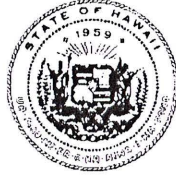


JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



**DEPT. COMM. NO. 302**

HAKIM OUANSAFI  
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO  
EXECUTIVE ASSISTANT

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAI'I  
**HAWAII PUBLIC HOUSING AUTHORITY**

1002 NORTH SCHOOL STREET  
POST OFFICE BOX 17907  
HONOLULU, HAWAII 96817

IN REPLY PLEASE REFER TO:

22:OED/

December 29, 2022

The Honorable Ronald D. Kouchi,  
President and Members  
of the Senate  
Thirtieth State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki,  
Speaker and Members  
of the House of Representatives  
Thirtieth State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Hawaii Public Housing Authority Annual Report (2022), as required by Section 356D-20, Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at:  
<http://www.hpha.hawaii.gov/reportsstudies/index.htm>.

Sincerely,

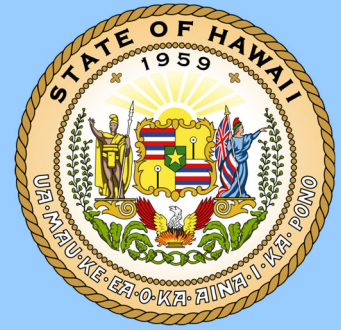
A handwritten signature in blue ink, appearing to read "Hakim Ouansafi", with a long horizontal line extending to the right.

Hakim Ouansafi  
Executive Director

Enclosures

# HAWAII PUBLIC HOUSING AUTHORITY

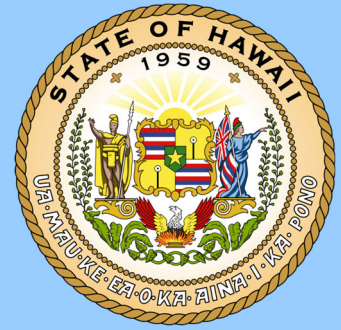
Annual Report  
Fiscal Year 2022-2023



Department of Human Services  
Hawaii Public Housing Authority  
1002 North School Street  
Honolulu, Hawaii 96817

# HAWAII PUBLIC HOUSING AUTHORITY

Annual Report  
Fiscal Year 2022-2023



Department of Human Services  
Hawaii Public Housing Authority  
1002 North School Street  
Honolulu, Hawaii 96817

# Purpose & Introduction

This report is being submitted in accordance with section 93-16, Hawaii Revised Statutes. This report fulfills the reporting requirements and duties assigned to the Hawaii Public Housing Authority (HPHA) under Hawaii Revised Statutes (HRS) Section 356D-20(3), which states:

*The authority shall submit an annual report to the Legislature on all program areas no later than twenty days prior to the convening of each regular session, that shall provide the following information on the status of its programs and finances:*

- (A) A financial audit and report conducted on an annual basis by a certified public accounting firm; and*
- (B) Recommendations with reference to any additional legislation or other action that may be necessary to carry out the purposes of this Chapter.*

In compliance with HRS Section 356D-20(3), this Report provides the status of its major programs: Federal and State Low Income Public Housing, Section 8 Subsidy Programs, and Construction Management. Additionally, this Report includes the activities and accomplishments of the administrative offices—Property Management and Maintenance Services, Section 8 Subsidy Programs, Contract & Procurement, Planning & Evaluation, Compliance, Hearings, Information Technology, and Human Resources—that work to support the HPHA’s three major programs.

This Report includes financial data on the HPHA’s funds, including non-general funds required under section 37-52.5, Hawaii Revised Statutes, and an auditor’s report, and summarizes legislation proposed by the HPHA for the 2023 Legislative Session that will allow the HPHA to better serve its tenants, voucher holders, the communities they live in, and the State’s very low-income populations.

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# Message from the Chair

Aloha Mai Kākou,

On behalf of the Hawaii Public Housing Authority's (HPHA) Board of Directors (Board), I am pleased to join Executive Director Hakim Ouansafi in presenting the HPHA's Fiscal Year 2022 Annual Report. We are most grateful for the support the Legislature, both in terms of funding and efforts to empower the agency in accomplishing its mission.



During the past fiscal year, the Board continued to provide policy guidance to the HPHA with a focus on improving the living conditions of the families and communities we serve.

As our State continues to emerge from the darkest days of the COVID-19 pandemic, the agency's resolve in fulfilling the mandates of its mission has never been stronger. People of any and all backgrounds and circumstances living in HPHA-supported housing deserve the opportunity to gain greater economic security as well as achieve better physical and mental health. The Board has and will continue to provide recommendations and direction with these goals in mind.

We look forward to building on our existing partnerships and continuing our important work to assist our current program participants and future generations to come.

Respectfully,

Robert Hall  
Chair of the Board

# Message from the Executive Director

Aloha Friends and Colleagues,

I am proud to present to you the Hawaii Public Housing Authority's (HPHA) Fiscal Year 2022 Annual Report on behalf of our many dedicated public servants statewide. Through the worst of the COVID-19 pandemic, the HPHA has remained steadfast in its commitment to providing safe, sanitary, and decent housing to our community's most disadvantaged. And as extraordinary as the challenges were, our Agency has made meaningful progress towards increasing and preserving affordable housing in Hawaii.

The opening of the "Kamaoku Village" in late 2021 marked an important expansion of our agency's role as an affordable housing provider. Kamaoku is a "Kauhale" housing project which leveraged funding from the Ohana Zones Program, the HPHA, and the Department of Human Services. Located in Kalaeloa on land leased by the Authority, Kamaoku is comprised of 37 tiny home structures meant to help transition formerly unsheltered persons into permanent housing. The HPHA's purview was further broadened with the passage and enactment of SB2251. This empowers our agency by allowing us to develop mixed-income and mixed-financed housing projects that are more financially viable and socially stable than the public housing model of the past. This change will also benefit our redevelopment efforts at aging housing projects like Mayor Wright Homes, Kuhio Homes & Lowrise, and our School Street Campus. We believe greater optionality and the availability of a broader toolkit will be pivotal in our efforts to solve Hawaii's massive shortage of affordable housing. The HPHA will assist, in any way that it can, to ensure that those in our community of lesser means have equal access to decent and affordable places to live.



Another significant milestone of the past fiscal year was our agency's entry into the U.S. Department of Housing and Urban Development's (HUD) Moving to Work Demonstration Program (MTW). It is no exaggeration to call this a game-changer. As a newly designated MTW agency, the HPHA has the opportunity to move away from a one-size-fits-all approach to affordable housing and towards one that effectively addresses the distinct issues our community faces. In addition to greater federal funding flexibilities, the HPHA can now create locally-tailored policies that would otherwise be disallowed under certain HUD regulations to accomplish the three statutory goals of the MTW program: (1) to develop/preserve greater affordable housing options, (2) to increase employment opportunities for public housing residents, and (3) to promote self-sufficiency for low-income families. The first phase of our MTW designation will focus on the development of new landlord incentives meant to increase housing options for families in the Housing Choice Voucher Program and be initially funded through HB1752, Act 287, Session Laws of Hawaii.

My deepest thanks to all who continue to support the HPHA in its efforts to provide affordable housing and housing services, without discrimination. With economic conditions growing ever more uncertain and the cost of living continuing to rise, we have sharpened our resolve to tackle these issues head on. Our work has never been more important to ensuring local families have the chance to work, live, and thrive here in Hawaii. We look forward to collaborating with each of our many partners and stakeholders on accomplishing this most critical mission.

Sincerely yours,

Hakim Ouansafi  
Executive Director

# Historical Overview: 87 Years of Service to the People

**1935** The Hawaii Housing Authority was created by the Territorial Legislature to provide safe and sanitary housing for low-income residents of Hawaii. Two years later, the U.S. Housing Act of 1937 made federal construction funds for public housing available.

**1941** The start of World War II led to an unprecedented defense building program and population growth in Hawaii. After the war, residents were faced with a severe housing shortage, with affordable housing options even harder to come by. In 1945, the average monthly rent of an HHA unit was \$14.03.

**1951** The HHA became Hawaii's largest rental agency. Throughout the 1950's, Oahu experienced huge economic growth and the increased urban development of many Windward and Leeward neighborhoods. By the end of the decade, HHA completed eight new developments which provided 1,752 new units for Hawaii's families.



*Aerial photo of Mayor Wright Homes shortly after construction was completed in 1952.*

**1960** Governor William Quinn issued an executive order implementing the Government Reorganization Act of 1959. This created the Department of Social Services under which the HHA was placed for administrative purposes. By the mid-60's, the HHA was responding to the changes in demand in the local housing market. The HHA began opening housing projects designed specifically for the special economic, social and physical needs of Hawaii's senior and disabled citizens.

**1970** By 1970, the Legislature broadened the HHA's duties through the passage of Act 105 which permitted the State to raise \$100 million to develop fee simple and leasehold properties for low- and moderate-income households.

**1988** By 1988, the HHA had developed 10,132 dwelling units through Act 105, Session Laws of Hawaii 1970. Newly constructed dwelling units included single family homes, townhomes, duplexes, and apartments. Governor John Waihe'e signed into law Act 337, creating the Housing Finance and Development Corporation (HFDC). This new agency was part of a larger initiative to streamline the State's affordable housing development programs. This change allowed the HHA to refocus on the management of its Section 8 and Public Housing programs.



*The site of the former Territorial Normal School and Stevenson Intermediate was redeveloped in 1959 as Punchbowl Homes.*





# Historical Overview: 85 Years of Service to the People

**1990's** In the 1990s, the HHA once again broadened its responsibilities by adding the State's Homeless Programs.

The HHA also incorporated a more comprehensive approach to improving resident self-sufficiency by growing its programs on drugs and crime prevention, education, and job readiness. The HHA later opened the Family Investment Center as part of this initiative. Equipped with a computer lab and classrooms, the Center enabled residents to complete GED classes and employment training.

