policy to redefine Homeless individuals as those in a transitional shelter who are verified to be in compliance with a social service plan or other former transitional homeless individuals and families who are verified to be “housing ready” as defined by the Hawaii Administrative Rules.
- Establish definition for “Housing Ready”.
- Expand local preferences to include veterans and their surviving spouses for the federal public housing program.
- Amend applicant waitlist policy from geographic waiting lists to site-based waiting lists for the federal public housing program.
- Update Federal Housing acceptance policy relating to “good cause” refusal, to eliminate existing rental agreements that cannot be breached without causing undue financial hardship, and “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.
- Amend continued occupancy reexamination results policy to not renew a lease if a family who has not complied with the community service requirement one year, does not become compliant by the end of the second year.
- Assess the feasibility of a tenant incentive transfer policy for highly desirable projects to those with perfect tenant histories (e.g., on-time rent payments, on-time recertification, no housekeeping violations) over a three-year period.
- Amend occupancy guidelines to assign one bedroom for every two-family members only, with consideration for infant children, disability-related reasons and the presence of a live-in aide.
- Update “schedule of charges” policy by having the maintenance work-order system record the actual cost of materials and time spent by maintenance workers to charge tenants the actual cost of intentional, careless or negligent damages beyond normal wear and tear. (24 CFR part 966.4)
- Amend Hawaii Administrative Rules to include updated VAWA policy for federal public housing and the Housing Choice Voucher program. A copy of the HPHA’s policy is attached.
- Update policy on individual relief from excess utilities in the Hawaii Administrative Rules.
- Adopt and incorporate future changes determined to be required under applicable state or federal law, rule, or regulation.

3. Financial Resources

Sources	Planned \$	Planned Uses
Federal Grants		
a. Public Housing Operating Fund	25,006,706	Operations and maintenance of public housing
b. Public Housing Capital Fund	13,381,318	Capital repairs, management improvements, operations, administrative costs
c. Section 8 Tenant-Based Assistance	36,330,993	Housing Assistance Payments and Administrative costs
d. Family Self Sufficiency Program	102,016	FSS Coordinator expenses
Public Housing Dwelling Rental Income	17,559,812	Operations and maintenance of public housing
State Capital Improvement Program	20,475,000	Capital repairs and associated administrative costs
State General Fund	7,514,597	Operations, maintenance, security and vacant unit turnaround of public housing
Total Resources for Public Housing or Tenant-Based Assistance		120,370,442
Other Project-Based Resources: Performance Based Contract Administration	35,279,007	PBCA payments to landlords; administrative costs
Non-Rental Income	74,490	Management improvements, operations for site location

4. Rent Determination Policies

The HPHA is proposing the following amendments/revisions/updates to its rent determination policies under the Housing Choice Voucher program:

- Adopt a policy to determine the amount of allowances for purposes of rent and subsidy determination in the Housing Choice Voucher program, establish policy to cap the amount of child care expenses that can be claimed at the amount of the lower wage earned by working family members. [24 CFR 982.402 and 24 CFR 5.603]
- Adopt policy in the Section 8 program to determine which household will include a minor’s unearned income into the household’s income, in determining unit size, and eligible deductions where two households in the assisted housing programs share custody of minors. [24 CFR 5.609]
- Adopt a policy when determining income from assets for purposes of eligibility and subsidy determination in the Public Housing program and the Section 8 program, update the policy determining the value of a checking account to be consistent with the policy determining the value of a savings account, by using the current balance, to reduce administrative burden and excessive paperwork and added expense for the applicant. (24 CFR 5.609, 24 CFR part 5.603)
- Update the HCV minimum rent policy to institute a minimum rent of \$50. (24 CFR 5.630)

- Create a hardship exemption policy in the HCV program.
- Amend Housing Choice Voucher policy relating to interim increases. Interim increases will only occur if 1) the client misrepresented or failed to report facts upon which rent is based, 2) when income increases after a client was granted an interim decrease, 3) the client reported zero income and has verified an increase, including a non-monetary contribution, 4) a person with income joins the family, or 5) a family member has an increase of earned or unearned income greater than \$200 per month, unless it meets the CFR qualification for exemption.
- Amend Housing Choice Voucher policy relating to interim decreases. A decrease in income for any reason will prompt a rent reduction, except for a decrease that lasts less than 30 days or is subject to imputed welfare income rules; a decrease must be reported to the HPHA by the 15th of the month in order for it to take effect the following month.

5. Operations and Management

The HPHA plans to undertake the following activities:

- Adopt new administrative rules and changes to the Admissions and Continued Occupancy Policy to provide for individual relief from surcharges for excess consumption of HPHA purchased utilities or from payment of utility supplier billings in excess of the allowances for resident-purchased utilities.
- Implement public housing security improvements, including establish quiet times, utilize and require tenant ID cards, install video cameras and security features.
- Enforce no trespassing legislation, Act 31, Session Laws of Hawaii (SLH) 2018, passed June 7, 2018.
- Update and strengthen rules and policies related to drug use and serious criminal activities that threaten the health and safety of the public housing projects, including threats to staff and destruction of property.
- Adopt rules allowing families that exceed the largest public housing unit size to receive a Section 8 Housing Choice Voucher, rather than splitting the household to fit into existing unit sizes.
- Evaluate the current administration of HPHA's Section 8 Housing Choice Voucher Program (Due to the recent change in funding levels for the Section 8 HCV Program by HUD, HPHA will be exploring options to maximize the number of voucher participants within the current HUD funding level):
- Increase the current number of active vouchers by leveraging HPHA's "High Performer" status to participate in any current or future HUD programs and /or create and implement new programs in conjunction with the local HUD office.
- Open and close the wait list in 2019 and 2020 for a limited time, if necessary, to ensure an adequate pool of applicants.
- Update Utility Allowance schedules for the public housing and voucher programs as required.
- Conduct a utility usage study to determine whether the utility allowance is more efficiently used based in the unit size or the voucher size.
- Establish a verification policy to ensure potential live-in aides meet the three elements within the definition of Live-In Aide for the HCV program and public housing
- Evaluate and assess internal procedures and policies to better ensure fraud protection in the HPHA programs.
- Revise the Admissions and Continued Occupancy Policy and applicable administrative rules to allow additions of more than one family member as long as the addition does not require the family to be transferred to a larger unit and as long as the addition would not cause overcrowding of the unit in accordance with county occupancy standards.
- Adopt policy to allow adults, who have been removed from the lease for at least 6 months, back onto the lease.
- Adopt rules for tenants that enter public housing by way of citizen sponsorship into the State of Hawaii, to state that when the tenant does not have another source of income, the income of the sponsor will be included when calculating the rent for the tenants.
- Make available not less than fifty per cent of available federal and state low-income housing units for applicants without preference and up to fifty per cent of available federal and state low-income housing units for applicants with preference as mandated by ACT148-2013.
- Enforce smoking policies, implement newly adopted Act 127, SLH 2018, prohibiting smoking within twenty-five feet of any public housing building, and provide tenants with revised lease addenda outlining enforcement strategies for the "No Smoking" policy.

