June 4, 2020

Hakim Ouansafi  
Executive Director  
Hawaii Public Housing Authority  
1002 N. School Street  
Honolulu, HI 96817

Subject: Hawaii Public Housing Authority – PHA code: HI001/HI901  
Annual PHA Plan for Fiscal Year 2020 Beginning July 1, 2020 version 1

Dear Mr. Ouansafi,

This letter is to inform you that the Hawaii Public Housing Authority’s Annual Plan submission (Plan) for the PHA Fiscal Year (FY) 2020 beginning July 1, 2020, is approved. The Plan approved is Version 1. This approval of the Plan submission does not constitute an endorsement of the strategies and policies outlined in the Plan. Additionally, while the Plan is considered “approved” we have identified a segment of the Plan which raises Fair Housing concerns. A separate letter will be sent to you outlining that concern.

In providing assistance to families under the programs covered by this Plan, the Hawaii Public Housing Authority will comply with the rules, standards, and policies established in its Plan, as provided under 24 Code of Federal Regulations Part 903 and other applicable regulations.

Your approved Plan and all required attachments and documents must be made available for review and inspection at the principal office of the PHA during normal business hours. Once posted, your plan will remain on display until your next Plan (Whether next year’s plan or an intervening significant amendment or modification) is submitted and is approved by HUD.

Please note a housing authority has the option to schedule one public hearing to address several changes to its approved Plan. Changes that require public hearing include: PHA Plan Significant Amendments; changes due to Demolition/Disposition; Homeownership; use of Capital Funds; Capital Fund Financing; proposed New Development or Mixed Finance projects; implementation of Rental Assistance Demonstration (RAD) Program; Flat Rent policies.

If there are any questions regarding the Plan or the information in this letter, please contact Jennifer Stolze by email at Jennifer.T.Stolze@hud.gov or at (808) 457-4669.

Sincerely,

Jesse Wu  
Director  
Office of Public Housing
**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 exceed 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.**

<table>
<thead>
<tr>
<th>A.1</th>
<th>PHA Name: Hawaii Public Housing Authority</th>
<th>PHA Code: HI001</th>
</tr>
</thead>
<tbody>
<tr>
<td>PHA Type:</td>
<td>☑ Standard PHA ☐ Troubled PHA</td>
<td></td>
</tr>
<tr>
<td>PHA Plan for Fiscal Year Beginning:</td>
<td>07/2020</td>
<td></td>
</tr>
<tr>
<td>PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Public Housing (PH) Units</td>
<td>5,406</td>
<td></td>
</tr>
<tr>
<td>Number of Housing Choice Vouchers (HCVs)</td>
<td>3,820</td>
<td></td>
</tr>
<tr>
<td>Total Combined Units/Vouchers</td>
<td>9,226</td>
<td></td>
</tr>
</tbody>
</table>

**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.

The PHA Plan and all supporting documents are available on the internet: [http://www.hpha.hawaii.gov/housingplans/index.htm](http://www.hpha.hawaii.gov/housingplans/index.htm)

Hard copies of the plan are available at the following locations:

- **Hawaii Public Housing Authority**
  - 1002 North School Street, Bldg. E
  - Honolulu, Hawaii 96817

- **Lanakila Homes**
  - 600 Wailoa Street
  - 78-6725 Makolea Street
  - Kailua-Kona, Hawaii 96740

- **Kapaa**
  - 4726 Malu Road
  - 2015 Holowai Place
  - Wailuku, Hawaii 96793
PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)

<table>
<thead>
<tr>
<th>Participating PHAs</th>
<th>PHA Code</th>
<th>Program(s) in the Consortia</th>
<th>Program(s) not in the Consortia</th>
<th>No. of Units in Each Program</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>PH</td>
</tr>
</tbody>
</table>

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?