**1998** The HHA once again rode the waves of change when Act 350, signed into law by Governor Ben Cayetano, consolidated the HHA and HFDC into a single housing agency known as the Housing and Community Development Corporation of Hawaii (HCDCH).

**2005** On July 5, 2005, Governor Linda Lingle signed Act 196, which separated the HCDCH again into two agencies, the Hawaii Public Housing Authority (HPHA) and the Hawaii Housing Finance and Development Corporation (HHFDC). The HPHA's core function was to manage the federal and state public housing, Section 8, and senior housing programs.

**2010** Pursuant to Act 89, the Homeless Programs Section was transferred from HPHA to the Benefit, Employment, and Support Services Division (BESSD) of the Department of Human Services (DHS).

**2014** The HPHA achieved a record high occupancy rate of 98% in its public housing programs. The Section 8 Program also received its first "High Performer" rating under the Federal Assessment System. By 2014, the HPHA was managing approximately \$150M in federal and state funds for the redevelopment of its aging housing inventory.

**2015** The HPHA embarked on an expansion and redevelopment of its property inventory by establishing public-private partnerships for the redevelopment of Mayor Wright Homes, HPHA's School Street Administrative Offices, and Kuhio Park Terrace.



*Built in 1958, the Ka'ahumanu Homes were designed to provide families ample space for outdoor living.*

**2016** The HPHA successfully exhausted the Section 8 Housing Choice Voucher waitlist which was closed for ten years due to the overwhelming number of applicants. The HPHA began working toward assisting new residents suffering hardship with their housing needs.

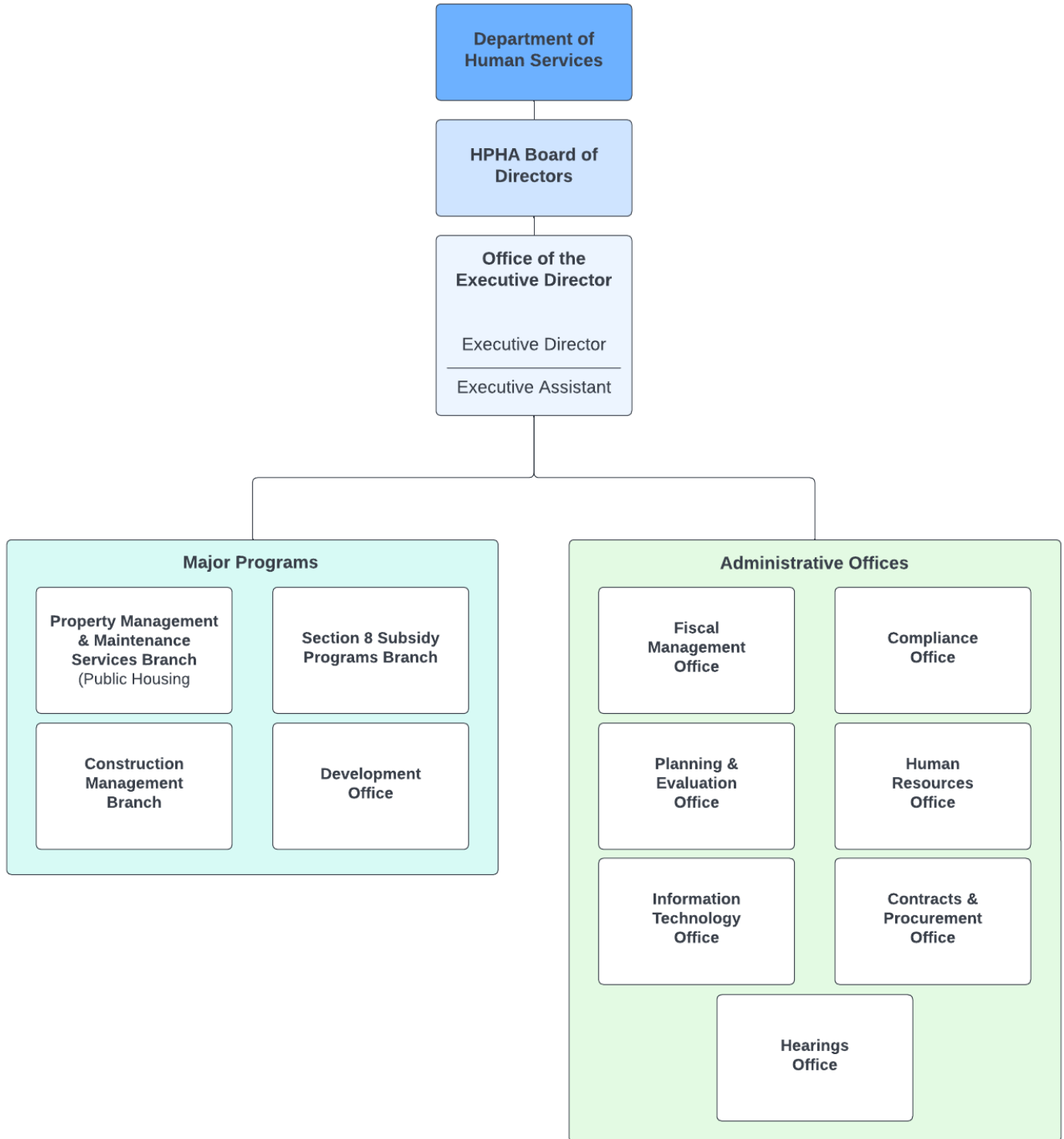
**2017** For the first time since 2005, the HPHA's independent auditors report found no financial or compliance issues related to internal controls over the HPHA's major programs. This was a major accomplishment for the HPHA. Starting in 2012, the HPHA had made continued progress towards reducing and removing all audit findings of errors, noncompliance, and programmatic deficiencies.

**2019** The HPHA entered into a Memorandum of Agreement with the University of Hawaii System to allow the multi-disciplinary research of its public housing programs. To date, the HPHA has partnered with the Community Design Center, School of Architecture, Department of Urban and Regional Planning, Center on the Family, and School of Sociology.

## *HPHA's 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.*

# Organizational Chart



# HPHA Board of Directors

The Hawaii Public Housing Authority is governed by an eleven member Board of Directors that represent a cross section of public and private entities. The Board provides the agency guidance and recommendations regarding policy matters.



**Robert Hall, Chair**  
*Oahu Member*



**Betty Lou Larson**  
*Persons with Disabilities Advocate*



**Cathy Betts**  
*Ex-Officio,  
Director of the Department of  
Human Services*



**Christyl Nagao**  
*Kauai Member*



**George DeMello**  
*Public Housing  
Resident Member*



**Sabrina Nasir**  
*Ex-Officio  
Office of the Governor*



**Roy Katsuda, Secretary**  
*Low-Income/Homeless  
Advocate*



**Leilani Pulmano**  
*Maui Member*



**Susan Kunz**  
*Hawaii Member*



**Todd Taniguchi**  
*At-Large Member*

# Federal and State Public Housing Programs

**Federal Public Housing** is a U.S. Department of Housing and Urban Development (HUD) program first established in 1937 to provide decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities. The Hawaii Public Housing Authority (HPHA) is the sole provider of Federal Public Housing statewide. The HPHA also administers **State Public Housing** which operates similar to, but independent of the federal program. Both programs combine to serve over 5,200 families, or approximately 13,000 individuals.

## The HPHA's Public Housing Portfolio (as of June 30, 2022)

HPHA serves **Low-Income** families earning **80% Area Median Income (AMI) or less:**

- 80% of AMI for the Honolulu Metropolitan Statistical Area in FY 22 was **\$90,640.**
- **Not less than 40%** of Federal family public housing units are restricted to **Extremely Low-Income** families that earn **30% AMI or less.**

**6,270** dwelling units across **85 properties:**

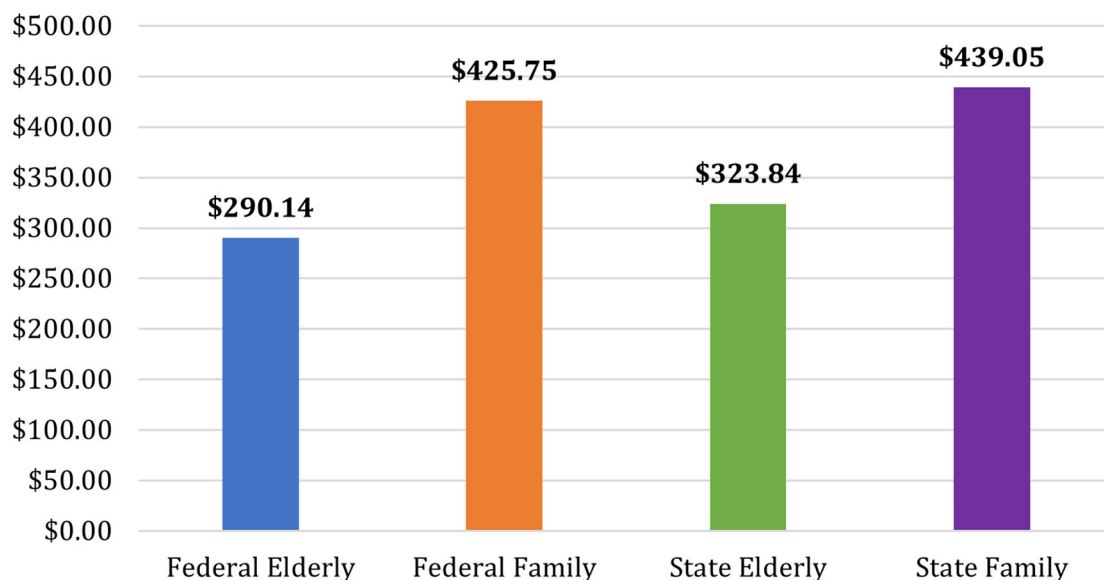
- **5,406 Federal Units** (HUD subsidized)
- **864 State Units** (no federal subsidy)