- Amend the HCV Homeownership requirements to require applicants to be in full compliance with the Family Self Sufficiency program prior to applying for the program.
- Amend the HCV policy to state that when a family requests to be issued a new voucher, the household composition and income will be evaluated before a new voucher is issued.
- Amend the HCV policy to state that when a family composition is reduced, a voucher will occur at the end of the lease or the next annual recertification, whichever comes first.
- Adopt Hawaii Administrative Rules regarding the establishment and recognition of resident associations. HPHA will require that resident associations have duly elected board members, rather than appointed board members.
- Establish program(s) to incentivize owners/landlords to participate in the Section 8 Housing Choice Voucher Program, such as a program to reimburse owners/landlords for repair costs of tenant-caused property damage when the repair costs exceed the tenant's security deposit, direct deposit for Housing Assistance Payments or other on-time methods of payment, etc.

6. Significant Amendment/Modification

Significant Amendment/Modification: Adding or eliminating major strategies to address housing needs and to major policies (e.g., policies governing eligibility, selection or admissions and rent determination) or programs (e.g., demolition or disposition, designation, homeownership programs or conversion activities); or modifying a strategy such that a substantial transfer of resources away from others is necessary in order to carry it out. Under this PHA Annual Plan, the HPHA is clarifying that any change required to comply with state or federal rule, law, or regulation, where the HPHA is not able to adopt discretionary policy, would not be considered a significant amendment. However, the HPHA would continue to work with the Resident Advisory Board, Resident Associations, and staff for comments.

For Capital Fund Program projects that deviate from the Capital Fund Program Five-Year Action Plan and the Capital Fund Program Annual State/Performance and Evaluation Reports, only projects that meet the following criteria shall require 5-Year and Annual Plan Amendment: the amount of funds being required exceeds \$10 Million and/or the number of units being worked on comprises more than 15% of a developments ACC unit count.

As part of the Rental Assistance Demonstration (RAD) Program, the definition of a substantial deviation from the agency's annual plan will exclude the following RAD-specific items, provided that the adjustments to the RAD plans are authorized by HPHA's Board of Directors in the normal course of business:

- Changes to the Capital Fund Budget produced as a result of each approved RAD conversion, regardless of whether the proposed conversion will include use of additional Capital Funds;
- Changes to the construction and rehabilitation plan for each approved RAD conversion;
- Changes to the financing structure for each approved RAD conversion;
- The date the significant amendment is submitted to the PHA Plan website;
- Decisions to dedicate a portion of the agency's existing capital funds budget and/or public housing reserves as a source of funds for purposes of a RAD conversion and recapitalization transaction;

(c) The PHA must submit its Deconcentration Policy for Field Office review.

See Attachment A: Deconcentration Policy.

B.2 New Activities.

(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?

- | | | |
|-------------------------------------|-------------------------------------|---|
| Y | N | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Hope VI or Choice Neighborhoods. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Mixed Finance Modernization or Development. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Demolition and/or Disposition. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Designated Housing for Elderly and/or Disabled Families. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Conversion of Public Housing to Tenant-Based Assistance. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Conversion of Public Housing to Project-Based Assistance under RAD. |

- Occupancy by Over-Income Families.
- Occupancy by Police Officers.
- Non-Smoking Policies.
- Project-Based Vouchers.
- Units with Approved Vacancies for Modernization.
- Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project based units and general locations, and describe how project basing would be consistent with the PHA Plan.

HOPE VI or Choice Neighborhoods

The HPHA will assess the feasibility of pursuing all means of financing, including the RAD or Choice Neighborhoods programs, if appropriate for its redevelopment efforts at Mayor Wright Homes, Kuhio Park Terrace and potential future developments at AMP 30, AM 31, AMP 33, AMP 37, AMP 38, or AMP 39.

Mixed Finance Modernization or Development

Mayor Wright Homes redevelopment (AMP 32, Project #1003; 364 units)

HPHA issued a Request for Qualifications (RFQ) on July 11, 2014 for a developer/partner to compete a mixed-income, mixed-finance, mixed-use redevelopment project at Mayor Wright Homes. The developer was selected as the Master Developer team leader, and a Predevelopment Agreement was executed on March 24, 2016. A fully negotiated MDA with MWH Partners was executed December 29, 2017. The Predevelopment Agreement terminated upon the execution of the MDA. Preparation of an Environmental Impact Statement (EIS) is required pursuant to Chapter 343, Hawai‘i Revised Statutes and Chapter 200, Title 11, State of Hawai‘i Department of Health Administrative Rules. HPHA submitted the EISPN to the State of Hawai‘i Office of Environmental Quality Control (OEQC) on September 13, 2016. A Draft EIS was submitted to the OEQC on August 28, 2017 and a Final EIS was submitted to both the OEQC and the Accepting Authority, the Governor of the State of Hawaii, on February 22, 2018. An environmental assessment, as required under 24 CFR Part 58, is currently being prepared. It is anticipated that construction will begin in approximately two years following completion of master planning, entitlement and permitting approval and environmental reviews.

Kuhio Park Terrace, Kuhio Homes and Kuhio Park Terrace Low-Rise Redevelopment (AMP 40, Project # 1007, 1010; 174 units)

HPHA received a \$300,000 Choice Neighborhoods Initiative (CNI) planning grant in 2012, which resulted in a comprehensive Transformation Plan with input from community members, stakeholders and partners to revitalize the Kuhio Park Terrace, Kuhio Homes, Kuhio Park Terrace Low-Rise and Kalihi neighborhood area. The HPHA intends to select a new master developer for the second and future phases of the mixed finance redevelopment at Kuhio Park Terrace and Kuhio Homes. It is anticipated that once selected, a master development agreement will be negotiated and master planning and environmental reviews will occur.

Mixed Finance Redevelopment

The HPHA will evaluate and identify additional properties within its existing portfolio and on all islands that have potential for public-private, mixed-finance, mixed income, mixed-use redevelopment opportunities through Section 18 of the Housing Act of 1937 and various HUD programs including, but not limited to, the Rental Assistance Demonstration program (RAD), Choice Neighborhoods Initiative, VASH and any other federal, state, or local source, such as the issuance of PHA bonds pursuant to Chapter 356D, Hawaii Revised Statutes. Potential properties currently under review for their redevelopment potential include properties at AMP 30, AMP 31, AMP 33, AMP 37, AMP 38, and AMP 39.

HPHA believes the redevelopment of public housing and other properties through public/private partnerships will enhance communities and improve the living conditions of its residents with updated or new amenities, open public spaces and walkability.

