

HAWAII PUBLIC HOUSING AUTHORITY

Informational Briefing of
the House Committee on Housing and
the Senate Committee on Housing
June 15, 2017



Mission Statement

The Hawaii Public Housing Authority is committed to promoting adequate and affordable housing, economic opportunity and a suitable living environment, for low-income families and individuals, free from discrimination.



Who We Are

- Dedicated to providing safe, decent and sanitary housing for low-income residents of Hawaii.
- Out of 3,300 Public Housing Authoritys (PHAs) in the United States, the HPHA is:
 - One of the top 20 largest PHAs.
 - One of only three statewide PHAs.

Who We Are – Housing Programs

HPHA

Federal Funded Programs

Federal Low-Income Public Housing	\$30M
Housing Choice Voucher – Section 8 Program (VASH, NED)	\$29M
Performance Based Contract Administration	\$31M
Total	\$90M

State Funded Programs

State Low-Income Public Housing	\$6.4M
State Rent Supplement Program	\$1.1M
Total	\$7.5M

300 current positions, 0.75% is State funded)

HPHA Organizational Chart



Regulation & Oversight

Laws & Regulations

HPHA is subject to the following:

- Code of Federal Regulations (CFR) Title 24, Chapter IX, "Office of Assistant Secretary for Public and Indian Housing, HUD"
- 24 CFR Part 5, Housing Choice Voucher
- Hawaii Revised Statutes (HRS) Chapter 356D
- Hawaii Administrative Rules (HAR) Chapters 15-161 to 15-195 and 17-2000 to 17-2033
- By-Laws of the HPHA



Regulation & Oversight

HPHA

Evaluating HPHA Performance & Compliance

- HPHA Board of Directors
- HUD Performance Assessments
- Inspections
- Independent Audits
- Internal or Quality Control Reviews
- Monthly Reports
(financial, AMP, contracting/procurement, compliance)



Who We Serve

HPHA's public housing and housing voucher programs serve over 11,000 families or more than 31,000 individuals earning 30% of Average Median Income (AMI) or below, or "extremely low income".

Categories	Federal Public Housing	State Public Housing	Housing Vouchers	Totals
Children	3,887	198	3,062	7,147
Elderly	1,681	620	1,222	3,523
Veterans	2	1	478	481
Homeless	1,177	28	2,484	3,689

Demographics – Federal Public Housing

Race

American Indian/Alaska Native	72
Asian	2877
Black/African American	128
Native Hawaiian/ Other Pacific Islander	7180
White	1530



Age

Ages 0 to 17	4085
Ages 18 to 26	1679
Ages 27 to 40	1554
Ages 41 to 55	1829
Ages 56 to 71	1945
Ages ≥ than 71	1721

Duration of Residency

0 to 1 years	468
1 to 2 years	406
2 to 3 years	363
3 to 5 years	726
5 to 10 years	1101
10 to 15 years	682
15 to 20 years	443
20 to 30 years	287
30+ years	56

Demographics – State Public Housing

Race

American Indian/Alaska Native	1
Asian	793
Black/African American	12
Native Hawaiian/ Other Pacific Islander	479
White	117



Age

Ages 0 to 17	198
Ages 18 to 26	99
Ages 27 to 40	105
Ages 41 to 55	110
Ages 56 to 71	275
Ages ≥ than 71	606

Duration of Residency

0 to 1 years	121
1 to 2 years	81
2 to 3 years	84
3 to 5 years	137
5 to 10 years	245
10 to 15 years	111
15 to 20 years	112

Waitlists

HPHA

<i>Program</i> <i>(All Waitlists Closed as of August 2016)</i>	<i>Applications</i> <i>(Heads of Households)</i>
Fed Public Housing	11,415
State Public Housing	8,597
Section 8	8,677
State Rent Supplement	3,767
Total	21,344

Public Housing Inventory

6,196 units across 85 properties, including:

- 864 State units = 288 family + 576 elderly
- 5,332 Federal units


Kauai 347 (5%)


Oahu 4,876 (79%)


Maui & Molokai 228 (4%)


Hawaii 745 (12%)



Current Occupancy & Turnover – 5/2017

HPHA

Occupied: 5,562

Federal PH: 4,742

State PH: 820

Unoccupied major construction units: 246

Fed PH in construction – 142

State PH in construction – 12

Fed PH in design, in permit – 14

State PH in design, in permit – 1

Pending fund appropriations - 11



Median Income - Oahu = \$87,900.00

HPHA

Family of four

Median Income – Federal and State Public Housing	
Federal Public Housing	\$12,487.00
State Public Housing	\$10,813.00

Federal Public Housing – Eligibility

- Must be 18 years old or older, single, or a family of two or more individuals who intend to live together as a family unit and whose income and resources are available to meet their needs.
- Income is within the limits set forth by HUD (Yearly Gross Income):
 - Median Family Income: \$87,900
 - Low income (80% - Family of 4): \$80,400
 - Very Low Income (50% - Family of 4): \$50,250
- No outstanding balance due to HPHA.
- Personal conduct will not be detrimental to the project or its residents.
- Not been a former tenant evicted since March 1, 1985.
- Meet the occupancy requirements set forth by HPHA.

State Public Housing - Eligibility

- Meet specified income limits
 - Low-Income: 80% or \$80,400 (Family of 4)
 - Very Low-Income: 50% or \$50,250 (Family of 4)
 - Extremely Low-Income: 30% or \$30,150 (Family of 4)
- Qualify as a Family or Elderly/Disabled individual or family.
- Have no assets that exceed the applicable limit;
- May not own a majority interest in fee simple or leasehold lands for dwelling purposes, or a majority interest in lands under any trust agreement or other fiduciary arrangement;
- May not have a record of conduct or behavior within three years of the projected date of admission which may be detrimental to the project, its tenants, or employees;
- May not have a recent history of criminal activity involving crimes to persons or property or other criminal acts that may adversely affect the health, safety, or right to peaceful enjoyment of the premises by other residents.

Federal Public Housing – Preferences

HPHA

- Involuntarily displaced.
- Victims of domestic violence who are participating in a program with case management through a domestic violence shelter, program, or clearinghouse.
- Homeless persons who are participating in a federally or state funded homeless transitional shelter or program, and who are in compliance with a social service plan.
- A single applicant who is elderly, disabled or displaced shall be given preference over all other single applicants, regardless of the other single applicant's local preference.