<table>
<thead>
<tr>
<th></th>
<th>Y</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<tr>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- [x] Statement of Housing Needs and Strategy for Addressing Housing Needs
- [ ] Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions
- [x] Financial Resources
- [x] Rent Determination
- [x] Operation and Management
- [x] Grievance Procedures
- [x] 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, 2019

<table>
<thead>
<tr>
<th>Total Families on Waiting List = 3,359</th>
<th># of families</th>
<th>% of total families</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income Levels</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extremely low income &lt;=30% AMI</td>
<td>3,062</td>
<td>91.16%</td>
</tr>
<tr>
<td>Very low income (&gt;30% but &lt;=50% AMI)</td>
<td>217</td>
<td>6.46%</td>
</tr>
<tr>
<td>Low income (&gt;50% but &lt;80% AMI)</td>
<td>49</td>
<td>1.46%</td>
</tr>
<tr>
<td>Families with children</td>
<td>1,190</td>
<td>35.43%</td>
</tr>
<tr>
<td>Elderly families</td>
<td>873</td>
<td>25.99%</td>
</tr>
</tbody>
</table>
### Families with Disabilities

<table>
<thead>
<tr>
<th>Racial Distribution</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian/Pacific Islander/Other</td>
<td>834</td>
</tr>
<tr>
<td>White</td>
<td>735</td>
</tr>
<tr>
<td>Hispanic</td>
<td>382</td>
</tr>
<tr>
<td>Black</td>
<td>149</td>
</tr>
<tr>
<td>American Indian, etc.</td>
<td>97</td>
</tr>
</tbody>
</table>

### Racial Distribution

<table>
<thead>
<tr>
<th>Racial Distribution</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian/Pacific Islander/Other</td>
<td>2,823</td>
</tr>
<tr>
<td>White</td>
<td>735</td>
</tr>
<tr>
<td>Hispanic</td>
<td>382</td>
</tr>
<tr>
<td>Black</td>
<td>149</td>
</tr>
<tr>
<td>American Indian, etc.</td>
<td>97</td>
</tr>
</tbody>
</table>

### Bedrooms Needed

<table>
<thead>
<tr>
<th>Bedrooms Needed</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1BR and Studio</td>
<td>2,051</td>
</tr>
<tr>
<td>2 BR</td>
<td>787</td>
</tr>
<tr>
<td>3 BR</td>
<td>451</td>
</tr>
<tr>
<td>4 BR</td>
<td>160</td>
</tr>
<tr>
<td>5 BR</td>
<td>22</td>
</tr>
</tbody>
</table>

### Housing Needs of Families on the Section 8 Waiting List as of July 1, 2019

<table>
<thead>
<tr>
<th>Total Families on Waiting List = 4,970</th>
<th># of families</th>
<th>% of total families</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income Levels</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extremely low income &lt;=30% AMI</td>
<td>4,372</td>
<td>87.97%</td>
</tr>
<tr>
<td>Very low income (&gt;30% but &lt;=50% AMI)</td>
<td>562</td>
<td>11.31%</td>
</tr>
<tr>
<td>Low income (&gt;50% but &lt;80% AMI)</td>
<td>26</td>
<td>0.52%</td>
</tr>
<tr>
<td>Families with children</td>
<td>2,450</td>
<td>49.30%</td>
</tr>
<tr>
<td>Elderly families</td>
<td>396</td>
<td>7.97%</td>
</tr>
<tr>
<td>Families with Disabilities</td>
<td>1,408</td>
<td>28.33%</td>
</tr>
</tbody>
</table>

### Racial Distribution

<table>
<thead>
<tr>
<th>Racial Distribution</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian/Pacific Islander/Other</td>
<td>4,099</td>
</tr>
<tr>
<td>White</td>
<td>872</td>
</tr>
<tr>
<td>Hispanic</td>
<td>707</td>
</tr>
<tr>
<td>Black</td>
<td>540</td>
</tr>
<tr>
<td>American Indian, etc.</td>
<td>100</td>
</tr>
</tbody>
</table>

### Bedrooms Needed

<table>
<thead>
<tr>
<th>Bedrooms Needed</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1BR and Studio</td>
<td>4,167</td>
</tr>
<tr>
<td>2 BR</td>
<td>746</td>
</tr>
<tr>
<td>3 BR</td>
<td>126</td>
</tr>
<tr>
<td>4 BR</td>
<td>46</td>
</tr>
<tr>
<td>5 BR</td>
<td>13</td>
</tr>
<tr>
<td>5+ BR</td>
<td>1</td>
</tr>
</tbody>
</table>
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