The HPHA is currently working on a mixed finance redevelopment of its School Street Administrative Offices. The current proposed project does not presently contemplate the use of federal subsidies. However, the proposed project may change over time and, as such, the HPHA is providing notices of the potential for this public-private mixed-finance redevelopment to consider the use of various subsidies, including federal sources. The redevelopment project will focus on providing affordable housing. We do not currently plan to include public housing or HCV project-based voucher units.

Demolition/Disposition

The HPHA plans to request HUD approval for non-exclusive easements for reasons such as utility access over the federal public housing properties, or for other public benefit oftentimes related to its construction modernization activities. Such easement requests will not affect the ACC units count. Additionally, the HPHA is exploring the dedication of streets and sidewalk to the County of Hawaii at Lanakila Homes, to be owned and maintained by the County of Hawaii with HPHA retaining the carved out parking areas for tenant parking assignments. If an easement or street dedication is determined to be necessary, HPHA will follow HUD's Demolition/Disposition protocol to apply for and obtain the necessary approvals to proceed with rights of entry or granting of non-exclusive easement. The HPHA will pursue disposition of Mayor Wright Homes as part of a larger mixed finance redevelopment project.

HPHA may also request HUD approval for possible demolition and disposition of the Community Center at Kalihi Valley Homes. The elevated building is currently closed and is not in use. The HPHA has contracted with a consultant to study the alternatives of rehabilitating the structure or demolishing and replacing it with a new structure. If it is determined that demolition and disposition is necessary, HPHA will follow HUD's Demolition/Disposition protocol to apply for and obtain the necessary approvals to proceed with demolishing the community center. There will be no impact to the ACC units count.

HPHA may also request HUD approval for the possible demolition and disposition of the project at Pahala in AMP 37. The project is not to code and the cost to modernize the project and bring it to code is close to the cost to demolish and rebuild to current standards, codes and ordinances. If it is determined that demolition and disposition is necessary, HPHA will follow HUD's Demolition/Disposition protocol to apply for and obtain the necessary approvals to proceed with the demolition and disposition of units at Pahala. There will be a temporary affect to the ACC units count in AMP 37.

The completed build out of Phase IIIb at the Lanakila Homes property in East Hawaii to bring back 16 public housing units, and the completed modernization of Salt Lake Apartments on Oahu to bring back 28 public housing units are both projected to be brought back online by the end of 2019.

Conversion of Public Housing to Project-Based Assistance under RAD.

HPHA will identify, analyze and evaluate all properties on all islands within its existing portfolio that have potential for conversion of public housing units to project based vouchers under HUD's RAD program. All, a portion, or none of the two subject properties may be submitted in an application to HUD. Kuhio Homes and Kuhio Park Terrace Low-Rise are currently being reviewed and analyzed to evaluate their feasibility for RAD conversion. A Letter of Interest under the RAD program was submitted to HUD in June 2017 for Mayor Wright Homes, Kuhio Homes and Kuhio Part Terrace. Applications were submitted to HUD on September 4, 2018 for participation in the RAD program in coordination with the HPHA's redevelopment partners. A Commitment to Enter into a Housing Assistance Payments (CHAP) was issued to the HPHA in October of 2018, and the HPHA and its redevelopment partners continue to engage in discussions with the HUD assigned transaction manager with the goal of submitting an acceptable RAD application.

Occupancy by Over-Income Families

HPHA will modify its over-income tenant policy within the ACOP, in accordance with HUD's September 24, 2018 Notice in the Federal Register, "Housing Opportunity Through Modernization Act of 2016: Final Implementation of Public Housing Income Limit." Docket No. FR-5976-N-07. When a tenant family's income at reexamination exceeds the HUD-issued "over-income limits", the family will be informed that if their income at the next annual reexamination again exceeds the over-income limits, the family will be given the choice of either: 1) Paying the zip code based Fair Market Rent for their public housing unit; or 2) Moving out of their public housing unit in the following six months.

Project-Based Vouchers

HPHA plans to identify, analyze and evaluate all properties on islands within its existing portfolio for potential sites that might benefit from the use of project-based vouchers in addition to the properties listed below. The agency will also evaluate potential application for participation in the HUD Rental Assistance Demonstration program (RAD). Should space become available on a RAD waiting list in the future, the HPHA intends to submit a letter of intent for participation for properties where conversion is feasible and in the best interests of the State, the HPHA, and its tenants.

150 Project-based vouchers are part of the Kuhio Park Terrace Towers redevelopment, and the HPHA may consider adding additional Project-based vouchers for the Mayor Wright redevelopment and Kuhio Homes and Kuhio Park Terrace Low-Rise redevelopment. (HPHA is seeking additional replacement housing vouchers for public housing units that will be temporarily removed from inventory while the Kuhio Homes and Kuhio Park Terrace Low-Rise are redeveloped. Those units will be restored in future phases when redevelopment has been completed.)

305 units at Palolo Homes I and II: The Palolo Homes I and II site-based waiting list was closed by the Section 8 Branch in 2015, except for 4 bedroom units. The list was reopened on November 3-5, 2016. The waiting list will be reopened as needed. The HPHA will provide adequate public notice prior to reopening the waiting list.

Consistent with the HPHA's efforts to sustain and increase the availability of decent, safe, and affordable housing, the HPHA plans to continue its utilization of rent subsidy vouchers through the Federal Project-Based Certificate/Voucher Program. The HPHA will earmark up to the maximum allowable vouchers as specified in 24 CFR 983 and will utilize projects based on the counties of Oahu, Kauai, Maui, and Hawaii in accordance with program guidelines and objectives.

To maximize utilization and to encourage tenant development, HPHA applied for and received HUD approval on August 8, 2001, to exceed the 25 percent cap for dwelling units in any building to be assisted under a housing assistance payment (HAP) by requiring owners to offer supportive services. To minimize the loss of existing housing inventories, HPHA applied for and received HUD approval on October 4, 2001 to attach Project Based Assistance to State-owned public housing projects in areas, which exceed the 20 percent poverty rate limitation.

The HPHA is currently working on a mixed finance redevelopment of its School Street Administrative Offices. The current proposed project is contemplating the use of various forms of financing. The HPHA acknowledges that the proposed project may change over time and as such, the HPHA is providing notices of the potential for this public-private mixed-finance redevelopment to consider the use of various subsidies, including all eligible forms of federal funding sources that the project qualifies for such as project based vouchers, low income housing tax credits, and public housing subsidies.

Units with Approved Vacancies for Modernization.

The HPHA continues to consider different ways to decrease unit turnaround time, improve occupancy, increase staff efficiencies. HPHA plans to permanently implement a multi-skilled worker program and establish a qualified force account to perform capital repairs on vacant units. By establishing a force account, HPHA will have more flexibility and the ability to utilize its skilled labor and resources more efficiently.

Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

The HPHA will continue to review and determine the appropriateness of submitting competitive grant applications for other capital grant programs. If a grant is determined to be appropriate and a suitable target site can be identified, the HPHA plans to apply for grant programs for community facilities, emergency safety and security grants, HazMat testing and abatement grants, etc. The HPHA's AMPs on the Leeward Coast, Windward Oahu, Central Oahu, Honolulu, and Maui are potential sites for emergency safety and security grants. AMPs on Honolulu and Hawaii are potential sites for grants for community facilities.

<p>B.3</p>	<p>Civil Rights Certification.</p> <p>Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>
<p>B.4</p>	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe:</p> <p>· No findings were reported in FY18</p>
<p>B.5</p>	<p>Progress Report.</p> <p>Provide a description of the PHA’s progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan.</p> <p>A. Expand the supply of assisted housing:</p> <ul style="list-style-type: none"> • The occupancy rate continued to fluctuate during FY 2018. HPHA’s Multi-Skilled Worker (MSW) team expedited repairs on over 59 vacant units. As of June 30, 2018, the HPHA’s adjusted occupancy rate was 95.0%. • HPHA continues to work with its consultant and development partners to pursue development at targeted properties including AMP 32 Mayor Wright Homes. HPHA continues to consider additional redevelopment options. • HPHA continues to assess the feasibility of acquiring or developing more properties to create additional housing opportunities on all islands. • HPHA continues to work with its consultant and development partners to pursue inclusion in Rental Assistance Demonstration (RAD), and began its application for admission into the RAD program for Mayor Wright Homes, Kuhio Homes, and Kuhio Park Terrace to convert to the housing choice voucher program. • HPHA selected a master developer for Mayor Wright Homes. The HPHA, its consultant, and development partners continue to assess and pursue various TOD and non-TOD the mixed income/mixed use/mixed finance/project based and higher density redevelopment projects, such as Mayor Wright Homes and other HPHA public housing properties, and create public/private partnerships by utilizing various HUD programs including but not limited to Rental Assistance Demonstration and Choice Neighborhood Initiative (CNI), and will utilize various financing tools including but not limited to federal grants, state appropriations and low-income housing tax credits to rehabilitate and redevelop federal and state low-income housing and other properties. • HPHA has assessed the need to establish policies to minimize the number of over-income families in public housing, including possible termination of tenancy for such families. There are currently only two AMPs where the minimum income falls below the 85% level. • HPHA is amending its tenant policies to implement over-income rules within the ACOP, in accordance with HUD’s September 24, 2018 Notice in the Federal Register, “Housing Opportunity Through Modernization Act of 2016: Final Implementation of Public Housing Income Limit.” Docket No. FR-5976-N-07. • During the 2018 Legislative Session, the Hawaii State Legislature appropriated \$21, 500,000 in a lump sum of capital improvement project bond funding that will be used to repair and maintain federal and state low-income public housing properties. In addition to that, the Hawaii State Legislature also appropriated \$4,500,000 in capital improvement bond funding to be used for pre-development needs for the Hawaii Public Housing Authority’s Mayor Wright Homes redevelopment project. <p>B. Improve the quality of assisted housing:</p>

1. Improve public housing management: (PHAS score)
 - HPHA is currently a standard performer with a score of 86.
 - PHAS Financial Condition – Maintain rent collection rate of 97% or better at all properties. This was achieved as the HPHA’s average rent collection rate was 98.0% as of June 30, 2017.
 - HPHA staff is utilizing mobile electronic technology (e.g., tablets and smart phones) to conduct pre-inspections for REAC inspections. Management staff is expected to transition to web based and mobile technology within their AMPs once the HPHA has established procedures and procured the necessary equipment to properly implement this task.
 - HPHA implemented new procedures whereby the Hearings Office tracks rent collections in order to assist AMPs early in the delinquency process. HPHA will continue its efforts to improve the tenant collection system.
 - HPHA maintains agreements with DHS to access and verify welfare information maintained by DHS to reduce incidence of fraud.
 - HPHA is drafting policy updates related to policies requiring occupants to establish legal residency in the United States to receive subsidy for an additional bedroom in the Section 8 program.
 - HPHA established a multi-skilled worker program to promptly repair and maintain units that become vacant on a regular basis for faster and more efficient turnover of units, including establishment of a highly skilled force account for capital repairs. HPHA successfully advocated and received from the state Legislature 29 new positions. HPHA will continue to negotiate with the UPW and request positions from the state Legislature for the establishment of a permanent program.

2. Improve voucher management: (SEMAP score)
 - HPHA was designated a High Performer.
 - HPHA utilized funds received to exceed 98% HPHA contracted with the City & County of Honolulu to conduct landlord outreach to assist in identifying available units for lease up.
 - HPHA will absorb veterans that have completed their service plans. There have been approximately 2 families who left the HCV program completely because of their increase in income.
 - HPHA is currently drafting updates to the policy on additions to the household after admission into the Housing Choice Voucher program to deny additions of an additional household consisting of more than one member to the Housing Choice Voucher except by birth, adoption, or court-awarded custody, or marriage, when the addition would increase the subsidy to the family.
 - HPHA is rewriting the payment standard using the small area fair market rent as required by Federal requirements for the Housing Choice Voucher program.

3. Increase customer satisfaction:
 - HPHA has implemented automated applicant waiting list portal and is in the process of bringing an applicant portal on line. The applicant portal will allow applicants to check on their applications and update information directly to their electronic application.
 - HPHA has implemented face-to-face meetings with tenants who will be terminated from the HCV program to ensure appropriate communication.
 - HPHA is researching the implementation of electronic funds transfers to automatically deducted.

4. Concentrate on efforts to improve specific management functions:
 - HPHA continues to revise and implement plans to have Tenant Monitors or other resident participation programs to address issues when managers are not available.

5. Continue to renovate or modernize public housing units with priority to health, safety, accessibility, end of useful life and energy conservation.
 - HPHA is undergoing a systematic assessment and upgrade of all major building systems for its high-rises, including elevators, fire prevention systems, call-for-aid systems, and fire pumps
 - HPHA has completed a thorough testing of all projects built before 1978 utilizing the XFR testing method and additional full Lead Risk Assessment where there are positive results for Lead Based Paint, HPHA continues to abate or encapsulate all lead based paint hazards from all its properties. All affected property maintenance staff will be required to be certified in lead based paint.

6. Demolish or dispose of obsolete public housing and provide replacement housing.

- HPHA continues to work on issues surrounding the establishment of the Faircloth Limit. Once those issues are resolved, the HPHA will assess the need to demolish or dispose of obsolete public housing and provide replacement housing.

