

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
BOARD OF DIRECTORS MEETING
1002 North School Street, Building E
Honolulu, Hawaii 96817**

**December 19, 2013
9:00 a.m.**

AGENDA

I. CALL TO ORDER / ROLL CALL

II. APPROVAL OF MINUTES

- A. Special Meeting Minutes, October 10, 2013 (*Pages 1-10*)
- B. Executive Session Minutes, October 10, 2013 (not for public release)

III. PUBLIC TESTIMONY

Public testimony on any item relevant to this agenda shall be taken at this time. Pursuant to section 92-3, Hawaii Revised Statutes, and section 17-2000-18, Hawaii Administrative Rules, the Board may limit public testimony to three minutes per agenda item.

IV. FOR ACTION

- A. Motion: To Appoint Ms. Wanda M. Camara to the Hawaii Public Housing Authority's (HPHA) Oahu Eviction Board A and as a Floating Resident Board Member for a Two-Year Term Expiring on December 31, 2015 (*Pages 11-14*)
- B. Motion: To Approve the Hawaii Public Housing Authority's Fiscal Year 2012-2013 Annual Report to the Governor and Legislature Required Pursuant to Section 356D-20, Hawaii Revised Statutes and to Authorize the Executive Director to Distribute the Annual Report, as Required (*Pages 15-17*)
- C. Motion: To Authorize the Hawaii Public Housing Authority (HPHA) to Hold Public Hearings on the Draft Five-Year and Annual Public Housing Agency Plan for Fiscal Years 2014 – 2019 (*Pages 18-271*)
- D. Motion: To Approve the Updated Utility Allowance Rates for March 1, 2014 to April 30, 2015 for the Section 8 Housing Choice Voucher Program and to Authorize the Executive Director to Accept Comments on the Updated Utility Rates as Required (*Pages 272-279*)

V. REPORTS

- A. Executive Director's Report Highlights: *(Pages 280-330)*
- HUD Technical Assistance Contract Related to the Property Management and Maintenance Services Branch and Financial Reporting
 - Property Management and Maintenance Services Branch occupancy and rent collection status
 - Update on Choice Neighborhood Initiative Planning Grant
 - Section 8 Lease up Status
 - Design and Construction Project Updates; Relocation Training
 - Contracts Executed During October & November 2013
 - Network and Server Upgrades
 - Service and Merit Awards for HPHA
 - Employee Safety

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to employee safety

VI. FOR INFORMATION/DISCUSSION

- A. For Discussion: *Kolio, et al. v. State of Hawaii, Hawaii Public Housing Authority (Civil No. 11-1-0795-04) (Page 331)*

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to *Kolio, et al. v. State of Hawaii, Hawaii Public Housing Authority; Civil No. 11-1-0795-04)*

If any person requires special needs (i.e., large print, taped materials, sign language interpreter, etc.) please call Ms. Taryn Chikamori at (808) 832-4690 by close of business two days prior to the meeting date. Meals will be served to the Board and support staff as an integral part of the meeting.

HAWAII PUBLIC HOUSING AUTHORITY
MINUTES OF THE REGULAR MEETING
HELD AT 1002 NORTH SCHOOL STREET, BUILDING E
HONOLULU, HAWAII 96817
ON THURSDAY, DECEMBER 19, 2013
IN THE COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority held a Regular Board Meeting at 1002 North School Street, on Thursday, December 19, 2013 at 9:00 a.m. Chairperson Gierlach called the meeting to order. Those present were as follows:

PRESENT: Director David Gierlach, Chairperson
Director Jason Espero, Secretary
Director Myoung Oh
Director Debbie Shimizu
Director Trevor Tokishi
Designee Barbara Yamashita

Deputy Attorney General, Jennifer Sugita

EXCUSED: Director Matilda Yoshioka, Vice-Chair

STAFF PRESENT: Hakim Ouansafi, Executive Director
Barbara Arashiro, Executive Assistant
Clarence Allen, Acting Chief Financial Management Advisor
Kiriko Oishi, Chief Compliance Officer
Rick Sogawa, Contracts & Procurement Officer
Becky Choi, State Housing Development Administrator
Joanna Renken, Acting Public Housing Supervisor
Shirley Befitel, Personnel Supervisor
Benjamin Park, Housing Planner
Renee Blondin-Nip, Hearings Officer
Stephanie Fo, Section 8 Branch Chief
Gary Nakatsu, Data Processing Supervisor
Kalia McKeague, Property Management Specialist
Taryn Chikamori, Secretary to the Board

OTHERS: Monique Ocampo, Nanakuli Homes resident

Proceedings:

Chairperson Gierlach declared a quorum present.