Properties are organized into **18 Asset Management Projects (AMP):**

- **9 AMPs** managed by State employees
- **9 AMPs** managed by private contractors

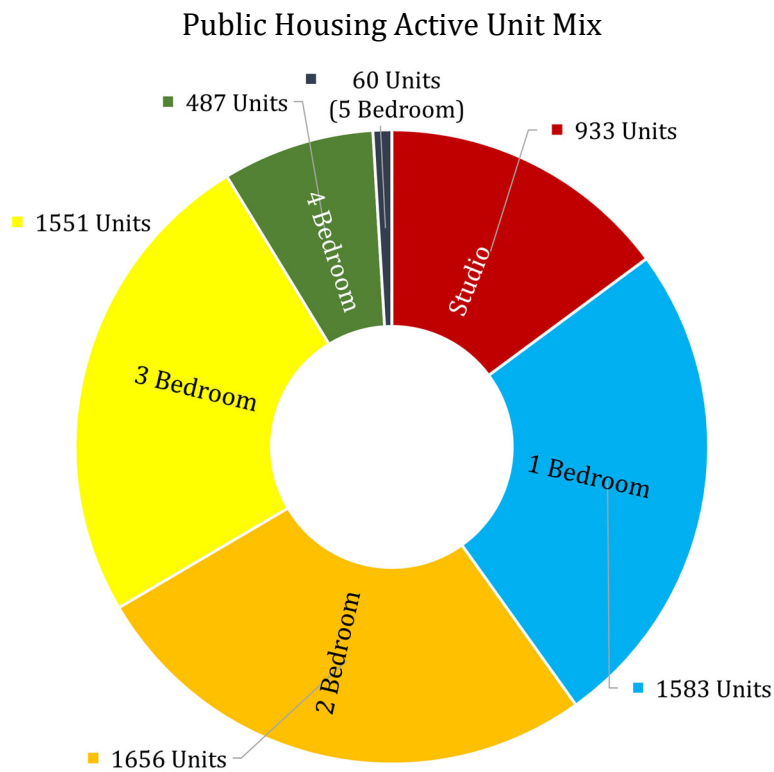
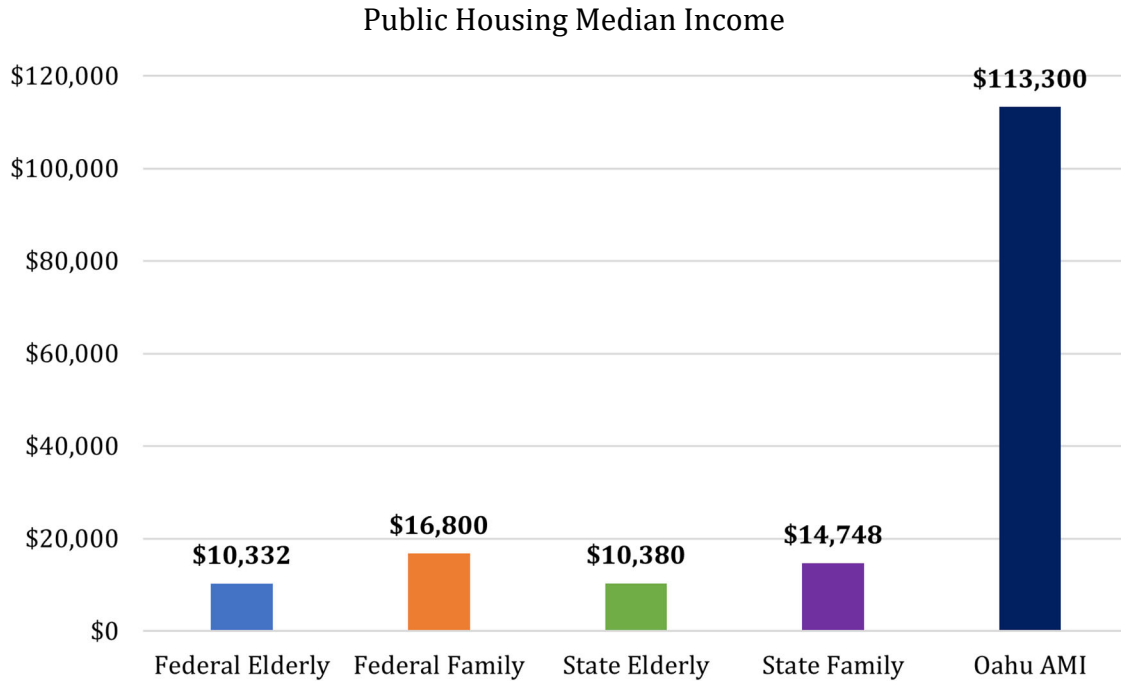
## Federal and State Public Housing Statistics for FY 22

Public Housing Average Rents



# Federal and State Public Housing Programs

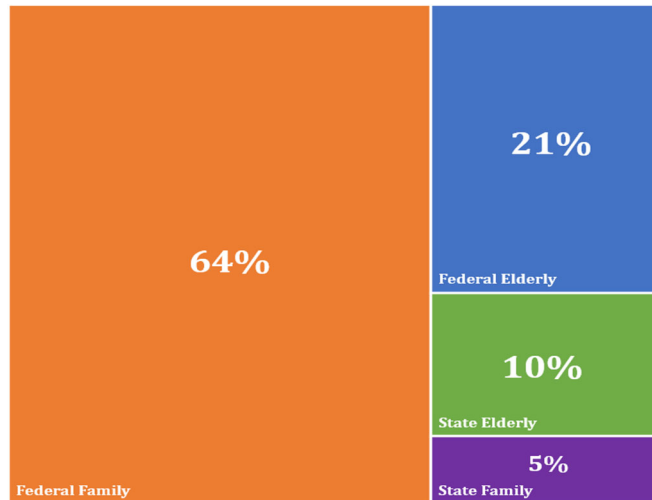
## Federal and State Public Housing Statistics for FY 22 (Continued)



# Federal and State Public Housing Programs

## Federal and State Public Housing Statistics for FY 22 (Continued)

Public Housing Units by Program



### COVID-19 VACCINATION & BOOSTER CLINICS

The HPHA continued to work with its many public, private, and nonprofit partners to bring COVID-19 vaccination and booster clinics to public housing properties statewide. Priority was given to elderly and disabled tenants. Interpretation and counseling services were also made available to help those who might otherwise struggle navigating the healthcare system or vaccination/booster registration process.

Property	Date
Paokalani	November 8, 2021
Makua Alii	November 8, 2021
Kalakaua Homes	November 8, 2021
Hoolulu	November 29, 2021
Kamalu	November 29, 2021
Laiola	November 30, 2021
Kalanihuia	December 1, 2021
Pumehana	December 1, 2021

Property	Date
Punchbowl Homes	December 2, 2021
Kupuna Home O` Waiialua	December 7, 2021
Makamae	December 7, 2021
Hale Poai	December 9, 2021
Halia Hale	December 10, 2021
Kalihi Valley Homes	January 13, 2022
Mayor Wright Homes	January 20, 2022
AMP 33	January 27, 2022

# Section 8 Subsidy Programs Branch

The **Section 8 Housing Choice Voucher (HCV) Program**, commonly referred to as “Section 8”, is a HUD program established to provide rental subsidies for units that are chosen by the tenant in the private market with assistance provided through tenant-based vouchers. It is the largest of the HPHA’s rental subsidy programs and is administered on Oahu only.

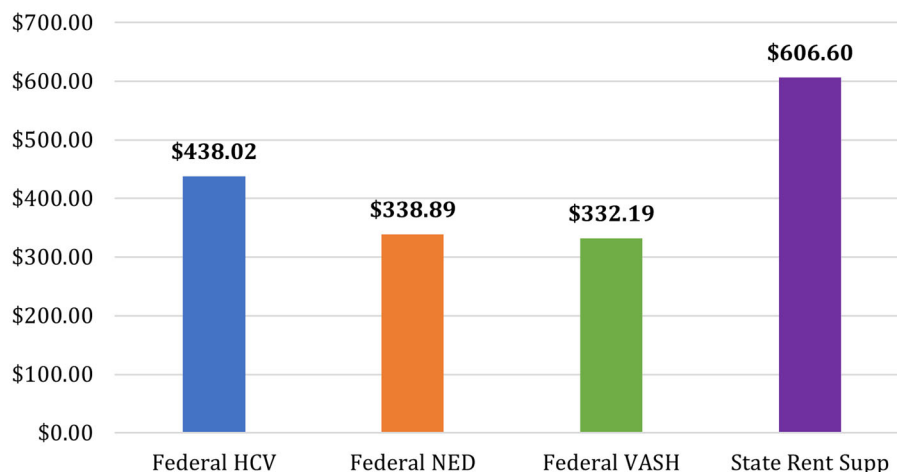
The HPHA also administers several **Special-Purpose Vouchers**; specifically Non-Elderly Disabled Vouchers (NED), Veteran’s Affairs Supportive Housing Vouchers (VASH), Performance Based Contract Administration (PBCA), Tenant Protection Vouchers (TPV), Foster Youth Initiative Vouchers (FYI), and Section 8 Project-Based Vouchers (PBV). The State of Hawaii provides the HPHA with funding for a Rent Supplement Program (RSP) that is administered similarly to the federal program and provides shallow rent subsidies for rental units statewide.