C. Increase assisted housing choices:

- In March 2018, HPHA adopted a payment standard for the HCV program for Oahu zip codes to use Small Are Fair Market Rent (SAFMR), and adjusted the payment standards between 90% and 110% based on projected housing assistance funding shortfall, with adequate notice to program participants.
- HPHA will continue to consider the establishment/implementation of designated elderly only housing,

D. Provide an improved living environment:

- HPHA implements measures to de-concentrate poverty by bringing higher income public housing households into lower income developments. Currently, there are only two elderly AMPs where incomes fall below the 85% mark.
- HPHA continues to implement public housing security improvements, such as increased lighting, video surveillance, resident identification cards, tenant participation with Resident Associations, and crime prevention through environmental design features.
- HPHA continues to pursue statutory authority to adopt rules to provide greater security for tenants and staff. Legislation to institute no trespassing 24 hours a day was passed and signed into law on June 9, 2018.
- Adopt rules to efficiently remove abandoned property from HPHA units to provide quicker turnaround of units.
- HPHA has contracted with the University of Hawaii to conduct a study on the livability of public housing and Section 8, and how to improve the lives of its residents.

E. Promote self-sufficiency and asset development of assisted households:

- HPHA conducts a job fair every year and participates as a vendor in other local job fairs such as Workforce Job Fair 2018, and posts notices at each of our projects (AMPs) inviting tenant attendance and participation.
- HPHA has engaged in individual counseling, assistance and mentoring in-house and encourages volunteers to work in any branch of our main office, to enable them obtain skills and experience to enhance employability. Our recently recruited resident services specialists will advance and expand this effort to secure outside service providers.
- HPHA continues to seek out programs and service providers to partner with. Further, we are involved in an initiative from Washington, DC to provide more caseworkers for the elderly and disabled, and have recently recruited new resident services specialists to advance this effort.
- HPHA has a Tenant Aide program for residents to be hired on a part-time basis for up to 19-hours compensation, to gain experience and upward mobility, as has happened successfully in the past. However, residents need to be willing to take the opportunity to apply.
- HPHA has established the Tenant Hire program which allows tenants to apply for designed positions to obtain on-the job training, learn different skill sets, gain working experience in daily interaction with staff and general public at the property management offices, and apply for civil service positions after the training period. The property management offices frequently attempt to recruit low-income residents through local advertising media, signs prominently displayed at the property, contacts with community organizations and public or private agencies operating within the area in which the Section 3 covered program or project is located. HPHA also provides recruitment information to managers to distribute to their residents. HPHA holds several job fairs at local community places and at universities. Fliers are also posted at local community colleges to target college graduates. HPHA continue to recruit residents to Section 3 which includes the Tenant Aide Program for upward mobility, and be able to assist the properties in maintenance and administrative duties. The HPHA is working on a Section 3 business registry.

F. Ensure equal opportunity and affirmatively further fair housing:

- Affirmative measures taken to ensure access to assisted housing includes intensive employee training, self-monitoring for quality assurance and progressively accomplishing the goals identified by the Analysis of Impediments to Fair Housing Choice. The HPHA is committed to planned affirmative measures to ensure

access to assisted housing regardless of race, color, religion, national origin, sexual orientation, gender identity, marital status, familial status, and disability

- HPHA continues its on-going efforts to educate and provide information to the general population and to landlords.
- HPHA is conducting on-going training to educate staff, including Limited English Proficiency (LEP) training.
- Implementation of Section 504 and ADA transition plans for HPHA properties are continuous and consistent.
- HPHA will adhere to the three (3) year Voluntary Compliance Agreement through the HUD's Office of Fair Housing and Equal Opportunity for the purposes of executing HPHA's Accessibility Surveys, Needs Assessments, Self-Evaluations and Transition Plans; complete the transition plan, continue to engage in meaningful discussions with applicants and tenants with disabilities, advocacy groups and HUD during the implementation phase; pursue the HPHA's goal to exceed the minimum 5% ADA and 2% vision and hearing-impaired requirement for accessible units.
- Maintain the Limited English Proficiency (LEP) Provide training to non-English speaking and/or Limited English Proficiency speaking groups with an interpreter available on federal and state fair housing laws. HPHA continues to provide LEP individuals with free interpretation and translation services.
- HPHA continues to review policies to ensure compliance with HUD's equal access rule.

G. Improve the housing delivery system through cost-effective management of federal government programs and resources:

- HPHA implements project based budgeting, project based accounting and management for federal public housing as required under Asset Management.
- HPHA has made significant progress in the timely evictions for non-payment of rent and timely write off of uncollectable accounts. The HPHA worked with the Department of the Attorney General to streamline the procedures for write off of bad debt.
- HPHA continues to require that all appliance purchases and capital repairs utilize energy star fixtures and implement energy saving features where possible.
- HPHA continues to automate major operation components of the PHA computer software such as work order processing and tracking, materials, inventory, and fixed assets to improve the efficiency and accuracy of financial accounting and reporting.
- HPHA continues to upgrade computers, servers and devices with newer models to provide faster response time for users, and standardize all versions of business and office software. This upgrade simultaneously provides more efficient use of electricity (for hardware), and provides better security from malicious software via updated firmware.
- HPHA continues its research and analysis of various content management systems for more efficient retrieval of documents stored electronically on the HPHA network.
- HPHA continuously and successfully expands the use of video conferencing technology to further better communication between all HPHA properties on all islands. Additionally, a welcome consequence of the introduction of video conference technology is its increased use by various offices to accommodate and increase the pool of potential candidates for interviews by providing more flexibility in scheduling and mobility issues.
- HPHA continues to grow its workflow automation with the implementation of web applications and digital signatures to provide a more consistent, speedier and environmentally friendlier processing of business operations.
- HPHA implemented Hawaii Administrative Rule (HAR) revisions to prohibit smoking in public housing, and provide tenants with revised lease addenda outlining enforcement strategies for the "No Smoking" policy.
- Significant improvements have been made to strengthen internal controls, as results, quality of data integrity is increased, Comprehensive Annual Financial Reports (CAFR) and Financial Data Schedule (FDS) are generated in-house, audit findings decreased from 4 for FY14 to 2 for FY15, and to zero finding in FY17.
- Per HUD notice PIH 2017-24 (HA), the HPHA has had third-party agreements for the use of cell phones towers.
- HPHA is actively exploring and moving toward a paperless environment.
- **Evaluate the current administration of HPHA's Section 8 Housing Choice Voucher Program (Due to the recent change in funding levels for the Section 8 HCV Program by HUD, HPHA will be exploring options to maximize the number of voucher participants within the current HUD funding level):**

	<ul style="list-style-type: none"> • The HPHA continues its efforts to increase the current number of active vouchers by leveraging HPHA’s “High Performer” status to participate in any current or future HUD programs and/or create and implement new programs in conjunction with the local HUD office. • HPHA closed the Palolo Project Based Voucher wait list except for four bedroom units. • HPHA’s reopened the regular HCV waiting list in August 2016 for a limited time.
B.6	Resident Advisory Board (RAB) Comments. (a) Did the RAB(s) provide comments to the PHA Plan? Y N <input checked="" type="checkbox"/> <input type="checkbox"/> (b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations. See Attachment B: RAB Recommendations
B.7	Certification by State or Local Officials. Form HUD 50077-SL , <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i> , must be submitted by the PHA as an electronic attachment to the PHA Plan.
B.8	Troubled PHA. (a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place? Y N N/A <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> (b) If yes, please describe:
C.	Statement of Capital Improvements. Required for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).
C.1	Capital Improvements. Include a reference here to the most recent HUD-approved 5-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD. The most recent Capital Fund Plan was approved with the HPHA PHA Plan on June 12, 2018.