State Public Housing – Preferences

HPHA

1. Disabled veterans with service connected disabilities.
2. Widow or widower of deceased veterans whose death was determined to be service connected.
3. The elderly.
4. The displaced.
5. Other veterans.
6. Families residing in a transitional shelter for the homeless and who have successfully completed a social service plan.
7. Other families determined by the staff.

Public Housing – Residency Requirements

HPHA

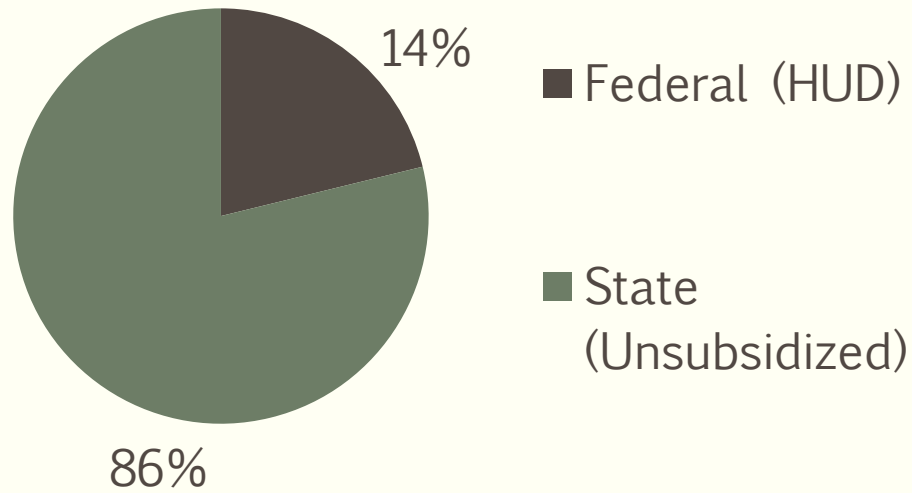
- A. Fed PH: U.S. Citizenship or eligible immigrant status under 24 CFR §5.508

