## HOUSE 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, 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 Resolution be transmitted to the Executive Director and members of the Board of HPHA.