5

HOUSE CONCURRENT RESOLUTION

URGING THE HAWAII PUBLIC HOUSING AUTHORITY TO INCREASE THE MINIMUM RENT SCHEDULE.

WHEREAS, under section 356D-43, Hawaii Revised Statutes, the Hawaii Public Housing Authority (HPHA) must set the rental rates for dwellings units in state low-income housing projects to produce sufficient revenues to pay for all expenses of management, operations, maintenance, repairs, and improvements, and thereby remain self-supporting; and

WHEREAS, a 2006 audit showed that routine operating expenses for the state public housing program exceed budgeted repair costs and deplete program revenues; and

WHEREAS, the audit suggested increasing the minimum rent; and

WHEREAS, since 2005, HPHA has had an operating shortfall every year requiring infusion of additional funds from the Legislature: \$20 million in 2005; \$13.5 million in 2006; \$10.5 million in 2007; \$16 million in 2007; and \$17 million in 2008; and

WHEREAS, rental collections are \$1.2 million in arrears; and

WHEREAS, monthly rental rates for family housing are set according to the following schedule: \$108 for a one-bedroom unit; \$128 for a two-bedroom unit; \$152 for a three-bedroom unit; \$180 for a four-bedroom unit; and \$212 for a five-bedroom unit; and

WHEREAS, for fiscal year 2010, HPHA needs over \$17 million in additional operating funds, and due to the economic downturn, the State no longer has additional funds available; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2009, the Senate concurring, that HPHA is urged to increase the minimum rent for state public housing to no less than \$250 per unit, with a yearly increase equal to the increase in the cost of living index, provided that rent for any current tenant in state public housing who is on a fixed income shall not be subject to the rent increase for the remaining term of the lease, so long as the tenant is in compliance with the lease; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Executive Director and members of the Board of HPHA.