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

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

### Summary of Housing Needs

<table>
<thead>
<tr>
<th>Demographics</th>
<th>Base Year: 2000</th>
<th>Most Recent Year: 2011</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>1,211,537</td>
<td>1,346,554</td>
<td>11%</td>
</tr>
<tr>
<td>Households</td>
<td>403,572</td>
<td>445,513</td>
<td>10%</td>
</tr>
<tr>
<td>Median Income</td>
<td>$49,820.00</td>
<td>$67,116.00</td>
<td>35%</td>
</tr>
</tbody>
</table>

*Table 5 - Housing Needs Assessment Demographics

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

### Number of Households Table

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

*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: University of Hawaii Economic Research Organization (UHERO), DBEDT, "4th Quarter 2019 Report" and “Measuring Housing Demand in Hawaii, 2015-2025,” April 2015; Rick Cassiday, “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 2014, 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, form 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 Hawai‘i 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.

According to UHERO, University of Hawaii Economic Research Organization’s Hawaii Construction Forecast dated October 4, 2019, Hawaii’s construction activity continues at a healthy pace, with a modest pickup over the past year. New and pending projects, particularly high-rise residential building on Oahu, will sustain construction employment near its current level for the next several years. Planned large-scale public sector projects will provide additional support.

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 2019. Private building authorizations, and construction jobs increased, while government contracts awarded and State government CIP expenditures decreased.

In the third quarter of 2019, private building authorizations in the state increased $55.5 million or 7.5 percent, compared with the third quarter of 2018. In the first three quarters of 2019, private building authorizations in the state decreased $182.9 million or 7.2 percent compared with the same period of the previous year. In Honolulu County, there was an increase of $63.6 million or 16.1 percent. Hawaii County experienced a decrease of $7.4 million or 3.9%, while Maui County increased $6.7 million or 5.2 percent, and Kauai County decreased $7.3 million or 19.6 percent compared with the previous year. According to their fourth quarter report.

Government contracts awarded decreased $228.5 million or 58.0 percent in the third quarter of 2019 compared with the same quarter of 2018. In the first three quarters of 2019, government contracts awarded declined $1,074.3 million or 70.4 percent compared with the previous year. State government CIP expenditures increased $4.7 million or 1.1 percent in the third quarter of 2019 compared with the same quarter of 2018. In the first three quarters of 2019, State government CIP expenditures decreased $128.4 million or 10.4 percent compared with the same period of the previous year.
Cost of Housing

In the third quarter of 2019, Honolulu’s median price for single family resales was $800,000, a decrease of $5,000 or 0.6 percent compared to the same quarter of 2018. The median price for condominium units was $440,000, up $12,000 or 2.8 percent over the same quarter of 2018. In the third quarter of 2019, the number of single-family unit resales increased 8.7 percent, and the number of condominium unit resales declined 2.8 percent, compared with the third quarter of 2018. In the first three quarters of 2019, the number of single-family unit resales increased 0.8 percent, and condominium unit resales declined 6.7 percent compared with the same period of the previous year.

In the first three quarters of 2019, Maui County’s single-family unit resales median price was $745,845 and the condominium unit resales median price was $518,000.

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 as a spouse, significant other, partner and minors through birth, adoption, court awarded custody, or hanai. (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 the entire family can be absent from the subsidized unit from 180 days to 60 days, allowing for specific exceptions 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.

• 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 and 982.311 Housing Assistance Payment 10-6

- 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 to terminated families who fail to make 2 consecutive payments from 3 notices in 12 months. 24 CFR 982.551 and 552

- Adopt Administrative Rules to implement Hawaii Revised Statutes §356D-13.5 regarding remaining members of assisted family 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 applicant families (considering all adopted preferences) to place on the waiting lists process for participation in the Housing Choice Voucher Program.

- Adopt rules which allows the HPHA to conduct Home Quality Standards (HQS) inspections every other year for units that passed inspection on the first attempt, except in circumstances where the HPHA determines a need for an annual inspection (e.g. tenant complaint), then the HPHA will do an annual inspection instead of biennial.

- 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.

- Amend initial 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.

- 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.

- Establish an external storage policy that adheres to all rules, requirements and laws.