- B. State PH: Hawaii Residency

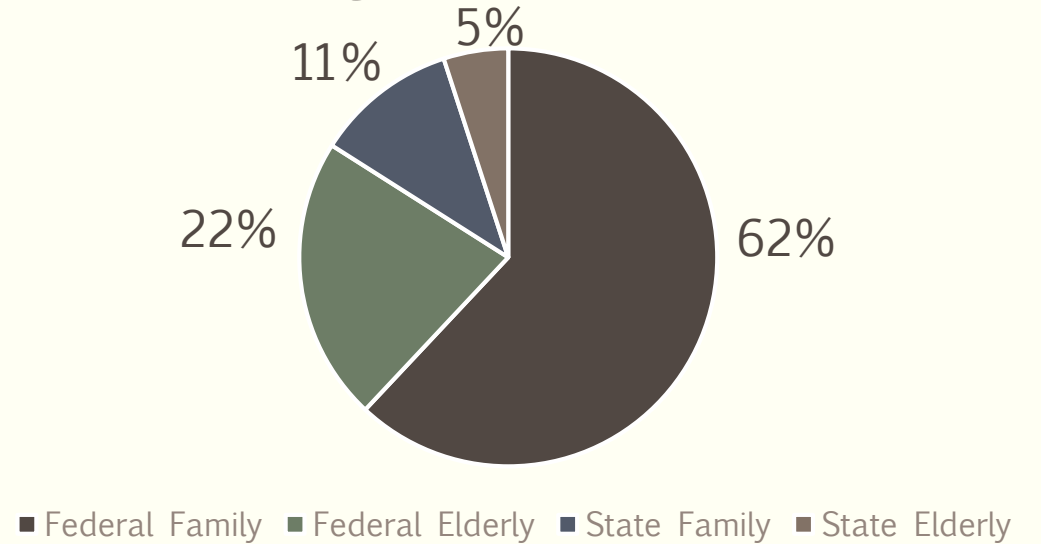


Public Housing – Overview

Portfolio by Means of Funding

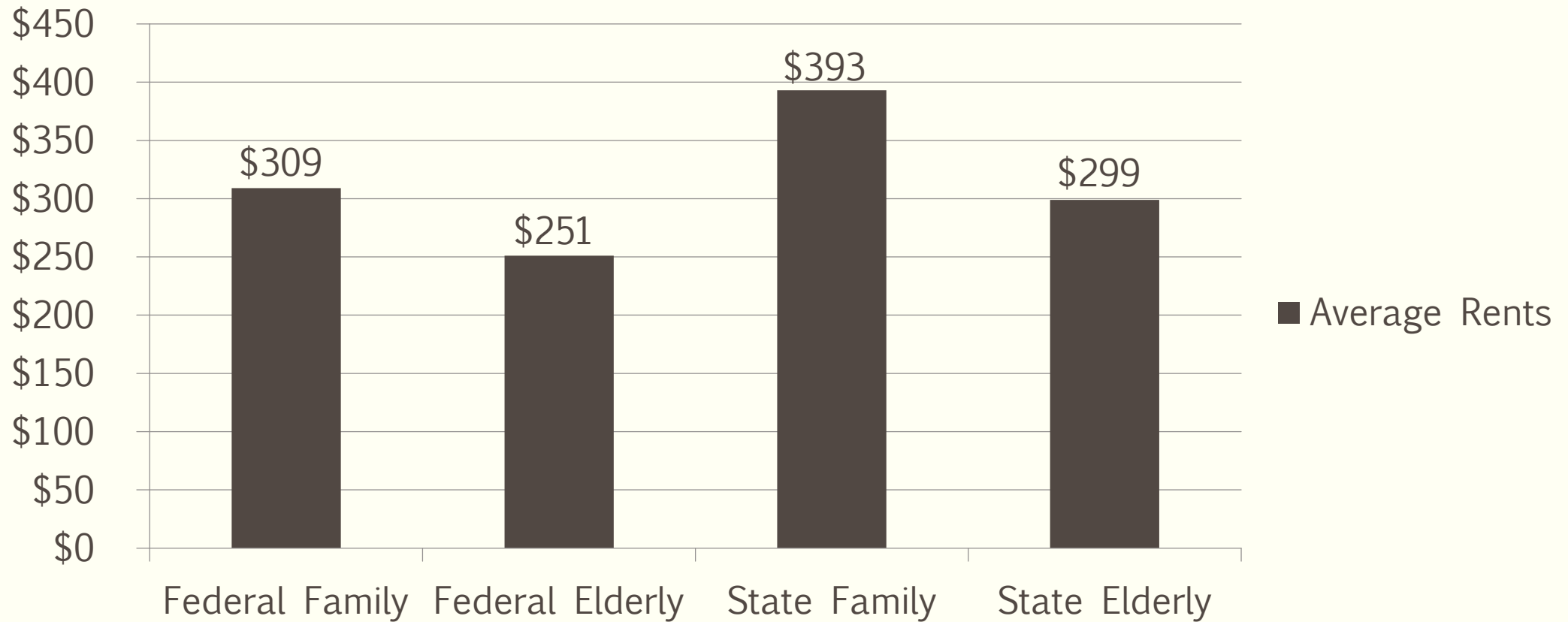


Program Residents

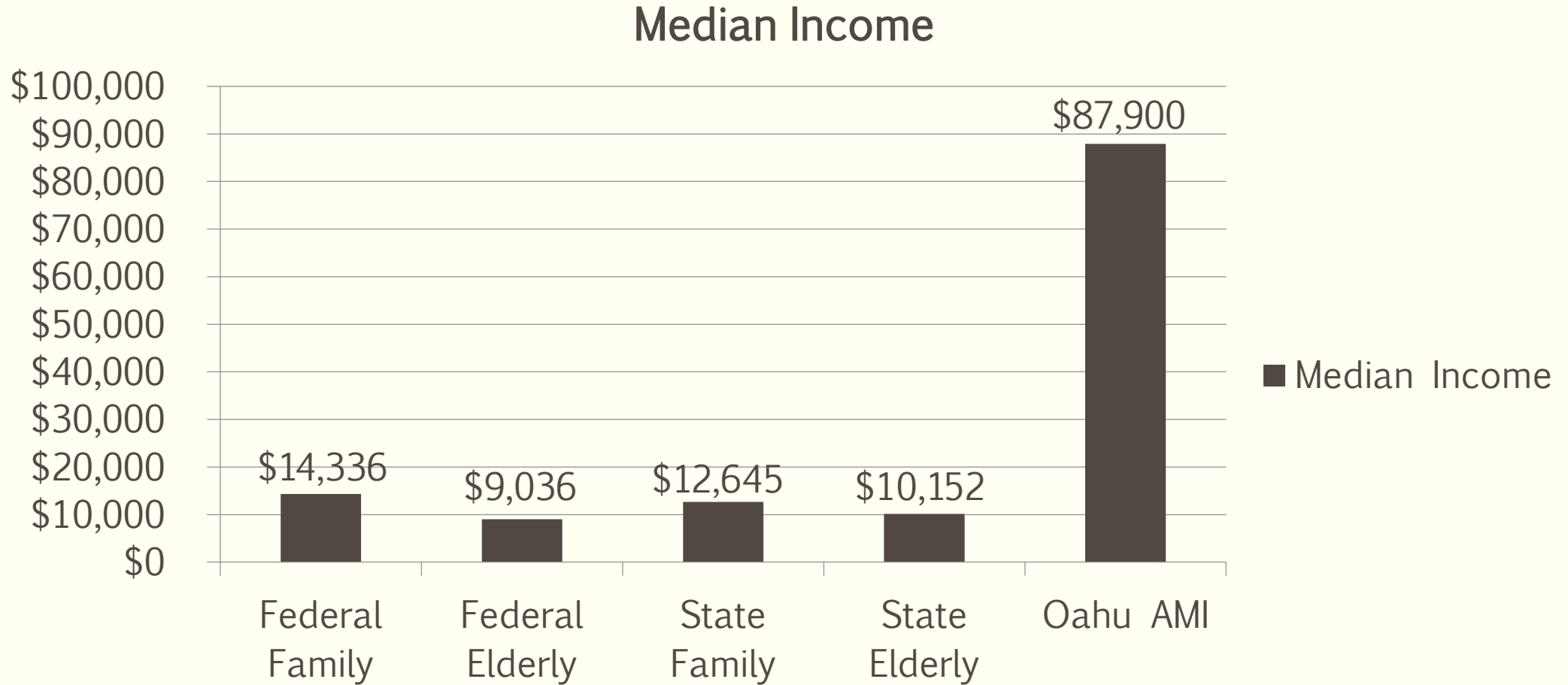


Public Housing – Overview

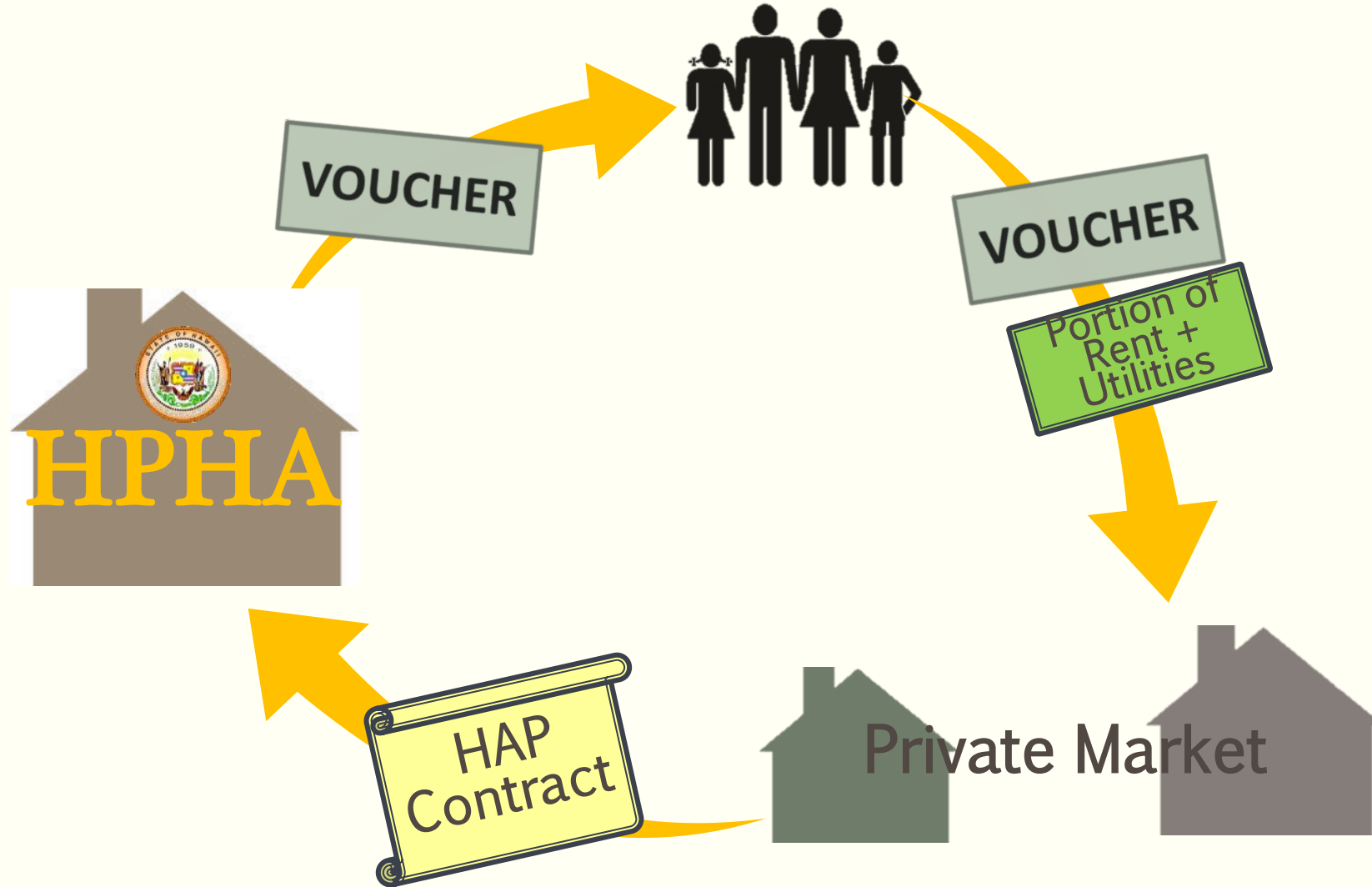
Average Rents



Public Housing – Median Income



Federal and State Rental Subsidies



Median Income - Oahu = \$87,900.00

HPHA

Family of four

Median Income – Federal and State Rental Subsidy	
Federal Section 8	\$17,592.00
Federal Non-Elderly Disabled Vouchers (NED)	\$10,016.50
Federal Veterans Affairs Supportive Housing (VASH)	\$12,864.00
State Rent Supplement Program	\$14,064.00

Preferences

Federal Section 8

1. (a) Involuntarily displaced; (b) Victims of domestic violence; (c) Homeless;
2. (a) Living in substandard housing; (b) Paying more than 50% of income for rent; or