## The HPHA’s Section 8 Portfolio (as of June 30, 2022)

<b>2,741</b>	Housing Choice Vouchers (HCV) and Project-Based Vouchers (PBV): Average Housing Assistance Payment (HAP) is <b>\$1,160</b> per month
<b>169</b>	Non-Elderly Disabled (NED) Vouchers: Average HAP is <b>\$1,154</b> per month
<b>493</b>	Veterans Affairs Supportive Housing (VASH) Vouchers: Average HAP is <b>\$838</b> per month
<b>205</b>	State Rent Supplement Program Average HAP of <b>\$447</b> per month

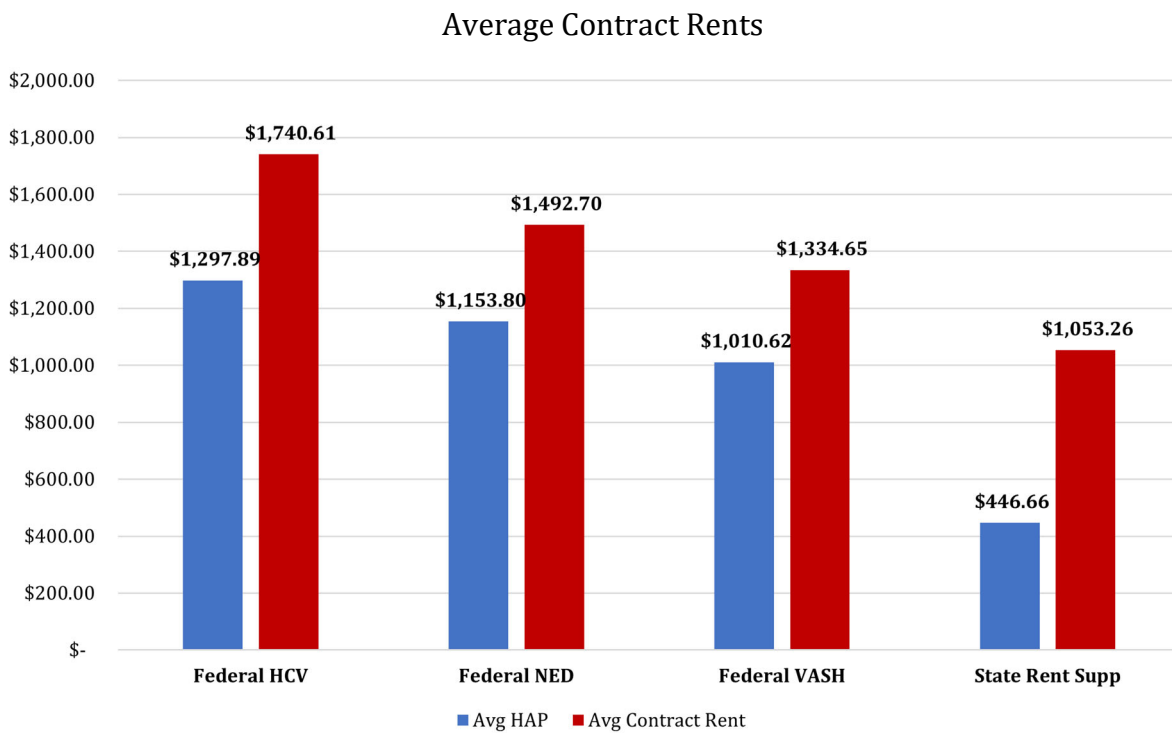
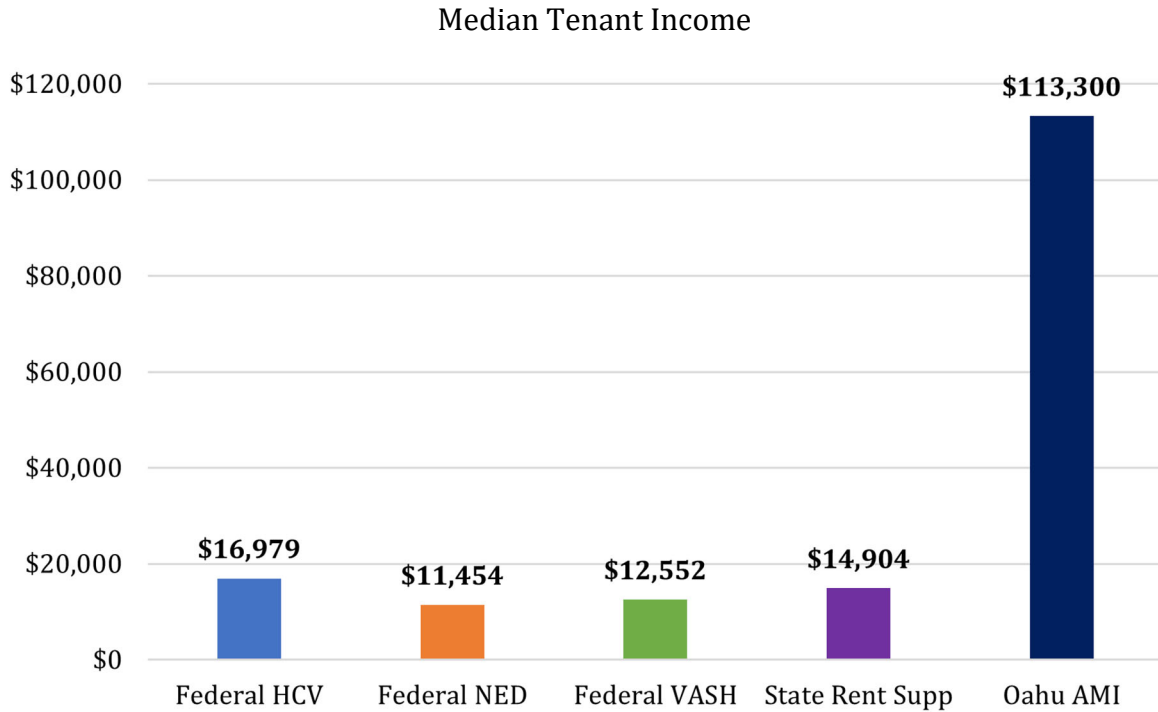
## Section 8 Branch Statistics for FY 22

Average Tenant Rents by Program



# Section 8 Subsidy Programs Branch

## Section 8 Branch Statistics for FY 22 (Continued)





# Section 8 Subsidy Programs Branch

## **FAMILY SELF-SUFFICIENCY PROGRAM**

The HPHA administers a Family Self-Sufficiency (FSS) Program which links participants to social services that help them gain economic independence from government assistance. Participants sign an FSS contract which sets goals to track their progress. The FSS Program also establishes an interest-bearing escrow account for each participating family. As a family's income grows, excess funds are deposited into their escrow account. A family is eligible to receive these funds at the completion of their FSS contract. In FY 22, the HPHA saw 12 participant families graduate from the FSS Program with over \$160,000 in savings.

### **Congratulations to our FSS Program Graduates!**



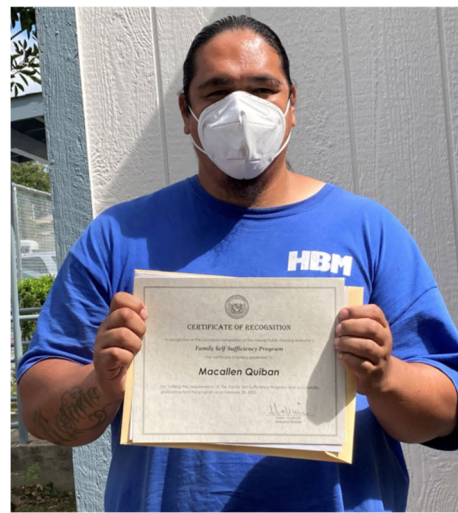
Dawn Merly



Zaneta Milovale



Bree Maumausolo



Macallen Quiban

# Section 8 Subsidy Programs Branch

## Congratulations to our FSS Program Graduates!



William Robertson



Rayna Villarreal-Perez



Jeffrey "Mike" Crigger



Samantha Claonan



Kelilinn Lunasco



Victoria Markham-Pukini

# Construction Management Branch

The Construction Management Branch (CMB) manages and administers capital improvement projects for the HPHA. CMB is also responsible for the timely obligation and expenditure of capital improvement funds. CMB ensures residents have access to a clean, safe, and healthful living environments through major infrastructure upgrades, removing hazardous materials (e.g., lead-based paint, asbestos, contaminated soils), and repairing vacant Type-C dwelling units (i.e., units in major disrepair to the point of requiring the services of an outside architect/engineer/licensed contractor).

## LEAD-BASED PAINT (LBP) ABATEMENT

In FY 22, the HPHA completed LBP abatement projects at five properties: Paoakalani, Punchbowl Homes, Pumehana, Kalanihuia, and Spencer House. LBP was also removed from Makua Ali`i, with the remainder to be removed by the end of the calendar year. The HPHA will put contracts out to bid for LBP abatement at the following federal PH properties in fall 2022: Hui O Hanamaulu (Kauai), Kapaa (Kauai), David Malo (Maui), and Kuhio Homes (Oahu).

## ACCESSIBLE UNIT INVENTORY

The HPHA continues to make strides towards increasing the total number of accessible units for tenants with physical disabilities that are either mobility challenged or sensory impaired, visually or audibly challenged.