Instructions for Preparation of Form HUD-50075-ST Annual PHA Plan for Standard and Troubled PHAs

A. PHA Information. All PHAs must complete this section.

A.1 Include the full **PHA Name, PHA Code, PHA Type, PHA Fiscal Year Beginning (MM/YYYY), PHA Inventory, Number of Public Housing Units and or Housing Choice Vouchers (HCVs), PHA Plan Submission Type,** and the **Availability of Information,** specific location(s) of all information relevant to the public hearing and proposed PHA Plan. ([24 CFR §903.23\(4\)\(e\)](#))

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

B. Annual Plan. All PHAs must complete this section.

B.1 Revision of PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.” ([24 CFR §903.7](#))

Statement of Housing Needs and Strategy for Addressing Housing Needs. Provide a statement addressing the housing needs of low-income, very low-income and extremely low-income families and a brief description of the PHA’s strategy for addressing the housing needs of families who reside in the jurisdiction served by the PHA. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income), (ii) elderly families and families with disabilities, and (iii) households of various races and ethnic groups residing in the jurisdiction or on the waiting list based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. ([24 CFR §903.7\(a\)\(1\)](#)) Provide a description of the PHA’s strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming year. ([24 CFR §903.7\(a\)\(2\)\(ii\)](#))

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. PHAs must submit a Deconcentration Policy for Field Office review. For additional guidance on what a PHA must do to deconcentrate poverty in its development and comply with fair housing requirements, see [24 CFR 903.2](#). ([24 CFR §903.23\(b\)](#)) Describe the PHA’s admissions policy for deconcentration of poverty and income mixing of lower-income families in public housing. The Deconcentration Policy must describe the PHA’s policy for bringing higher income tenants into lower income developments and lower income tenants into higher income developments. The deconcentration requirements apply to general occupancy and family public housing developments. Refer to 24 CFR §903.2(b)(2) for developments not subject to deconcentration of poverty and income mixing requirements. ([24 CFR §903.7\(b\)](#)) Describe the PHA’s procedures for maintain waiting lists for admission to public housing and address any site-based waiting lists. ([24 CFR §903.7\(b\)](#)). A statement of the PHA’s policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV. ([24 CFR §903.7\(b\)](#)) Describe the unit assignment policies for public housing. ([24 CFR §903.7\(b\)](#))

Financial Resources. A statement of financial resources, including a listing by general categories, of the PHA’s anticipated resources, such as PHA operating, capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. ([24 CFR §903.7\(c\)](#))

Rent Determination. A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units, including applicable public housing flat rents, minimum rents, voucher family rent contributions, and payment standard policies. ([24 CFR §903.7\(d\)](#))

Operation and Management. A statement of the rules, standards, and policies of the PHA governing maintenance and management of housing owned, assisted, or operated by the public housing agency (which shall include measures necessary for the prevention or eradication of pest infestation, including cockroaches), and management of the PHA and programs of the PHA. ([24 CFR §903.7\(e\)](#))

Grievance Procedures. A description of the grievance and informal hearing and review procedures that the PHA makes available to its residents and applicants. ([24 CFR §903.7\(f\)](#))

Homeownership Programs. A description of any Section 5h, Section 32, Section 8y, or HOPE I public housing or Housing Choice Voucher (HCV) homeownership programs (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval. ([24 CFR §903.7\(k\)](#))

Community Service and Self Sufficiency Programs. Describe how the PHA will comply with the requirements of community service and treatment of income changes resulting from welfare program requirements. ([24 CFR §903.7\(l\)](#)) A description of: **1)** Any programs relating to services and amenities provided or offered to assisted families; and **2)** Any policies or programs of the PHA for the enhancement of the economic and social self-sufficiency of assisted families, including programs under Section 3 and FSS. ([24 CFR §903.7\(l\)](#))

Safety and Crime Prevention. Describe the PHA’s plan for safety and crime prevention to ensure the safety of the public housing residents. The statement must provide development-by-development or jurisdiction wide-basis: (i) A description of the need for measures to ensure the safety of public housing residents; (ii) A description of any crime prevention activities conducted or to be conducted by the PHA; and (iii) A description of the coordination between the PHA and the appropriate police precincts for carrying out crime prevention measures and activities. ([24 CFR §903.7\(m\)](#)) A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs

provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families. (24 CFR §903.7(m)(5))

Pet Policy. Describe the PHA's policies and requirements pertaining to the ownership of pets in public housing. (24 CFR §903.7(n))

Asset Management. State how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory. (24 CFR §903.7(q))

Substantial Deviation. PHA must provide its criteria for determining a "substantial deviation" to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))

Significant Amendment/Modification. PHA must provide its criteria for determining a "Significant Amendment or Modification" to its 5-Year and Annual Plan. Should the PHA fail to define 'significant amendment/modification', HUD will consider the following to be 'significant amendments or modifications': a) changes to rent or admissions policies or organization of the waiting list; b) additions of non-emergency CFP work items (items not included in the current CFP Annual Statement or CFP 5-Year Action Plan) or change in use of replacement reserve funds under the Capital Fund; or c) any change with regard to demolition or disposition, designation, homeownership programs or conversion activities. See guidance on HUD's website at: [Notice PIH 1999-51](#). (24 CFR §903.7(r)(2)(ii))

If any boxes are marked "yes", describe the revision(s) to those element(s) in the space provided.

B.2 New Activities. If the PHA intends to undertake any new activities related to these elements in the current Fiscal Year, mark "yes" for those elements, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake these activities, mark "no."