3. (a) Working families and those unable to work because of age or disability; (b) Veterans and veterans' surviving spouse; (c) Residents who live or work in the jurisdiction; or (d) Victims of reprisals or hate crimes.

State Rent Supplement Program

1. Families displaced by a government action and not due to tenant's actions.

Federal and State Rental Subsidies

HPHA

- 1,370 Tenant-Based Section 8 (Housing Choice Voucher)
- 331 Project-Based Section 8
- 2,996 Performance Based Contract Administration (PBCA)
- 409 HUD Veterans Affairs Supportive Housing (VASH)
- 162 Non-elderly Disabled (NED)
- 367 State Rent Supplement Program
(Max payment of \$500 per household)

(Hundreds seeking housing assistance)



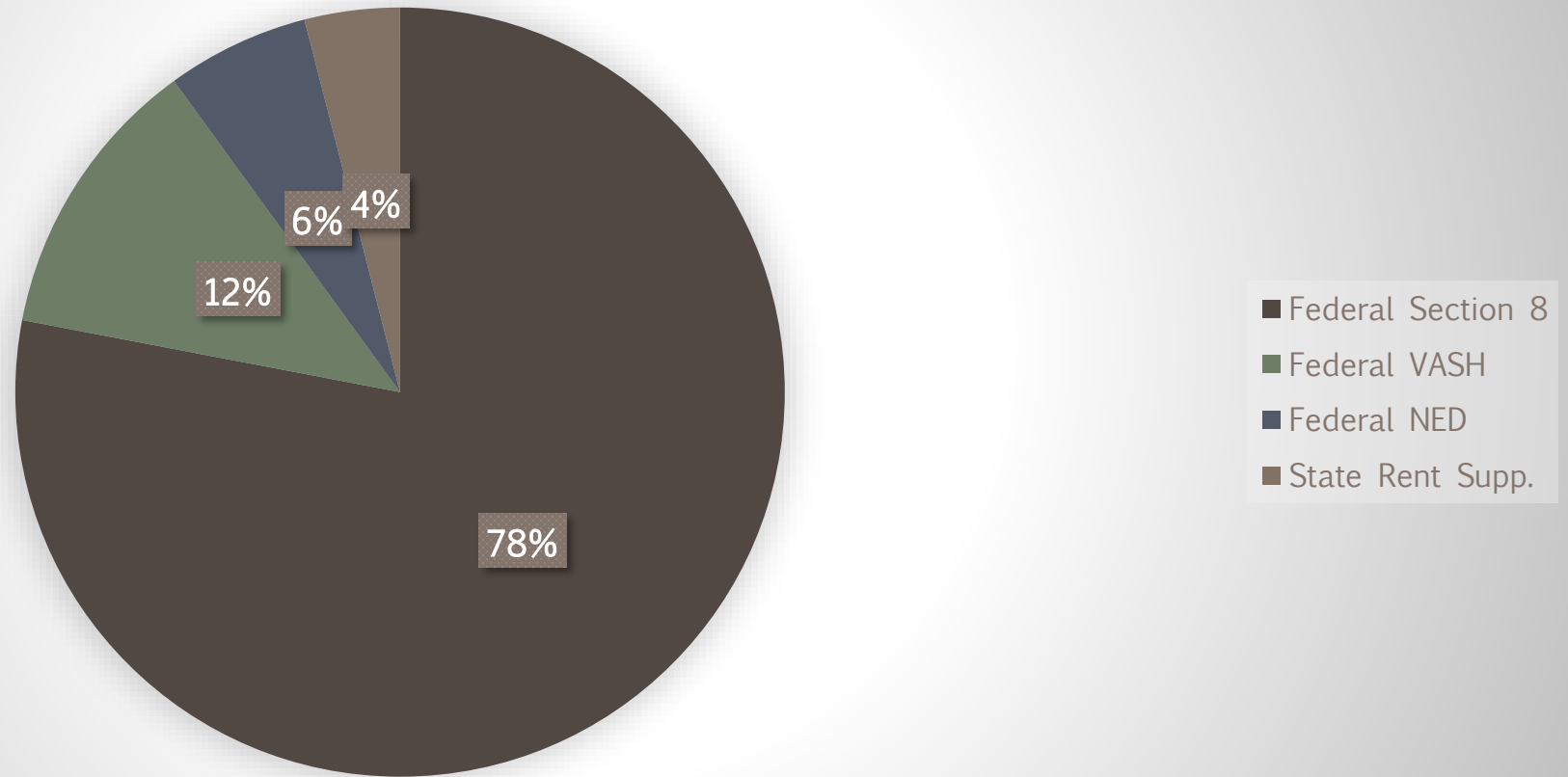
HPHA has budget authority for 3,708 vouchers, administers 2,272 vouchers on the island of Oahu; and 5,635 housing units receiving rental assistance