In Fiscal Year 2022:

- 316 units (5.65%) for mobility impaired
- 172 units (3.07%) for sensory impaired

### FY 22 Funding (as of June 30, 2021)

#### Budgeted

\$53,130,655	Federal CFP Funds (Appropriated and Budgeted)
\$112,013,501	State CIP Funds (Appropriated and Budgeted)
<b>\$165,144,156</b>	<b>Total Budgeted</b>

#### In Contract

\$30,345,560	Federal CFP Funds (Obligated)
\$79,656,399	State CIP Funds (Encumbered)
<b>\$110,001,959</b>	<b>Total In Contract</b>

#### Expended

\$11,104,126	Federal Funds, Construction
\$7,181,538	Federal Funds, Operations
\$51,812,792	State Funds
<b>\$70,098,456</b>	<b>Total Expended</b>

#### Budget Balance

\$48,394,668	Federal Funds, CFP 727-732
\$60,200,709	State Funds, CIP FY 16-22
<b>\$108,595,377</b>	<b>Total Budget Balance</b>

#### New Contracts

\$1,413,492	6 Consultant Contracts
1,834,000	1 Construction Contracts
\$34,030	1 Service Contracts
<b>\$3,281,522</b>	<b>Total New Contracts</b>

# Construction Management Branch

## 13 Design & Construction Projects Completed (Capitalized) in FY 2021-2022:

- 08/03/21 **Lanakila Homes – Exterior Lighting and Security Improvements**  
Des: InSynergy, \$61,866 (CIP)  
Const: Paul’s Electric, \$602,700 (\$352,700 CIP, 250,000 CFP)
- 08/25/21 **Lanakila Homes – Ph II.B & IV.A, Demo Vacant Buildings, 16 New Units**  
Des: INK Arch \$816,710 (\$767,932 CIP, \$48,778 CFP)  
Const: Constructors Hawai‘i, \$9,385,281 (\$8,227,178 CIP, 1,158,103 CFP)
- 08/30/21 **Kawailehua (State) – AMP 38 Infrastructure & Site Improvements**  
Des: Mitsunaga, \$29,312 (CIP)  
Const: Diede Construction, \$173,593 (CIP)
- 08/30/21 **Kawailehua (Federal) – AMP 38 Infrastructure & Site Improvements**  
Des: Mitsunaga, \$31,485 (CIP)  
Const: Diede Construction, \$138,483 (CIP)
- 08/30/21 **Kalaheo Homes – AMP 38 Infrastructure & Site Improvements**  
Des: Mitsunaga, \$29,357 (CIP); Const: Diede Construction, \$40,763 (CIP)
- 08/30/21 **Hale Ho`onanea – AMP 38 Infrastructure & Site Improvements**  
Des: Mitsunaga, \$67,955 (CIP)  
Const: Diede Construction, \$465,703 (CIP)
- 09/22/21 **David Malo - ADA Improvements & Kahekili Terrace - Burnt Unit Renovations**  
Des: MGA Architects, \$59,651 (CIP)  
Const: Central Construction, \$379,675 (CIP)
- 11/05/21 **Mayor Wright Homes – Electrical Upgrade**  
Des: In-House  
Const: Ted’s Wiring, \$880,654 (CIP)
- 11/08/21 **Ho`olulu – Modernization of 2 State Elevators & Maintenance Services**  
Des: Elevator Consultant Services \$52,044 (CIP)  
Const: Heidi & Cook, \$496,244 (CIP)  
Maintenance: Heidi & Cook, \$18,599 (Project Funds)
- 12/17/21 **Various HPHA Towers – Upgrade to Ventilation Systems**  
Des: InSynergy, \$318,888 (CIP)  
Const: Commercial Sheetmetal, \$654,719 (CIP)
- 01/03/22 **Kamalu – Modernization to 2 State Elevators & Maintenance Services**  
Des: Elevator Consultant Services \$52,044 (CIP)  
Const: Heidi & Cook, \$496,244 (CIP)  
Maintenance: Heidi & Cook, \$18,599 (Project Funds)
- 01/21/22 **Kapa`a – Electrical Upgrade**  
Des: INK Arch, \$771,766 (CIP)  
Const: Paul’s Electric, \$407,700 (CIP)
- 03/08/22 **Spencer House – Stairs Replacement and Lead-Based Paint Removal**  
Des: Hawai‘i Engineering Group, \$47,251 (CIP)  
Const: CC Engineering & Construction, \$566,532 (CIP)

# CMB Projects - Before & After

**PROJECT:** Upgrade to electric meters and service boxes at Kapa`a (HA 1018)

**CONTRACTOR:** Paul's Electrical Contracting, LLC (CMS 20-10), \$407,700 (CIP)

**CONSULTANT:** Ink Arch, LLC (CMS 16-18), \$736,214.82 (CIP)

**COMPLETION DATE:** March 2022

**SCOPE:** Replace electric boxes. Replace existing electrical meters to Building 18 (36 units). Roof repair.

Before



*Old electrical box*

After



*New electrical boxes*



*Old electrical box*



*New electrical boxes*

# CMB Projects - Before & After

**PROJECT:** Infrastructure and site improvements at Hale Ho`onanea (HA1055), Kalaheo Home (HA1022), Kawailehua Federal (HA1086), and Kawailehua State (HA2024)

**CONTRACTOR:** Diede Construction, Inc. (CMS 19-05), \$748,850 (CIP)

**CONSULTANT:** Mitsunaga & Associates, Inc. (CMS 16-16), \$540,296 (CIP)

**COMPLETION DATE:** August 2021

**SCOPE:** Site improvements, including erosion control, grading, paving, utility upgrades, fencing, and landscaping.

**Before**



*Walkway at Kalaheo Home*

**After**



*Walkway at Kalaheo Home*



*Walkway at Kawailehua Federal*



*Walkway at Kawailehua Federal*

# CMB Projects - Before & After

**PROJECT:** Improvements to Lanakila Public Housing, Phase demolition of III.B & IV

**CONTRACTOR:** Constructors Hawaii, Inc. (CMS 14-14), \$8,227,178 (CIP), \$1,158,102 (CFP), \$323,317 (EDI), \$834,785 (RHF)

**CONSULTANT:** INK Architects (CMS 13-18), \$871,607 (CIP), \$51,345 (EDI)

**COMPLETION DATE:** August 2021

**SCOPE:** Demolish existing buildings and remove hazardous waste. Soil Management Unit to contain hazardous waste including contaminated soils under Phase III.B site. Encapsulate contaminated soils at Phase IV site.

## Before



*Buildings before demolition*



*Buildings before demolition*

## After



*Project site after demolition and contaminated soils encapsulated*



*Project site after demolition and contaminated soils encapsulated*

# CMB Projects - Before & After

**PROJECT:** Exterior lighting and security improvements at Lanakila Homes (HA1013)

**CONTRACTOR:** Paul's Electrical, LLC (CMS20-13), \$352,700 (CIP), \$250,000 (CFP)

**CONSULTANT:** InSynergy Engineering, Inc. (CMS 19-12), \$69,215 (CIP)

**COMPLETION DATE:** August 2021

**SCOPE:** Install exterior lighting and photovoltaic light fixtures for the parking lots.  
Install a security alarm system for the AMP 37 management office.

**Before**



*Parking lot without security/safety lighting*

**After**



*Parking lot after project completion*



*Old security system at AMP 37 office*



*New security system at AMP 37 office*



# CMB Projects - Before & After

**PROJECT:** Renovation to burnt unit at Kahekili Terrace (HA1017)  
**CONTRACTOR:** Central Construction, Inc. (CMS 20-09), \$368,234 (CIP)  
**CONSULTANT:** MGA Architects (CMS 19-10), \$72,799 (CIP)  
**COMPLETION DATE:** September 2021  
**SCOPE:** Renovate a fire-damaged unit at Kahekili Terrace.

Before



*Damaged kitchen, source of fire*

After



*Renovated kitchen*



*Smoke damaged, 2nd floor bathroom*



*Renovated 2nd floor bathroom*

# Planning & Evaluation Office

The Planning & Evaluation Office (PEO) performs planning, policy evaluation, and research activities for all HPHA-administered programs and policies. PEO is also responsible for developing legislative proposals and reports; administering rule-making procedures; assisting with development efforts; and revising the agency's rules and bylaws.

## **COLLABORATION**

The HPHA works closely with its partnering agencies at every level of government. PEO staff regularly attend Housing Directors' meetings, Hawaii Interagency Council for Transit Oriented Development meetings, Neighborhood Board meetings, and policy meetings with legislators. PEO also updates the HPHA's short- and long-range functional plans (i.e., the Annual PHA Plan and the 5-Year PHA Plan) which describe the agency's objectives and how it will achieve various HUD programmatic requirements. These plans can be viewed online at: <http://www.hpha.hawaii.gov/housingplans/index.htm>.

## **PARTNERSHIP WITH HAWAII LITERACY**

The HPHA has partnered with Hawaii Literacy, a local nonprofit, to provide educational and literacy services for families at Mayor Wright Homes and the Kuhio Park properties. These services help disadvantaged children prepare for and succeed in school and give adults a second chance to read and write. Hawaii Literacy provides books, mentors, literacy promotion, and the skills needed to break cycles of poverty and under-education.

### **FY 22 Impact Report**

- **146 adults** and **49 kids** participated in digital literacy classes at Mayor Wright
- **438 kids** participated in BookNook tutoring at Kuhio Park Terrace
- **539** digital literacy lessons for adults
- **3,020** BookNook sessions
- **165** reading levels gained
- **84** student assessments
- **15** laptops distributed
- **25** wi-fi hotspots distributed
- **42** families signed up for the Affordable Connectivity Program
- **125** tablets distributed
- **76** created new email addresses



*Learners practice typing, using email, and other digital literacy skills.*

# Planning & Evaluation Office

## **BROADBAND PILOT PROJECT WITH HDOT & HAWAIIAN TELCOM**

The HPHA is collaborating with the Hawaii Department of Transportation (HDOT), Highways Division, and Hawaiian Telcom to provide free broadband wi-fi at seven State public housing properties over the next three years. These include Puahala Homes I-IV (128 units), Hauiki Homes (46 units), Halia Hale (41 units), and Hale Poai (206 units).