3. Financial Resources

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<tr>
<td>Federal Grants</td>
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<tr>
<td>a. Public Housing Operating Fund</td>
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<td>Operations and maintenance of public housing</td>
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<td>b. Public Housing Capital Fund</td>
<td>13,381,318</td>
<td>Capital repairs, management improvements, operations, administrative costs</td>
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### c. Section 8 Tenant-Based Assistance

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<th>Description</th>
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<td>Housing Assistance Payments and Administrative costs</td>
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<td>d. Family Self Sufficiency Program</td>
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<td>FSS Coordinator expenses</td>
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<td>Public Housing Dwelling Rental Income</td>
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<td>Operations and maintenance of public housing</td>
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<td>State Capital Improvement Program</td>
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<td>Capital repairs and associated administrative costs</td>
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<td>State General Fund</td>
<td>6,575,991</td>
<td>Operations, State Rent Supplement Program, maintenance, security and vacant unit turnaround of public housing</td>
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<td><strong>Total Resources for Public Housing or Tenant-Based Assistance</strong></td>
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### Other Project-Based Resources:

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<td>Non-Rental Income</td>
<td>75,000</td>
<td>Management improvements, operations for site location</td>
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### 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, and 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 Housing Choice Voucher 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 meet 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 quite times, utilize and require tenant ID cards, install video cameras and security features.
- 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, stealing of HPHA funds and destruction of property per Act 206, Session Laws of Hawaii (SLH) 2019.
- 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 no 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.
- 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?

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<tr>
<td>Hope VI or Choice Neighborhoods.</td>
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<td>Mixed Finance Modernization or Development.</td>
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<td>Demolition and/or Disposition.</td>
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<td>Designated Housing for Elderly and/or Disabled Families.</td>
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<td>Conversion of Public Housing to Tenant-Based Assistance.</td>
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<td>Conversion of Public Housing to Project-Based Assistance under RAD.</td>
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<td>Occupancy by Over-Income Families.</td>
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<td>Occupancy by Police Officers.</td>
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<td>Non-Smoking Policies.</td>
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<td>Project-Based Vouchers.</td>
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<td>Units with Approved Vacancies for Modernization.</td>
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<tr>
<td>☒</td>
<td>☒</td>
<td>Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).</td>
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</tbody>
</table>

(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, AMP 31, AMP 32, AMP 33, AMP 37, AMP 38, AMP 39 and AMP 40.

**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 #s 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 enter into a restated and amended master development agreement with the Michaels Development Group for the second phase of the mixed finance redevelopment at Kuhio Park Terrace Low-Rise and Kuhio Homes. It is anticipated that once the restated and amended master development agreement is negotiated and executed, the master planning and environmental reviews for phase 2 will commence.

**Lanakila Homes (AMP 37, Project #1004)**

HPHA is looking to partner with the County of Hawaii to provide the HPHA with HUD Disaster Relief and Community Development Block Grant (CDBG) funding to rebuild approximately 88 public housing units on the vacant parcel of the Lanakila Homes property.

**Kapaa and Eleele Homes (AMP 38, Project #1018 and #1020)**

HPHA is looking to partner with the County of Kauai to possible redevelop the Kapaa and Eleele Homes public housing properties.

**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 32, AMP 33, AMP 37, AMP 38, AMP 39 and AMP 40.

HPHA believes the redevelopment of public housing and other properties through public/private partnerships has the potential to transform communities and improve the living conditions of its residents with updated or new amenities, open public spaces, accessibility 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. The HPHA is exploring the dedication of streets and sidewalks to the City and County of Honolulu at Hale Laulima to allow fire trucks to enter a potential fire station from the rear, and to the County of Hawaii at Lanakila Homes. The dedicated areas will be owned and maintained by the City and County of Honolulu and County of Hawaii with HPHA retaining the carved out parking areas for tenant parking assignments for the latter.