Section 8 – Family Self Sufficiency

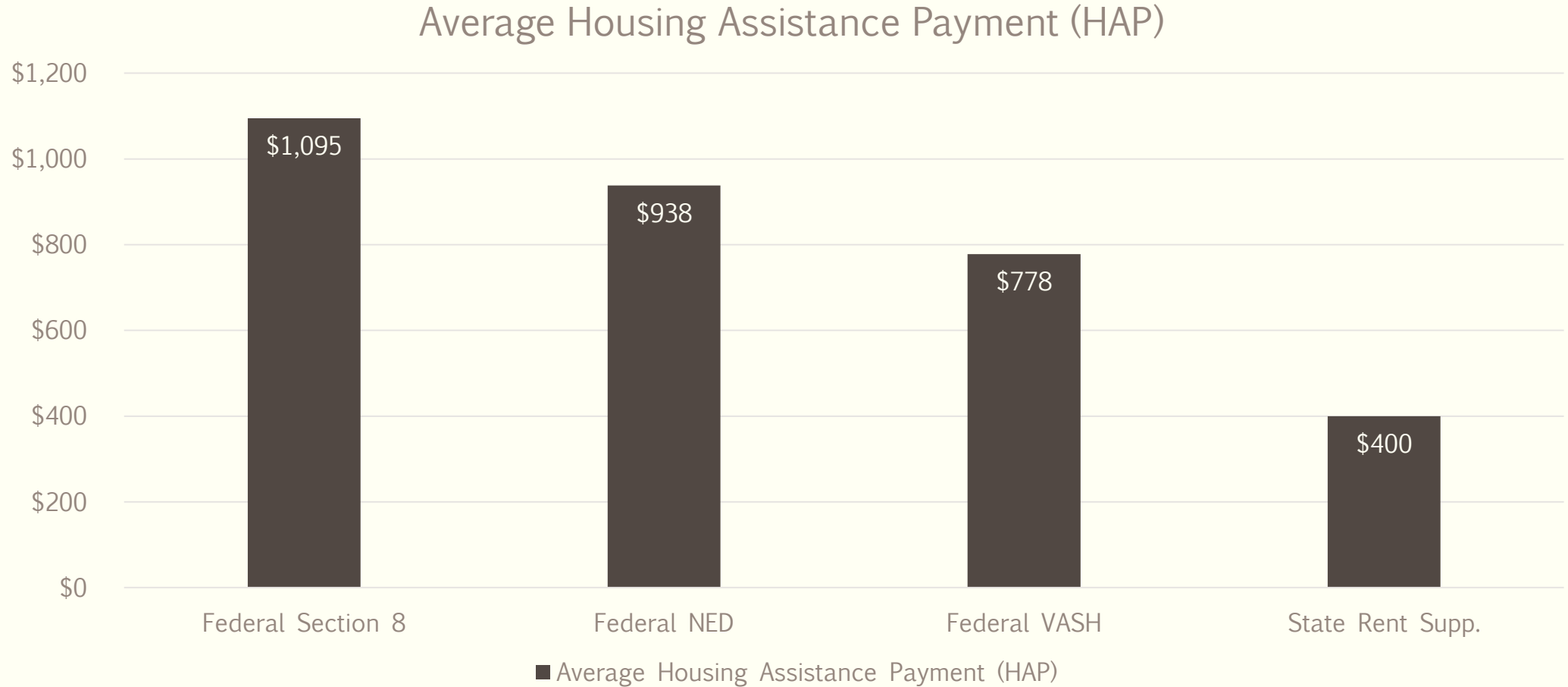
- Section 8 participants are linked to social services to help them gain economic independence from government assistance.
- An interest-bearing FSS escrow account is established by the HPHA for each participating family. As their income grows, the funds are deposited into the escrow account for the family who is eligible to receive the funds at the completion of their contract.