Community meetings to discuss the project were held in December 2021. Since then, Hawaiian Telcom has successfully installed wi-fi routers at multiple properties. The HPHA intends to enter another MOA with HDOT to provide free broadband wi-fi to 1,845 units at 17 federal public housing properties.

## **MOVING TO WORK DEMONSTRATION PROGRAM**

The HPHA accepted into the MTW Demonstration Program Expansion in January 2022 as part of HUD's Landlord Incentive Cohort. As part of Phase 1 of the HPHA's MTW designation, the agency will implement three new incentives as part of the Section 8 Program to increase landlord participation:

### **1. Vacancy Loss Payments**

The HPHA will pay a landlord up to one month of contract rent as reimbursement for the time a unit spent vacant in between Section 8 participants.

### **2. Initial Inspection Flexibilities**

The HPHA will waive the requirement for an initial inspection prior to the start of tenancy if the dwelling unit (1) is less than five years old, (2) passed an HQS or equivalent inspection in the last three years, or (3) is in a census tract with a poverty rate of ten percent or less.

### **3. Signing Bonus Payments**

The HPHA will provide a "signing bonus" of up to one month of contract rent to incentivize new landlords to join the Section 8 program.

The HPHA will also request from HUD an additional Agency-Specific Waiver through its MTW Supplement to the FY 23 Annual PHA Plan:

### **4. Alternative Accommodations Transfer Program**

The HPHA will offer a Section 8 voucher to qualified households on the transfer waitlist. Households with approved reasonable accommodation requests may transfer after six months. Households with a member qualifying under the Violence Against Women Act (VAWA) may transfer immediately.

For more information on these and other upcoming Moving to Work initiatives, please visit:

<http://www.hpha.hawaii.gov/mtw>.

# Development Office

The United States Department of Housing and Urban Development (HUD) encourages the redevelopment of federal public housing properties through various mixed-finance strategies, including the Rental Assistance Demonstration (RAD) Program. These strategies are typically executed through public-private partnerships (PPP). Utilization of PPPs and federal programs like RAD allow the HPHA to access the private capital and financing necessary to revitalize its housing projects into vibrant communities.

## **SCHOOL ST ELDERLY AFFORDABLE HOUSING**

The HPHA is partnering with Retirement Housing Foundation (RHF), a non-profit affordable housing developer, to redevelop its administrative campus located at 1002 N School Street. The project will deliver 800 affordable housing units for our kupuna over the course of three development phases. The HPHA anticipates the project will be completed over an 8 to 10-year development horizon.



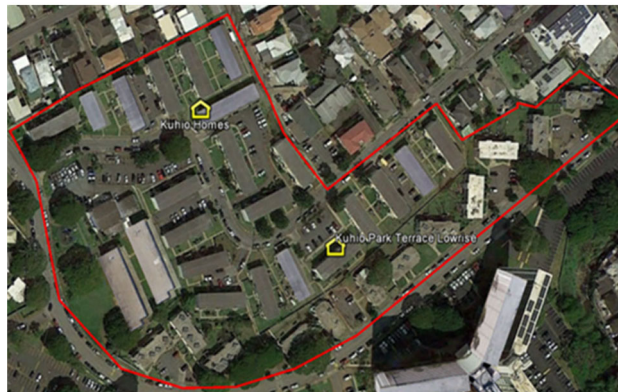
On July 9, 2021, School Street RHF Partners, LP, submitted a consolidated application for Phase 1A of the redevelopment to Hawaii Housing Finance and Development Corporation (HHFDC) as a non-competitive application. On October 14, 2021, the HHFDC approved the application under Resolution No. 163, with the intent to issue \$71,500,000 in Hula Mae Multi-Family (HHMF) Tax-Exempt Revenue Bonds; reserve \$5,257,493 in annual Federal Low Income Housing Tax Credits (LIHTC) over a 10-year period, and \$5,257,493 in annual State LIHTC over a five-year period. The Rental Housing Revolving Fund (RHRF) Loan of \$40,000,000 was also approved by the HHFDC's Board of Directors under a separate For Action. Due to unforeseen delays resulting from the COVID-19 pandemic and other factors, RHF sought and later received approval from the HHFDC to pushback the deadline to commence construction to August 25, 2023. RHF will be submitting a request to the HHFDC seeking an extension of Resolution No.163 to August 25, 2023, so that it may close concurrently with the HHFDC's Rental Housing Revolving Fund Loan.

Applications for a Super-structure Permit and Building Permit have been submitted to the City & County of Honolulu's Department of Planning and Permitting (DPP) and are pending approval. The HPHA and RHF are also working on the subdivision of a separate lot to accommodate Phase 1A. The subdivided parcel is necessary to document the ground lease that will govern use of the land, to provide first lien priority collateral for the bond financing, and to provide second lien priority collateral for the RHRF loan. A subdivision application was submitted to DPP on May 5, 2022. RHF is currently working with the Honolulu City Council to extend the deadline to commence construction as established in Resolution 20-251, CD1, FD1.

# Development Office

## **KUHIO PARK LOW-RISES AND HOMES**

The HPHA held resident and community engagement meetings on June 8 and 9, 2022, to share updates to its Transformation Plan for the project. Updates were also provided to the Kalihi-Palama Neighborhood Board on July 27 and August 17, 2022. Invitations to view and comment on the updated plan were distributed to stakeholders within the broader community. The HPHA's development team also solicited feedback from individuals and organizations that participated in the original 2013 Choice Neighborhood Planning Grant and Transformation Plan.



The HPHA is finalizing its work to comply with historical preservation requirements set forth under Section 106 of the National Historic Preservation Act and related federal environmental review processes (i.e., NEPA). A letter was sent to approximately 120 Native Hawaiian organizations inviting them to participate in the design process of the Kuhio Park Low-Rises and Homes. The HPHA anticipates it will receive final approval of its preservation efforts by the Department of Land and Natural Resource's State Historic Preservation Division in Q4 of 2022.

On June 30, 2022, the HPHA completed and submitted its 201H application for entitlement, zoning and waivers was completed and submitted to DPP. The application was approved by DPP on July 14, 2022. The Honolulu City Council has 90 days thereafter to accept or reject the application. Schematic designs for the first phase of the project are progressing. The HPHA and The Michaels Organization plan to apply for LIHTC, HMMF Bonds, and RHRF financing to the HHFDC in February 2023. The overall redevelopment program will also include an application to HUD to raze the existing structures and redevelop the site as an affordable housing development. Construction is expected to break ground sometime in 2024, subject to building permit approval.

## **PUUWAI MOMI**

On August 31, 2021, the HPHA submitted a proposal to the Office of Planning and Sustainable Development (OPSD) for a CIP TOD planning grant for its Puuwai Momi property. Act 88, Session Laws of Hawaii 2022, appropriated \$2 million in CIP funds to OPSD for transit-oriented development (TOD) planning and implementation statewide. The HPHA is considering a mixed-use, mixed-income redevelopment of Puuwai Momi. An aging 260-unit public housing community built in 1969, the site is comprised of three land parcels totaling 11.74 acres.

# Development Office

## **PUUWAI MOMI (Continued)**

Redevelopment efforts could take advantage of higher density limits under the City and County of Honolulu Halawa Area TOD Plan which was adopted in December 2020. The site would also benefit from its close proximity to the Aloha Stadium HART station and the State's planned redevelopment of Aloha Stadium. On September 15, 2021, the HPHA was awarded a \$400,000 CIP TOD planning grant to develop a preliminary master plan. The HPHA's Board of Directors approved a Memorandum of Agreement to authorize the delegation and transfer of the \$400,000 award on December 16, 2021.

## **MAYOR WRIGHT HOMES**

The HPHA is working with an architectural firm to complete several gross massing designs for the project based on the existing master plan. The gross massing designs will inform the final 201H-38 zoning and entitlement application and will be presented for comment during the public engagement phase. The procurement process to select a new development partner for Phase 1 is now underway. The HPHA is also working with Reno & Cavanagh, its specialized counsel, to resolve settlement negotiations with Hunt Companies.

In 2022, the Executive Director, Executive Assistant, and staff met with HUD's Relocation Assistance Panel which included several senior members of HUD's Office of Recapitalization and Special Application Center and HUD's Honolulu Field Office. The meeting was highly productive and outlined several paths forward regarding a potential RAD conversion and Section 18 Demolition/Disposition for Mayor Wright Homes.

The HPHA is working with Du & Associates and EJP Consultants to discuss the feasibility of each repositioning strategy and other steps needed for their implementation. Feedback received from the Department of the Attorney General on the procurement solicitation is currently under review.



# Development Office

## COUNTY OF HAWAII

The HPHA applied for and was awarded a planning grant from the OPSD for its Lanakila project. The grant was awarded by OPSD through a \$1.5 million CIP (GO) appropriation in FY 21. Four projects out of nine submitted were selected for funding. Located south of downtown Hilo, the Lanakila project was granted the largest award at \$550,000. The HPHA has a grandfathered right to re-develop 62 low-income public housing units at the site.



The property also has the potential to support additional density. The HPHA is considering developing affordable, workforce and/or market-rate units alongside public housing units. The OPSD will provide funding for an updated master plan for the site.