Approval of Minutes:

Director Espero moved,

To approve the Special Meeting Minutes of October 10, 2013.

Executive Assistant Arashiro asked that page 7 be corrected from, "...Executive Session at **11:58** a.m." to "...Executive Session at **11:30** a.m."

The minutes were unanimously approved as amended.

Public Testimony:

Monique Ocampo, Nanakuli Homes resident and Chair of the Resident Advisory Board, stated that the Resident Advisory Board (RAB) makes recommendations to the Hawaii Public Housing Authority (HPHA) on proposed policies. She asked that the Board carefully review the RAB's recommendations and the HPHA responses, on the Public Housing Agency (PHA) Plan.

For Action:

Director Espero moved,

To Appoint Ms. Wanda M. Camara to the Hawaii Public Housing Authority's (HPHA) Oahu Eviction Board A and as a Floating Resident Board Member for a Two-Year Term Expiring on December 31, 2015.

Executive Director Ouansafi stated that staff recommends the appointment of Ms. Wanda M. Camara to the Oahu Eviction Board and as a Floating Resident Board Member. Ms. Camara has been a public housing resident for 21 years and serves on the RAB and was previously a Grievance Hearings Officer.

The motion was unanimously approved.

For Action:

Director Espero moved,

To Approve the Hawaii Public Housing Authority's Fiscal Year 2012-2013 Annual Report to the Governor and Legislature Required Pursuant to Section 356D-20, Hawaii Revised Statutes and to Authorize the Executive Director to Distribute the Annual Report, as Required

Executive Director Ouansafi stated that the HPHA is required to submit the annual report to the Legislature no later than 20 days prior to the start of the Legislative session. He reported that the annual report, reports to the Legislature the HPHA's accomplishments for 2013.

Chairperson Gierlach asked when the annual report is due to the Legislature. Mr. Benjamin Park, Housing Planner, responded December 20, 2013.

The motion was unanimously approved.

For Action:

Director Tokishi moved,

To Authorize the Hawaii Public Housing Authority (HPHA) to Hold Public Hearings on the Draft Five-Year and Annual Public Housing Agency Plan for Fiscal Years 2014 – 2019.

Director Shimizu asked why (on page 25, no. 7) is the HPHA proposing to use the current monthly balance versus the average monthly balance to calculate a tenant or applicant's assets. Ms. Stephanie Fo, Section 8 Branch Chief responded that the change was proposed to be consistent with the HPHA's current practice of verifying the savings. She explained that most bank statements have the average balance, so the HPHA can verify a tenant's assets using that one statement. HPHA believes that it is difficult for the tenants to gather six months worth of bank statements. If the average balance is \$5,000 or more, then the HPHA will ask for prior balances.

Director Gierlach stated that the concern is if the HPHA is using one month, it is not an accurate snapshot of the assets. Ms. Fo responded that the bank statements she reviewed provided an average account balance, some are for the last three months and some are for the last six months.

Director Shimizu responded that the plan is saying the HPHA will be using the "current balance" instead of the "average balance". Ms. Fo responded that if the average balance shows that the tenant had more than \$5,000 than the HPHA would request for

more statements. Executive Director Ouansafi reported that there is also an administrative burden.

Director Yamashita stated that the plan is saying that the HPHA will be using one month's balance. Ms. Fo stated the HPHA is required to look at the current balance, but the HPHA is looking at the average to be sure there is no fraud.

Director Shimizu recommended: "current balance or average monthly balance ..."

Executive Ouansafi agreed that the Plan would be revised to use "current balance or average monthly balance for the **past few months.**"

Director Shimizu stated that on page 26, no. 16 she doesn't think elderly/disabled is obsolete, she thought it was a preference. Executive Director Ouansafi stated that this was the recommendation from the consultant, Nan McKay. Ms. Kiriko Oishi, Chief Compliance Officer, reported that the reasons the HPHA wants to eliminate the preference is because: 1) the U.S. Department of Housing and Urban Development (HUD) previously recommended elderly and disabled as a preference, but has since eliminated HUD preferences; 2) the HPHA already has a separate waitlist for elderly/disabled housing; 3) most public housing authorities (PHA) have removed the preference; and 4) the preference applies only to single applicants.