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. HPHA is looking to partner with the County of Hawaii to provide the HPHA with HUD Community Development Block Grant Disaster Relief (CDBG-DR) funding to rebuild to current standards, codes and ordinances. There will cause 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 Park Terrace. Applications were submitted to HUD on September 4, 2018 for participation in the RAD program in coordination with the HPHA’s redevelopment partners. Commitments to Enter into a Housing Assistance Payments (CHAP) were issued to the HPHA in October of 2018 for Kuhio Park Towers, Kuhio Homes, Kuhio Park Terrace Low-Rise. The HPHA and its redevelopment partners expect to submit the financing plan for KPT Towers no later than 12/31/19. However, due to the lack of meaningful progress with respect to the redevelopment plan of Mayor Wright Homes, the RAD transaction manager for this project has recommended that the CHAP for Mayor Wright Homes be returned, and the HPHA may resubmit a RAD application for this project in its redevelopment plans are further defined.

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.

### B.3 Civil Rights Certification.

Form HUD-50077, *PHA Certifications of Compliance with the PHA Plans and Related Regulations*, must be submitted by the PHA as an electronic attachment to the PHA Plan.

### B.4 Most Recent Fiscal Year Audit.

(a) Were there any findings in the most recent FY Audit?

Y  N

☐  ☒

(b) If yes, please describe:

No findings were reported in FY18

### B.5 Progress Report.

Provide a description of the PHA’s progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan.

**A. Expand the supply of assisted housing:**

- The occupancy rate continued to fluctuate during FY 2019. HPHA’s Multi-Skilled Worker (MSW) team expedited repairs on vacant units. As of June 30, 2019, 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, AMP 40 Kuhio Homes and Kuhio Park Terrace Low-Rise. HPHA continues to consider additional redevelopment options including AMP 30 Puuwai Momi, AMP 37 Lanakila Homes, AMP 38 Elele Homes and Kapaa, and AMP 39 Kaheliki Terrace.
- 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.
• During the 2019 Legislative Session, the Hawaii State Legislature appropriated $20,000,000 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.

B. Improve the quality of assisted housing:

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, 2019.
   • 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.
   • 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.
   • HPHA is in the process of establishing a Landlord Incentive Program and hiring a Landlord Liaison to administer the program.
   • HPHA was awarded funds from the Mainstream Voucher Program Fiscal Year 2019 Notice of Funding Availability (NOFA) (FR-6300-N-43). The HPHA has contacted the Financial Management Center (FMC) to select an effective date of July 1, 2020 to distribute the 60 units with a budget authority of $850,040 for a term of 12 months.
   • HPHA has entered into a Memorandum of Agreement with the Child Welfare Services Branch, Social Services Division of the Hawaii State Department of Human Services in relation to their assistance to pursue the Foster Youth to Independence initiative.

3. Increase customer satisfaction:
   • HPHA has implemented automated applicant waiting list portal and has brought the applicant portal online. The applicant portal allows 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 contracted with EMG to address barriers to accessibility at HPHA properties. Site assessments for mobility and visual/hearing accessibility were completed at all HPHA properties, management offices and administrative offices. A Needs Assessment report was created with input from advocacy groups and the public, and a Transition Plan will be submitted to HUD at the end of 2019.
  • 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.
  • HPHA is looking to partner with the County of Hawaii to provide the HPHA with HUD Community Development Block Grant for Disaster Recovery (CDBG-DR) funding to rebuild to current standards, codes and ordinances.
  • HPHA is looking to partner with the County of Kauai to redevelop and increase density at existing public housing properties.
  • HPHA is looking to partner with the County of Maui to redevelop and increase density at existing public housing properties.

C. Increase assisted housing choices:
• The HPHA adopts a payment standard every year for the HCV program for Oahu zip codes to use Small Area 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 as Act 31 on June 9, 2018.
• Act 206 Session Laws of Hawaii 2019 provides HPHA the statutory authority to evict tenants who are convicted of a felony related to the HPHA’s property or funds or its employees on HPHA property.
• 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 2019, 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 accomplishments 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 addendum 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)
- 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?

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(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, 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.

### B.8 Troubled PHA.

(a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place?

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| 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. |

| 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). |
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 information must include an analysis of the need for measures to reduce housing costs and to 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(i)) 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(i))

☐ 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(j)) 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, designation, 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 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 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/sa/demo_dispo/index.cfm. (24 CFR §903.7(b))

☐ **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 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 published 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(tr)(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 or 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 XXXX/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.