## COUNTY OF MAUI

The HPHA submitted a proposal to the OPSD for a CIP TOD planning grant in FY21 for its Kahekili project located in the Wailuku redevelopment district. Unfortunately, this project was not selected for a planning award. However, the property was added to the State's Strategic TOD Plan. This better positions the property for future grant and funding opportunities.



On August 31, 2021, the HPHA submitted an updated proposal to the OPSD for a CIP TOD planning grant for FY22. On September 15, 2021, OPSD informed the HPHA that was awarded \$225,000 to develop a preliminary master plan for the redevelopment of this property. A Memorandum of Agreement authorizing the delegation and transfer of \$225,000 in State TOD CIP Planning funds to HPHA for preliminary master planning for the project was approved by the HPHA's Board of Directors on December 16, 2021. A Request for Qualifications for professional services to complete preliminary master planning is currently being drafted for review.

## COUNTY OF KAUAI

The HPHA continues to explore the possible development or redevelopment of its properties on Kauai, including a vacant parcel of land next to the Hale Ho'olulu property and a public housing site at 4726 Malu Rd. No definitive plans have been confirmed at this time.

# Compliance Office

The Compliance Office performs activities to ensure the HPHA manages and operates programs in accordance with federal and state requirements, and agency policies and directives.

Specifically, the Compliance Office covers fair housing, accessibility, reasonable accommodations, language access, the Violence Against Women's Act, Declarations of Trust, and the Uniform Relocation Act.

Some accomplishments for fiscal year 2022 include:

- Responded to over 800 tenant requests for reasonable accommodations
- Expended \$57,034.52 for over 2,000 LEP encounters in 22 different languages

## **Section 504 Self-Evaluation and Transition Plan**

The Compliance Office worked with EMG to address barriers to accessibility at HPHA properties. Site assessments for mobility and visual/hearing accessibility were completed at all HPHA federal and state public housing properties, management offices and administrative offices. HPHA's DRAFT Title II Transition Plan was approved by the HPHA Board of Directors in October of 2019, and a public hearing was held in December; on-site staff training re: ADA-compliance is temporarily on hold due to COVID-19 concerns, and we continue to work with consultant EMG to finalize the Section 504 Transition Plans. As of June 30, 2022, out of a total of 4,731 units, 316 units or 5.65% are accessible for mobility and 172 units or 3.07% are accessible for the visual/hearing impaired. With another 44 units for mobility and 17 units for the visual/hearing impaired currently under construction. With continued legislative support, HPHA will be achieve its goals of expanding housing accessibility for the most disadvantaged members of our community.

# Hearings Office

The Hearings Office manages the Federal Low Income Public Housing Evictions pursuant to Chapter 356D, Hawaii Revised Statutes and Chapter 17-2020, Hawaii Administrative Rules. There are seven (7) Federal eviction boards, three (3) boards for the island of Oahu and one (1) board each for Kona, Hilo, Maui/Molokai and Kauai. There is one (1) State eviction board to hear and resolve State project lease violations.

For Fiscal Year 2022, the Hearings Office received 31 case referrals, 9 for cases relating to criminal activities, drug use, or misconduct. The other cases involved: Failure to recertify, denying management entry to install necessary equipment, unauthorized equipment storage, and repeatedly parking unauthorized vehicles on site. For this period, a total of 14 families were evicted statewide, 1 placed on conditions, 0 were offered voluntary departure, and 1 case is still pending. Due to the COVID-19 pandemic, the HPHA did not evict any families for nonpayment of rent.



## Contract & Procurement Office

The HPHA receives federal and state funds for the procurement of a variety of goods, services, professional services and construction such as capital improvement projects, repair and maintenance services, security services, refuse collection and architectural/engineering services. The Contracts and Procurement Office is responsible to oversee all HPHA procurement activities. The Contract and Procurement Office's objective is to (1) provide a procurement system of quality and integrity; (2) provide for the fair and equitable treatment of all persons or firms involved in purchasing by the HPHA; (3) assure that all purchases of goods, services and construction are procured efficiently, effectively, and at the best value to the HPHA; (4) promote competition in contracting; and (5) assure that HPHA purchasing actions are in full compliance with applicable Federal standards, HUD regulations, and State and local laws.

During the fiscal year, the HPHA processed 88 new/supplemental contracts and 18 change orders in the amount of \$13,010,184.59 (state funds) and \$19,258,224.95 (federal funds) for a sum total of \$32,268,409.54. The HPHA also processed 2,525 individual small purchases via state procurement card (pCard) or purchase order. While most managers have delegated procurement authority for micro purchases, the Contracts & Procurement Office processed a little under \$6.0m in small purchases.

## Information Technology Office

The Information Technology Office (ITO) provides technology solutions to support efficient operation of the agency and ensure staff can communicate effectively with each other, the public, partners, applicants for housing, tenants, landlords, vendors, contractors, and other stakeholders. The ITO oversees technology applications and operating system software in use at HPHA and the computers, telephones and auxiliary equipment used by agency staff, and it is dedicated to ensuring a stable, reliable, cost-effective, and secure technology infrastructure that enables uninterrupted access by staff to perform business requirements.

ITO maintained the operational processes during FY 2022 despite many obstacles such as shipping lines, lack of inventory and competition against market participants who were (and still are) in need of supplies ranging from printers, auxiliary devices, phone instruments to software licenses.

We successfully sustained and supported processes with minimal disruptions by creatively reusing and repairing equipment, and by switching to other less known alternatives that provided appropriate support to meet the business needs of HPHA's staff.

# Human Resources Office

The Human Resources Office provides personnel staff support and advisory services to the Executive Director, managers and employees of the HPHA; and manages the personnel programs and activities for the agency. The HPHA currently employs over 300 Full-Time and Tenant Aides in various Civil Service and Exempt capacities statewide as of June 30, 2022. Pursuant to Section 356D-2 HRS, the HPHA provides the following on the employment of civil service positions.

## STATE INCENTIVE AND SERVICE AWARD

The State Incentive and Service Awards Program, established by Section 78-29, Hawai'i Revised Statutes, is a statewide program that promotes the recognition of employees who contribute to the efficiency, economy, or other improvement of government operations or who perform exceptionally meritorious special acts or services in the public interest, and for their loyal and dedicated service.

The **Sustained Superior Performance Award** is recognizes a State employee for their (1) exceptional contributions to the attainment of program objectives; (2) significant improvements in the delivery of service or cost savings to the State; (3). sustained superior performance; (4) significant contributions to social, scientific or technological progress; (5) creative solutions to difficult government problems; and (6) distinctive participation in professional and community affairs.

This year, we are proud to announce that **Barbara Arashiro, Executive Assistant** was nominated and selected as the Sustained Superior Performance Awardee for her significant contributions to the HPHA's many successes over the past fiscal year.



*From L to R: Karl Schiller, John Swift, Serena Deth, Emma De Leon, Barbara Arashiro, Farrant Kamahale, Sharon Zhou, Andrew Ramie-Loo*

# Human Resources Office

## **Years of Dedicated State Service**

### ***30 Years of Dedicated State Service***

Marisa Pirtle  
Farrant Kamahele  
Ryan Chang

### ***20 Years of Dedicated State Service***

Ryan Akamine  
Serena Deth  
Emma De Leon  
Karl Schiller  
Lawrence Anama  
Andrew Ramie-Loo  
Noreen Kaneholani

### ***10 Years of Dedicated State Service***

Hakim Ouansafi  
Jewel Apana  
Kainoa Hall  
John Swift  
Sharon Zhou  
Agavaa Kuresa  
Losa Taefu  
Thomas Felts (Retired)

# Fiscal Management Office

The Fiscal Management Office (FMO) provides fiscal oversight for all budgeting and accounting needs of the HPHA. FMO is also responsible for generating Annual Financial Reports and Financial Data Schedules to report to HUD. The HPHA uses fund accounting to report its financial position and the results of operation for each program and project designated as a fund. Fund accounting is designed to demonstrate legal compliance and aid financial management by segregating transactions by specific functions. During Fiscal Year 2022, FMO processed 768,000 financial transactions and disbursed over \$183 million in expenditures. FMO continues to improve, through staff training, strengthening quality control, and consistently implementing operational procedures to gain operational effectiveness and efficiency.

All financial statements are generated in-house by FMO and are GAAP-compliant according to Federal and State regulations. The HPHA has steadily improved its compliance with the Generally Accepted Accounting Principles. The HPHA has had no audit findings for five consecutive fiscal years and has been qualified as a low-risk auditee since Fiscal Year 2019.