Programs by Means of Funding

Programs by Means of Funding

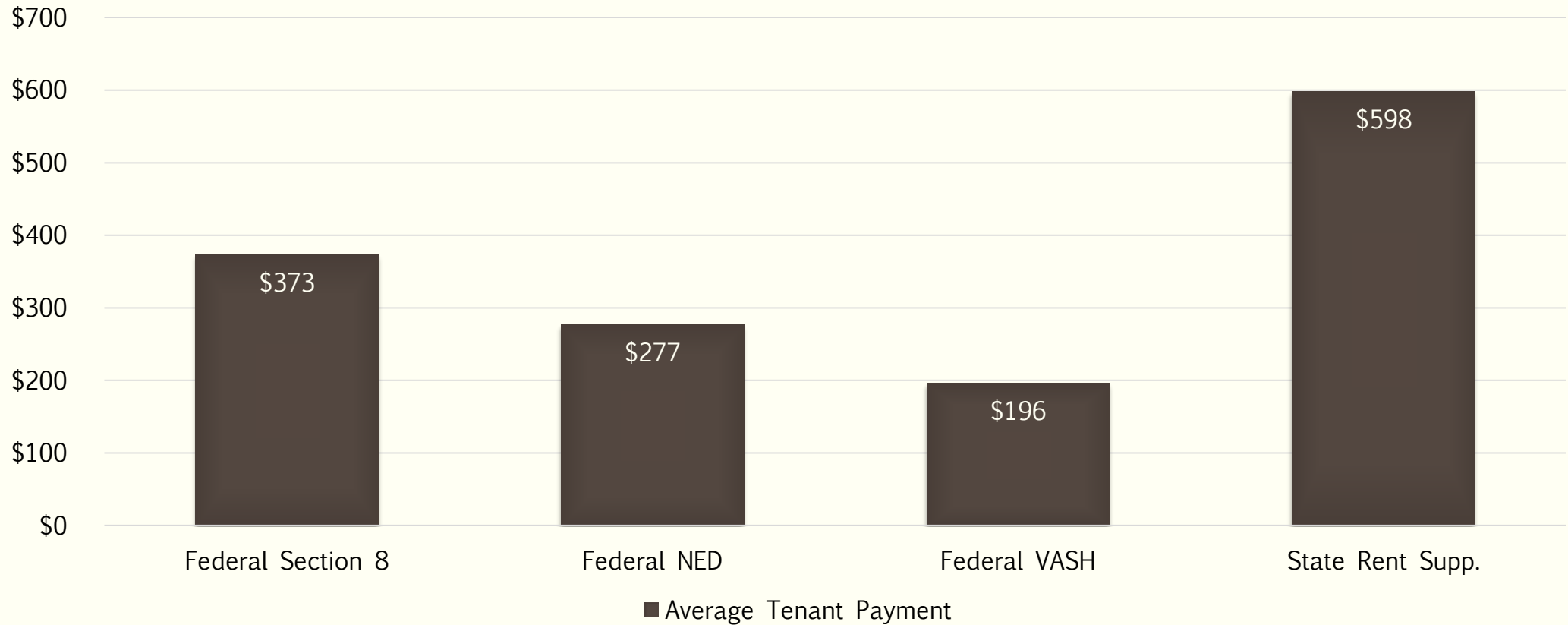


Average Housing Assistance Payment



Average Tenant Payment

Average Tenant Payment



Addressing Homelessness

- In 2010, the Homeless Programs Section was removed from HPHA to the Benefit Employment and Support Services Division of the Department of Human Services.
- Although not a homeless agency, HPHA permanently housed over 5,000 adults and children that were homeless, veterans, involuntarily displaced, and victims of domestic violence since 2010, which is more than any other government agency in Hawaii.

Addressing Homelessness

- In response to Governor David Y. Ige's Emergency Proclamation to provide emergency relief to address the homeless situation, the HPHA took swift action by requesting the HPHA Board of Directors to adopt "Special Rent Supplement Program Emergency Rules" on June 16, 2016.
- This allowed the HPHA to contract with Catholic Charities of Hawaii with the purpose of quickly screening homeless families in need of assistance to the HPHA, and to allow a maximum payment of \$1000 per household.
- During this emergency period, the HPHA was able to assist 87 families in attaining housing.



Addressing Homelessness – Potential Solutions

- Revise preferences for State public housing which could have an impact on the homeless.
- Increase lease up of Section 8 Housing Choice Vouchers by creating landlord incentives (e.g., guarantee payments on 1st of the month; 3-6 months advance rent; repair for tenant caused damages).

New Contracts

- New Contracts in FY 2016-2017:
 - 9 New Consultant Contracts
 - 10 New Construction Contracts
 - 1 New Service Contracts
 - 2 In-House Designs
- 20 Total New Contracts (plus 2 In-House Designs)
- \$ 5,178,372 in new Consultant Contracts were awarded
- \$32,050,200 in new Construction Contracts were awarded
- \$37,228,572 Total New Contracts



Design and Construction Projects

- Summary of Completed Design/Construction Projects in FY 2016-2017:
 - \$ 3,175,717 in CIP for Design
 - \$ 236,717 in CFP for Design
 - \$ 3,412,434 Total Design for Completed Construction Projects

- \$ 24,908,881 in CIP for Construction
- \$ 873,826 in CFP for Construction
- \$25,782,707 Total Completed Construction Projects

- \$29,195,141 Total Completed Design/Construction Projects in FY 2016-2017

Completed Construction Projects

HPHA

- 7/1/16 – Kauhale Ohana – Site & Dwelling Improvements and ADA; Des: \$470,543 (\$32,130 CFP, \$438,413 CIP); Const: \$2,637,430 (\$254,130 CFP, \$2,383,300 CIP)
- 7/15/16 – Mayor Wright Homes – Bldg and Site Improvements, hot water, bathroom repairs; Des: \$427,728 CIP, Const: \$4,314,722 CIP
- 8/17/16 – Hale Hauoli (Elderly) – Accessible Ramp to Community Center; Des: *In-House*; Const: \$7,652 CIP
- 8/17/16 – Koʻolau Village – Site & Bldg. Improvements, interior & exterior modernization, incl. ADA units and Community Center; Des: \$668,527 (\$82,253 CFP, \$586,274 CIP), Const: \$5,396,961 (\$105,233 CFP, \$5,291,728 CIP)
- 9/16/16 – Pomaikaʻi (Elderly) – Total Mod., Site & Bldg Improvements, ADA; Des: \$378,155 CIP, Const: \$3,826,320 CIP
- 9/30/16 – Hale Poʻai (Elderly)– Building Improvements; Des: \$578,997 CIP, Const: \$1,903,229 CIP