Hope VI or Choice Neighborhoods. 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for HOPE VI or Choice Neighborhoods; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI or Choice Neighborhoods is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>. (Notice PIH 2010-30)

Mixed Finance Modernization or Development. 1) A description of any housing (including project number (if known) and unit count) for which the PHA will apply for Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Mixed Finance Modernization or Development is a separate process. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/programs/ph/hope6/index.cfm>. (Notice PIH 2010-30)

Demolition and/or Disposition. Describe any public housing projects owned by the PHA and subject to ACCs (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition; and (2) A timetable for the demolition or disposition. This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed as described in the PHA's last Annual and/or 5-Year PHA Plan submission. The application and approval process for demolition and/or disposition is a separate process. See guidance on HUD's website at: http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm. (24 CFR §903.7(h))

Designated Housing for Elderly and Disabled Families. Describe any public housing projects owned, assisted or operated by the PHA (or portions thereof), in the upcoming fiscal year, that the PHA has continually operated as, has designated, or will apply for designation for occupancy by elderly and/or disabled families only. Include the following information: 1) development name and number; 2) designation type; 3) application status; 4) date the designation was approved, submitted, or planned for submission, and; 5) the number of units affected. **Note:** The application and approval process for such designations is separate from the PHA Plan process, and PHA Plan approval does not constitute HUD approval of any designation. (24 CFR §903.7(i)(C))

Conversion of Public Housing. Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA is required to convert or plans to voluntarily convert to tenant-based assistance; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>. (24 CFR §903.7(j))

Conversion of Public Housing. Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA plans to voluntarily convert to project-based assistance under RAD. See additional guidance on HUD's website at: [Notice PIH 2012-32](#)

Occupancy by Over-Income Families. A PHA that owns or operates fewer than two hundred fifty (250) public housing units, may lease a unit in a public housing development to an over-income family (a family whose annual income exceeds the limit for a low income family at the time of initial occupancy), if all the following conditions are satisfied: (1) There are no eligible low income families on the PHA waiting list or applying for public housing assistance when the unit is leased to an over-income family; (2) The PHA has publicized availability of the unit for rental to eligible low income families, including publishing public notice of such availability in a newspaper of general circulation in the jurisdiction at least thirty days before offering the unit to an over-income family; (3) The over-income family rents the unit on a month-to-month basis for a rent that is not less than the PHA's cost to operate the unit; (4) The lease to the over-income family provides that the family agrees to vacate the unit when needed for rental to an eligible family; and (5) The PHA gives the over-income family at least thirty days notice to vacate the unit when the unit is needed for rental to an eligible family. The PHA may incorporate information on occupancy by over-income families into its PHA Plan statement of deconcentration and other policies that govern eligibility, selection, and admissions. See additional guidance on HUD's website at: [Notice PIH 2011-7](#). (24 CFR 960.503) (24 CFR 903.7(b))

Occupancy by Police Officers. The PHA may allow police officers who would not otherwise be eligible for occupancy in public housing, to reside in a public housing dwelling unit. The PHA must include the number and location of the units to be occupied by police officers, and the terms and conditions of their tenancies; and a statement that such occupancy is needed to increase security for public housing residents. A "police officer" means a person determined by the PHA 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. An officer of an accredited police force of a housing agency may qualify. The PHA may incorporate information on occupancy by police officers into its PHA Plan statement of deconcentration and other policies that govern eligibility, selection, and admissions. See additional guidance on HUD's website at: [Notice PIH 2011-7](#). (24 CFR 960.505) (24 CFR 903.7(b))

Non-Smoking Policies. The PHA may implement non-smoking policies in its public housing program and incorporate this into its PHA Plan statement of operation and management and the rules and standards that will apply to its projects. See additional guidance on HUD’s website at: [Notice PIH 2009-21](#). (24 CFR §903.7(e))

Project-Based Vouchers. Describe any plans to use Housing Choice Vouchers (HCVs) for new project-based vouchers, which must comply with PBV goals, civil rights requirements, Housing Quality Standards (HQS) and deconcentration standards, as stated in 983.57(b)(1) and set forth in the PHA Plan statement of deconcentration and other policies that govern eligibility, selection, and admissions. If using project-based vouchers, provide the projected number of project-based units and general locations, and describe how project-basing would be consistent with the PHA Plan. (24 CFR §903.7(b))

Units with Approved Vacancies for Modernization. The PHA must include a statement related to units with approved vacancies that are undergoing modernization in accordance with [24 CFR §990.145\(a\)\(1\)](#).

Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

For all activities that the PHA plans to undertake in the current Fiscal Year, provide a description of the activity in the space provided.

B.3 Civil Rights Certification. Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulation*, must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the AFFH Certification if: it can document that it examines its programs and proposed programs to identify any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction’s initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o))

B.4 Most Recent Fiscal Year Audit. If the results of the most recent fiscal year audit for the PHA included any findings, mark “yes” and describe those findings in the space provided. (24 CFR §903.7(p))

B.5 Progress Report. For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.7(r)(1))

B.6 Resident Advisory Board (RAB) comments. If the RAB provided comments to the annual plan, mark “yes,” submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA’s decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

B.7 Certification by State of Local Officials. Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15). Note: A PHA may request to change its fiscal year to better coordinate its planning with planning done under the Consolidated Plan process by State or local officials as applicable.

B.8 Troubled PHA. If the PHA is designated troubled, and has a current MOA, improvement plan, or recovery plan in place, mark “yes,” and describe that plan. If the PHA is troubled, but does not have any of these items, mark “no.” If the PHA is not troubled, mark “N/A.” (24 CFR §903.9)

C. Statement of Capital Improvements. PHAs that receive funding from the Capital Fund Program (CFP) must complete this section. (24 CFR 903.7 (g))

C.1 Capital Improvements. In order to comply with this requirement, the PHA must reference the most recent HUD approved Capital Fund 5 Year Action Plan. PHAs can reference the form by including the following language in Section C. 8.0 of the PHA Plan Template: “See HUD Form- 50075.2 approved by HUD on XX/XX/XXXX.”

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year and Annual PHA Plan.

Public reporting burden for this information collection is estimated to average 9.2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.



DECONCENTRATION POLICY ACOP, Chapter 4, Section J

It is the intent of the PHA to promote adequate and affordable housing, economic opportunity and a suitable living environment free of discrimination. Tenant selection and assignment for federal public housing shall be made without regard to race, color, religion, ancestry/national origin, sex familial status, physical or mental disability, marital status age, or HIV infection. To improve community quality of life and economic vitality, the PHA will implement measures to provide for deconcentration of poverty and income-mixing. The PHA will bring higher income tenants into lower income developments and lower income tenants into higher income developments. Additionally, the PHA will support measures to raise the income of households that currently reside in federal public housing. All measures and incentives that are undertaken to accomplish deconcentration and income-mixing will be uniformly applied.

The PHA's admission policy is designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects.

Gross annual income is used for income limits at admission and for income-mixing purposes.

Skipping of a family on the waiting list specifically to reach another family with a lower or higher income is not to be considered an adverse action to the family. Such skipping will be uniformly applied until the target threshold is met.

The PHA will gather data and analyze, at least annually, the tenant characteristics of its public housing stock, including information regarding tenant incomes, to assist in the PHA 's deconcentration efforts.

The PHA will use the gathered tenant incomes information in its assessment of its public housing developments to determine the appropriate designation to be assigned to the project for the purpose of assisting the PHA in its deconcentration goals.

If the PHA's annual review of tenant incomes indicates that there has been a significant change in the tenant income characteristics of a particular project, the PHA will evaluate the changes to determine whether, based on the PHA methodology of choice, the project needs to be redesignated as a higher or lower income project or whether the PHA has met the deconcentration goals and the project needs no particular designation.