## **Financial Data and Auditor's Report**

HAWAII PUBLIC HOUSING AUTHORITY  
Condensed Statements of Net Position  
June 30, 2022 and June 30, 2021  
(In thousands of dollars)

	Governmental Activities		Business Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>Assets</b>						
Current and other assets	81,360	72,856	99,528	91,981	180,888	164,837
Capital assets	3,651	3,806	363,355	371,362	367,006	375,167
Other assets	0	0	9,256	8,717	9,256	8,717
<b>Total Assets</b>	<b>85,011</b>	<b>76,661</b>	<b>472,138</b>	<b>472,060</b>	<b>557,149</b>	<b>548,721</b>
Deferred Outflows of Resources	623	623	8,900	8,900	9,522	9,522
<b>Total Assets &amp; Deferred Outflows of Resources</b>	<b>85,634</b>	<b>77,284</b>	<b>481,038</b>	<b>480,959</b>	<b>566,672</b>	<b>558,243</b>
<b>Liabilities</b>						
Current and other liabilities	4,872	4,296	9,716	8,958	14,588	13,254
Long-term liabilities	5,836	5,891	77,745	77,879	83,582	83,770
<b>Total Liabilities</b>	<b>10,708</b>	<b>10,187</b>	<b>87,462</b>	<b>86,837</b>	<b>98,170</b>	<b>97,024</b>
Deferred Inflows of Resources	195	195	3,322	3,322	3,517	3,517
<b>Net position</b>						
Investment in capital assets	3,651	3,806	363,355	371,362	367,006	375,167
Restricted	1,294	207	0	0	1,294	207
Unrestricted	69,786	62,889	26,900	19,438	96,686	82,328
<b>Total Net Position</b>	<b>74,731</b>	<b>66,902</b>	<b>390,254</b>	<b>390,800</b>	<b>464,985</b>	<b>457,702</b>
<b>Total liabilities, Deferred Inflows of Resources and net position</b>	<b>85,634</b>	<b>77,284</b>	<b>481,038</b>	<b>480,959</b>	<b>566,672</b>	<b>558,243</b>

# Fiscal Management Office

## Financial Data and Auditor's Report (Continued)

HAWAII PUBLIC HOUSING AUTHORITY  
 Government-Wide Statements of Activities  
 June 30, 2022 and June 30, 2021  
 (In thousands of dollars)

	Governmental Activities		Business Activities		Elimination		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
<b>Revenues</b>								
<b>Program Revenues:</b>								
Charges for services	669	551	26,930	24,489	(1,304)	(944)	26,295	24,095
Operating grants and contributions	99,048	85,451	35,717	33,687			134,765	119,138
Capital grants and contributions	0	0	3,915	5,863			3,915	5,863
Other income	1	1	2,185	206			2,186	207
<b>General Revenues:</b>								
State allotted appropriations, net of lapsed funds	22,335	27,908	-	0			22,335	27,908
<b>Total revenues</b>	<b>122,053</b>	<b>113,911</b>	<b>68,746</b>	<b>64,245</b>	<b>(1,304)</b>	<b>(944)</b>	<b>189,496</b>	<b>177,211</b>
<b>Expenses</b>								
<b>Governmental Activities</b>								
Rental housing assistance program	98,292	90,948			(1,304)	(944)	96,988	90,003
<b>Business-type activities</b>								
Federal low rent housing program			71,300	79,783			71,300	79,783
State and other housing program			10,858	11,272			10,858	11,272
Other program			3,067	5,032			3,067	5,032
<b>Total government-wide expenses</b>	<b>98,292</b>	<b>90,948</b>	<b>85,224</b>	<b>96,087</b>	<b>(1,304)</b>	<b>(944)</b>	<b>182,213</b>	<b>186,090</b>
Excess (deficiency) of revenues over (under) expenses	23,761	22,963	(16,478)	(31,842)	0	0	7,283	(8,879)
Capital contributions	(12,215)	(9,676)	12,215	9,676			0	0
Transfers	(3,717)	(3,996)	3,717	3,996			0	0
<b>CHANGES IN NET POSITION</b>	<b>7,829</b>	<b>9,290</b>	<b>(546)</b>	<b>(18,170)</b>	<b>0</b>	<b>0</b>	<b>7,283</b>	<b>(8,879)</b>
Net position, beginning of year	66,902	57,612	390,800	408,970			457,702	466,582
Prior fiscal year adjustment	0	0	-	0			0	0
<b>Total net position, end of year</b>	<b>74,731</b>	<b>66,902</b>	<b>390,254</b>	<b>390,800</b>	<b>0</b>	<b>0</b>	<b>464,986</b>	<b>457,702</b>

# Fiscal Management Office

Pursuant to §37-52.5, Hawaii Revised Statutes, the HPHA shall submit on an annual basis an audit report of all non-general funds it administers. This includes a statement of all revenues, expenditures, encumbrances, and balance of each fund or account.

Copies of the HPHA's audit reports and financial statements can be found at: <http://hpha.hawaii.gov/>.

## **The HPHA's Non-General Funds**

<b>Fund Name</b>	<b>Cite of Law</b>	<b>Intended Purpose</b>	<b>Current Activities</b>
Equipment Rental Revolving Fund	Administratively Established	The fund purchases equipment by its administrative office and rents to various programs administered by the HPHA.	Purchasing and renting equipment
Housing for Elders Revolving Fund	356D-72, HRS	The fund supports the management, operation and maintenance of housing for the elderly and the disabled.	Serving the housing needs for the elderly and the disabled
Payroll Clearing Trust Account	Administratively Established	The account is used as overdraft account to support the payroll activities of the HPHA.	Whenever there is a balance due. HPHA clears it promptly
Public Housing Revolving Fund	356D-28, HRS	The fund supports developing and administering public housing for low-to-moderate income families.	Serving the housing needs for low-to-moderate income families
State Low-income Housing Revolving Fund	356D-45, HRS	The fund supports developing and administering public housing for low income families	Serving the housing needs for low income families
Temporary Deposit - Payroll Overpayment Trust Fund	Administratively Established	The fund serves as temporary deposit for payroll that is overpaid to HPHA employees.	Collecting reimbursements from employees and returning the proceeds to Central Payroll
Vehicle Rental Revolving Fund	Administratively Established	The fund collects vehicle rental fees to purchase replacement vehicles for HPHA administrative and area offices.	Purchasing and renting vehicles

# Fiscal Management Office

The table below is an audited financial activity report for all administratively established funds or accounts. The report displays the revenues, expenditures, encumbrances, and ending balance for each fund or account.

## FY 22 Non-General Fund Report (in thousands)

Fund #	Fund Name	Beginning Balance	Expenditure	Revenue	Transfer in	Encumbrance	Ending Balance
		7/01/21	FY21-22	FY21-22	FY21-22	6/30/22	6/30/22
308	State Low-Income Housing Revolving Fund	335	1,275	1,926		348	986
332	Public Housing Revolving Fund	2,896	29,040	26,664			520
335	Vehicle Rental Revolving Fund	633	605	96			125
336	Equipment Rental Revolving Fund	805	4	4			805
337	Housing for Elderly Revolving Fund	5,292	3,468	2,046		509	3,870
912	Payroll Clearing Trust Account	0	25,151	25,151			0
913	Temporary Deposit— Payroll Overpayment Trust Fund	42	0	0			42

# Legislative Proposals

## 2022 LEGISLATIVE ACTS

During the 2022 legislative session, the following bills were enacted which will positively impact the HPHA and its residents:

Title	Description	Bill No.	Act No.
RELATING TO THE STATE BUDGET	Adjusts and request appropriations for fiscal biennium 2021-2023 funding requirements for operations and capital improvement projects of executive branch agencies and programs.	HB1600	Act 248
RELATING TO HOUSING	Establishes the housing choice voucher landlord incentive program. Requires HPHA to adopt rules without regard to chapter 91, HRS, to establish specified incentives for landlords who participate in the tenant-based assistance housing choice voucher program under section 8 of the United States Housing Act of 1937. Requires HPHA to adopt or amend rules no later than 7/1/2023 to establish a maximum of fifteen days after receipt of an owner's or landlord's inspection request as a reasonable time within which to inspect a dwelling unit for lease under the section 8 housing choice voucher program. Appropriates funds.	HB1752	Act 287
RELATING TO HOUSING	Establishes a statewide working group on affordable housing to foster increased inter-agency coordination on housing and zoning issues, raise public awareness of ongoing state and county efforts to reduce barriers to affordable housing development, and propose legislation. Requires an annual report to the legislature. Appropriates funds to support the statewide working group, including one full-time equivalent position.	HB1837	Act 305
RELATING TO RENTAL DISCRIMINATION	Beginning May 1, 2023, prohibits discrimination, including in advertisements for rental property, in rental transactions based on participation in a section 8 housing choice program or any permanent supportive housing program or requirements related to participation in these housing assistance programs. Requires the Hawaii Public Housing Authority and the Hawaii Civil Rights Commission to provide informational materials.	SB206	Act 310
RELATING TO THE PUBLIC HOUSING AUTHORITY	Allows the Hawaii Public Housing Authority to develop mixed-income and mixed-financed housing projects. Prohibits the development or construction of housing projects on ceded land that is vacant on or after	SB2251	Act 251
RELATING TO BROADBAND INFRASTRUCTURE	Requires each public housing project and state low-income housing project that is built or reconstructed after 1/1/2023, to include all broadband infrastructure necessary for tenants to have access to broadband	SB2479	Act 234
RELATING TO HOUSING	Appropriates funds to the Hawaii Public Housing Authority for the rehabilitation, remodeling, renovation, and repair of housing units.	SB2588	Act 253

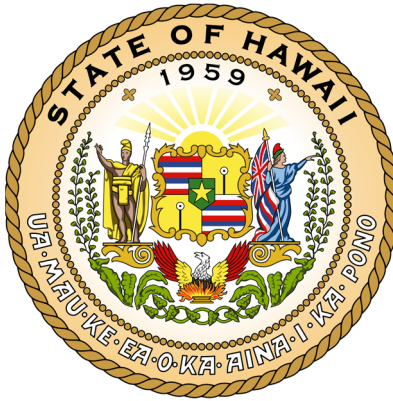


# Legislative Proposals

## 2023 LEGISLATIVE BILLS

Looking forward, the HPHA tentatively intends to pursue the following legislative proposals in 2023. This portion of the report is required under Section 356D-20(3)(B), Hawaii Revised Statutes.

Title	Description	DHS No.
RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY	Establish a two-year pilot program to contract an on-the-job training program for public housing tenants to receive part-time on-the-job training to gain knowledge and experience to attain the minimum qualifications needed for future part-time and full-time employment. Makes an appropriation of \$500,000 in general funds for each year of the fiscal biennium.	HMS-11(23)



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