Completed Construction Projects

- 10/7/16 – Hale Po‘ai (Elderly) – Fire Prevention System Improvements; Des: \$9,000 CIP, Const: \$31,099 CIP
- 10/7/16 – Ho‘olulu (Elderly) – Fire Prevention System Improvements; Des: \$12,000 CIP, Const: \$62,962 CIP
- 10/7/16 – Kamalu (Elderly) – Fire Prevention System Improvements; Des: \$12,000 CIP, Const: \$62,962 CIP
- 10/10/16 – Paoakalani (Elderly) – Installation of new Backflow Preventers; Des: \$12,000 CIP; Const: \$42,000 CIP
- 10/10/16 – Kalakaua (Elderly) – Installation of new Backflow Preventers; Des: \$23,000 CIP; Const: \$117,000 CIP
- 11/7/16 – Makua Alī (Elderly) – Upgrade to Gas Water Heaters; Des: \$5,122 CIP, Const: \$138,700 CIP

Completed Construction Projects

- 11/7/16 – Paoakalani (Elderly) – Upgrade to Water Heaters, Heat Pump and Booster Pumps; Des: \$13,973 CIP, Const: \$303,672 CIP
- 11/7/16 – Kalakaua – Upgrade to Heat Pumps and Booster Pumps; Des: \$13,819 CIP, Const: \$374,224 CIP
- 11/30/16 – Makua Alii (Elderly) – Replacement of Trash Chute, ADA access; Des: \$66,395 CFP, Const: \$850,903 (\$514,463 CFP, \$336,440 CIP)
- 12/22/16 – Hoòkipa Kahaluù – Accessibility and Site Improvements; Des: \$682,789 (\$626,850 CIP, \$55,939 CFP), Const: \$4,554,043 CIP
- 4/5/17 – Ke Kumu Elua – Interior RAR Accessibility Improvements; Des: *In-House*;
Const: \$119,279 CIP
- 4/5/17 – Kalanihuia (Elderly) – Upgrade to Gas Water Heaters & Booster Pumps; Des: \$7,378 CIP, Const: \$199,814 CIP

Completed Construction Projects

- 4/5/17 – Pumehana – Upgrade to Water Heaters; Des: \$19,103 CIP, Const: \$517,335 CIP
- 4/5/17 – Spencer House – Upgrade to Gas Water Heater; Des: \$2,178 CIP, Const: \$59,000 CIP
- 4/5/17 – Punchbowl Homes (Elderly) – Upgrade to Gas Water Heater; Des: \$5,410 CIP, Const: \$146,500 CIP
- 4/5/17 – Makamae – Upgrade to Gas Water Heater; Des: \$4,317 CIP, Const: \$116,900 CIP

Challenges – Federal Funding

- HPHA receives ongoing funding from the federal government to support public housing.
- There are two major forms of subsidy: the operating fund and the capital fund.
- In recent years, Congress has not provided sufficient funding for the operating fund. Underfunding of the operating fund has resulted in PHAs receiving operating subsidies prorated to 85% or less of the formula needed.

Challenges – State Funding

- HPHA works with the Governor and Legislature each year to secure funding for capital repairs, construction and positions.
- HPHA hopes to receive State funding in the upcoming session to help address many of its needs.



Challenges – Backlog of Repairs

- HPHA faces a 10-year, \$815 million repair and maintenance backlog.
- HPHA's ability to make the units available relies largely on funding and manpower.
- In the last legislative session, lawmakers provided \$20.175 million to address the backlog and safety improvements.



Improving Occupancy Rates & Vacant Unit Turnaround

Expiration of Act 159 “Special Teams”

- Act 159 (2012) allowed HPHA to swiftly hire civil service exempt skilled workers for repair/renovation work of vacant units.
- “Special Teams” boosted occupancy rate to 98% and decreased vacant unit turnaround time to 7 days.
- In 2015, an MOU between HPHA and UPW hopes to match the success and strides of the “Special Teams”.

Overcoming Challenges – Vacant Units

MSW Statistics October 1, 2015 - May 31, 2017

Total housing units renovated	216
Total number of additional repairs	195
Total number of hours worked	102,496.67
Total funding expended	\$5,160,274.40
Average days to turn over unit	7



Above: DHS Employee of the Year – Mr. Andrew “Keoki” Medeiros.

Left DHS Team of the Year.

Strides to Overcome Challenges

Language Access & Reasonable Accommodations

- Language barriers or physical or mental disabilities may preclude some tenants' access to important housing information or impair their physical use of their unit or property.
- HPHA provides language access services free of charge; a language access policy; and mandatory training for staff.
- Over the past year, HPHA has spent approximately \$133,000 for Limited English Proficiency (LEP) encounters, and reviewed hundreds of reasonable accommodation requests, such as ADA accessibility and language access services in 22 different languages.