Deconcentration and Income-Mixing Goals

Admission policies related to the deconcentration efforts of the PHA do not impose specific quotas. Therefore, the PHA will not set specific quotas, but will strive to achieve deconcentration and income-mixing in its developments.



The PHA's income-mixing goal is a long-range goal and may not be achieved in the first year of implementation. The PHA will use its annual analysis of its public housing stock and tenant incomes to provide benchmarks for the PHA.

The PHA will add additional sites to its deconcentration goals each year until it has met its desired goal for all of its developments.

Project Designation Methodology

The PHA will determine and compare tenant incomes at the developments listed in this Chapter.

Upon analyzing its findings, the PHA will apply the policies, measures and incentives listed in this Chapter to bring higher income families into lower income developments and lower income families into higher income developments.

The PHA's goal is to have eligible families having higher incomes occupy dwelling units in projects predominantly occupied by eligible families having lower incomes, and eligible families having lower incomes occupy dwelling units in projects predominantly occupied by eligible families having higher incomes.

Families having lower incomes include very low- and extremely low-income families.

When selecting applicant families and assigning transfers for a designated project the PHA will determine whether the selection of the family will contribute to the PHA's deconcentration goals.

The PHA will not select families for a particular project if the selection will have a negative effect on the PHA's deconcentration goals. However, if there are insufficient families on the waiting list or transfer list, under no circumstances will a unit remain vacant longer than necessary.

Site -Based Waiting Lists (24 CFR §903.7(b)(2))

The PHA may adopt a Site-Based waiting list or lists, which shall be consistent with all applicable civil rights and fair housing laws and regulations. The application of site-based waiting lists will not violate any court order or settlement agreement or be inconsistent with a pending civil rights complaint. In the event a potential issue occurs, the PHA will evaluate the situation to determine whether the waiting-list system will violate or be inconsistent with any pending civil rights complaint, court order or settlement agreement.

The PHA will continue to maintain an acceptable reporting rate for the Public and Indian Housing Center (PIC) Form 50058, formerly called the Multifamily Tenant Characteristics System (MTCS).

The PHA shall maintain records of each site and provide all applicants with complete information about all sites, including their locations, number size and type of units, amenities – such as child care, security, transportation and special programs – available at or near each site, as well as the average length of wait to receive a unit offer of different sizes and types (e.g., regular or



accessible). The average wait time length may not be achieved in the first year of implementation. The PHA will use an annual analysis of its public housing move-in rate to provide an average for each site-based wait list.

The PHA shall take all reasonable measures to ensure site-based waiting lists are consistent with affirmatively furthering fair housing (AFFH), such as providing reasonable marketing activities to attract applicants least likely to apply for public housing, regardless of race or ethnicity, addressing the limited English proficiency needs of applicants and residents at each site, maintaining consistency with all federal requirements when providing access and addressing accessibility requests for persons with disabilities, and implementing other necessary policies and procedures to AFFH based upon the results of Analysis of Impediment studies.

The PHA shall regularly review the results of its site-based waiting list operation to examine any changes in the racial, ethnic or disability composition of each site based on PIC Form 50058 data that has been conformed to be complete and accurate by an independent audit or is otherwise satisfactory to HUD. The PHA shall report the results annually in the Annual Plan.

At least every three years the PHA shall use independent testers, or other means satisfactory to HUD, to ensure the waitlist is not being implemented in a discriminatory manner, and that no patterns or practices of discrimination exist. The PHA shall report the results to HUD.

The PHA shall make changes to its site-based waiting lists system, as needed, based on the data and methods above to affirmatively further fair housing.



Steps for Implementation (24 C.F.R. 903.2)

Step 1: Determine the average income of all families residing in all covered developments.

\$19,268.94

Step 2: Determine the average income of all families residing in each covered development, per unit size.

Development	Average Income
30	\$ 22,525.01
31	\$ 23,627.18
32	\$ 20,248.61
33	\$ 19,153.70
34	\$ 13,801.16
35	\$ 13,061.86
37	\$ 17,159.30
38	\$ 19,146.20
39	\$ 21,816.08
40	\$ 23,087.25
43	\$ 15,760.77
44	\$ 19,713.61
45	\$ 23,382.54
46	\$ 17,380.35
49	\$ 17,853.28
50	\$ 22,546.12



Step 3: Determine whether each covered development falls above, within or below the Established Income Range. The Established Income Range is from 85 to 115 percent (inclusive) of the average family income. The established income range is: \$13,011.72 to \$17,604.10.

Project Number	Average Gross Inc.	EIR (\$13,011.72 to \$17,604.10)
Amp 30	\$22,525.01	Above
Amp 31	\$23,627.18	Above
Amp 32	\$20,248.61	Above
Amp 33	\$19,153.70	Above
Amp 34	\$13,801.16	Within
Amp 35	\$13,061.86	Within
Amp 37	\$17,159.30	Within
Amp 38	\$19,146.20	Above
Amp 39	\$21,816.08	Above
Amp 40	\$23,087.25	Above
Amp 43	\$15,760.77	Within
Amp 44	\$19,713.61	Above
Amp 45	\$23,382.54	Above
Amp 46	\$17,380.35	Within
Amp 49	\$17,853.28	Above
Amp 50	\$22,546.12	Above



Step 4: Explain how covered developments having average incomes outside the Established Income Range may explain or justify the income profile for these developments as being consistent with and furthering two sets of goals: the goals of deconcentration of poverty and income mixing as specified by the statute (bringing higher income tenants into lower income developments and vice versa); and the local goals and strategies contained in the PHA Annual Plan.

Development 34: This development contains many elderly residents on fixed incomes which do not increase with inflation.

Development 35: This development contains many elderly residents on fixed incomes which do not increase with inflation.

Step 5: PHA Incentives for Higher Income Families

The PHA will offer certain incentives to higher income families willing to move into lower income projects. The PHA will not take any adverse action against any higher income family declining an offer by the PHA to move into a lower income project.

In addition to maintaining its public housing stock in a manner that is safe, clean, well landscaped and attractive, the PHA may offer the following incentives for higher income families moving into lower income projects:

(A) Incentives designed to encourage families with incomes below the Established Income Range to accept units in developments with incomes above the Established Income Range, or vice versa, including rent incentives, affirmative marketing plans, or added amenities;

(B)) Target investment and capital improvements toward developments with an average income below the Established Income Range to encourage applicant families whose income is above the Established Income Range to accept units in those developments;

(C) Establish a preference for admission of working families in developments below the Established Income Range;

(D) Skip a family on the waiting list to reach another family in an effort to further the goals of the PHA's deconcentration policy;

(E) Provide such other strategies as permitted by statute and determined by the PHA in consultation with the residents and the community, through the PHA Annual Plan process, to be responsive to the local context and the PHA's strategic objectives.