Strides to Overcome Challenges

Leasing Up Housing Choice Vouchers

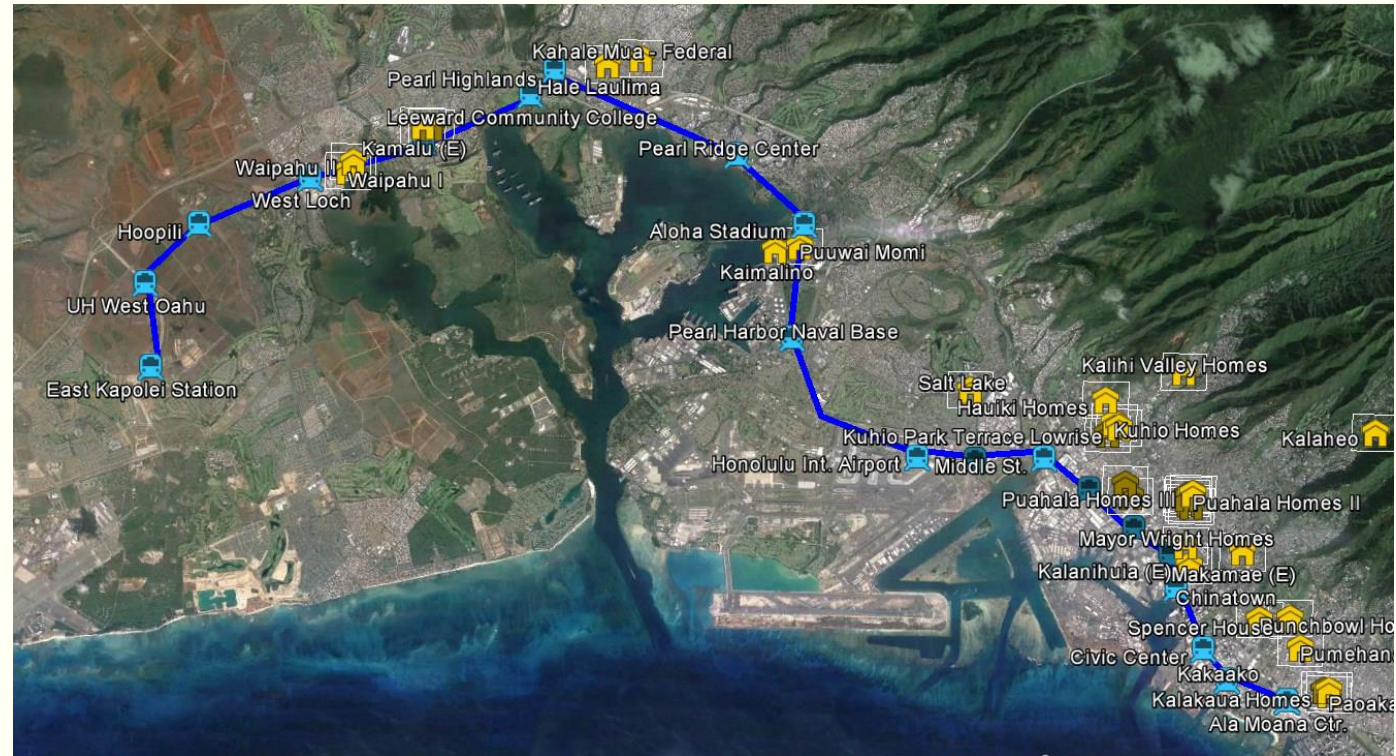
- There are barriers of stigma to the lease up of housing choice vouchers. Some landlords perceive Section 8 as cumbersome or bringing bad “elements” or tenants to their properties.
- It is important that this inaccurate perception be changed.
- HPHA hopes to create landlord incentives (e.g., guarantee payments on 1st of the month; 3-6 months advance rent; repair for tenant caused damages), and educate landlords and the public about the housing choice voucher program.



Redevelopment Efforts

- The vast majority of the HPHA's property inventory is at or near its useful life and requires complete overhaul and redevelopment. The HPHA views this as an opportunity to expand the number of affordable units for the State, to leverage financing through public/private partnerships, take advantage of City and County of Honolulu Transit Oriented Development (TOD) incentives and benefits, and to create more livable, vibrant and integrated communities.

Right: Proposed Honolulu Rail route and stations (blue), and HPHA properties (yellow).



Redevelopment Efforts

HPHA

Project	Current Units	Proposed	Net Gain	Estimated Start Date	Estimated First Stage Completion Date
Makua Ali'i & Paoakalani	362	1,000	340 to 640	2019	End of 2022
Mayor Wright Homes	364	2,500	2,140	2018	2022
Kalanihua	151	500	350	2019	2022
School Street Project	0	300 to 800	300 to 800	2017	2020
KPT Phase 2	176	425	250	2018	2020
Kamehameha & Kaahumanu	373	2,500	2,127	2020	End of 2023
Puuwai Momi	260	1,500	1,240	2020	2023
Hale Laulima	36	1,000	960	2021	2024
Waipahu I & II,	260	1,000	740	2020	2023
UH West Oahu		2,000	2,000	Pending 2022	Pending 2025
	1,976	Up to 13,200	Up to 10,600		

Increasing Inventory

Redevelopment Through Public/Private Partnerships

- Mayor Wright Homes – Hunt Development Group
- Kuhio Park Terrace – Michaels Development Group
- North School Street – Retirement Housing Foundation

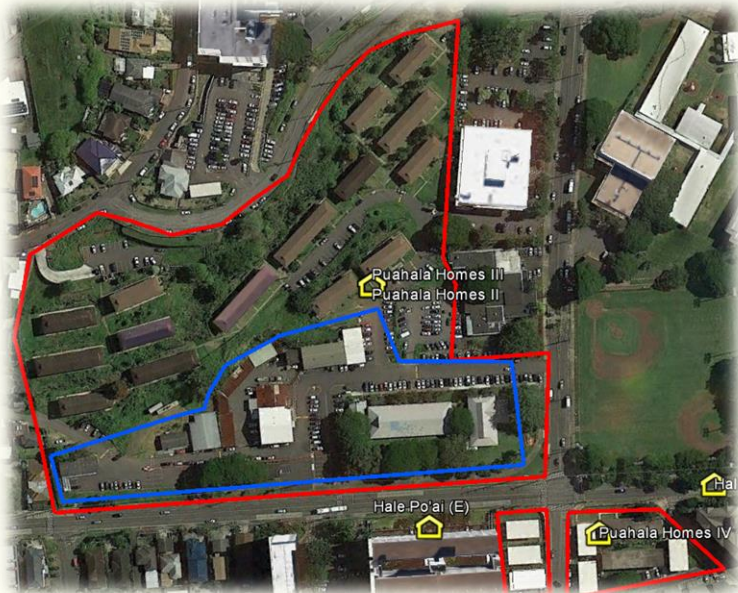


North School Street HPHA

- The HPHA partnered with the Retirement Housing Foundation non-profit organization to redevelop the HPHA administrative offices located at 1002 North School Street. The project will include HPHA offices, affordable housing units and commercial uses that best serve the surrounding community.



Above – Community Engagement Meeting



- ❖ Portion of 12.48 acres (outlined in blue)
- ❖ 13 administrative buildings
- ❖ 200 employees

Kuhio Park Terrace

HPHA

- The HPHA is negotiating Phase II – the redevelopment of the KPT low-rises. The project could potentially increase the number of affordable housing units by over 200, include mixed-incomes and mixed uses and maximize the greatest use of the parcel.



- ❖ Built in 1965
- ❖ 11.62 Acres
- ❖ 174 Federal PH Units
- ❖ Serving Low-Income Families



Hawaii Public Housing Authority

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Mayor Wright Homes

- Presentation
 - by
- Hunt Development Group