Chairperson Gierlach stated that it sounds like the preference is not obsolete, but redundant because the HPHA already has preference built in.

Director Shimizu asked if the applicant is next on the waitlist and there are no elderly/disabled units, what happens. Ms. Oishi explained that there are separate waitlists for elderly/disabled and family properties and the family projects do not have studio units.

Director Shimizu asked if the Compliance Office checked on the regulatory authority or with Phineas Consulting for proper wording and citations, as referred to on page 26, no. 10 and 11. Ms. Oishi responded that the HPHA is still in the process of obtaining clarification.

Director Shimizu asked if this will be changed before or after public hearing. Executive Director Ouansafi responded it will be changed before public hearing. Director Shimizu asked if the Board will be able to see the change. Executive Arashiro responded that the HPHA is not changing the intent, but the wording and the HPHA asked other PHA's for samples. Executive Director Ouansafi reported that the HPHA will email the changes to the Board.

Chairperson Gierlach asked when the PHA plan public hearing will be held. Executive Director Ouansafi responded the timeline is on page 19, C.

The motion was unanimously approved.

For Action:

Director Tokishi moved,

To Approve the Updated Utility Allowance Rates for March 1, 2014 to April 30, 2015 for the Section 8 Housing Choice Voucher Program and to Authorize the Executive Director to Accept Comments on the Updated Utility Rates as Required.

Executive Director Ouansafi reported that the HPHA worked with the City and County of Honolulu (C& C) to determine the utility rate by using a tool provided by HUD. The current rate is from \$75 to \$95.

The motion was unanimously approved.

Executive Director's Report:

- Executive Director Ouansafi reported that the HPHA has one of the most complex accounting for any department in the State and the HPHA worked hard not to be the last agency to submit their financials.
- Executive Director Ouansafi reported that staff went through procurement and rent calculation training. All staff who took the trainings were required to take a certification test and everyone passed both tests. He reported that the training was paid for by a grant from HUD.
- Executive Director reported that the occupancy rate is still at approximately 97%, but believes based on the numbers the HPHA is above the 97% because there are units that were removed 7-8 years ago and subsidy stopped. When these units are back the occupancy rate should be 98% or higher.
- Executive Director Ouansafi reported that the HPHA moved in 22 families in the federal projects and 11 in the State projects. The delinquencies have been reduced to \$369,000 for federal projects and \$114,000 for State projects. The HPHA is working with 618 families to reduce the number of families being evicted for rent.
- The HPHA is waiting for approval of public hearing for the Administrative Rules from the Governor's office. Director Shimizu responded that she will inquire about the status of the rules.
- Executive Director Ouansafi encouraged the Board to visit the Choice Neighborhood Initiative (CNI) information on the HPHA's website. The HPHA paid for a survey in the Kuhio Park Terrace area which includes an assessment of needs in various areas such as education, supportive services, transportation, child care and medical needs.

- Executive Director Ouansafi reported Section 8 vouchers were leased to 11 veterans and has 33 active participants in the self sufficiency program.
- Executive Director Ouansafi reported that the HPHA will meet all the financial deadlines, but it will be tight because the HPHA is waiting for other departments.
- Executive Ouansafi reported that the Governor requested \$35 million from the Legislature, \$20 million for CIP and another \$15 million.
- Executive Director Ouansafi reported that the upgrade on the network has been completed on Oahu.
- Executive Director Ouansafi reported that the HPHA met with Department of Commerce and Consumer Affairs (DCCA) regarding providing internet to areas without internet. The HPHA sent DCCA the location of properties and speed of connection. The HPHA may need to pay for internet service in some areas and some areas DCCA may provide internet service at no cost.
- Chairperson Gierlach asked the status on hiring a consultant for the Mayor Wright Homes area. Executive Director responded the HPHA received the finalized solicitation and the solicitation should be completed by the end of February.
- Director Tokishi asked if the variance for the CFP grant income is because the HPHA budgeted for the funds to be distributed monthly, but the funds are not distributed monthly. Mr. Clarence Allen, Acting Chief Financial Management Advisor, responded the funds are not distributed the way the HPHA budgeted.
- Director Tokishi asked if that “other income” was down in September because of the appropriation of construction projects reimbursements, but in October it was up for the KPT redevelopment fees, which are two different reasons, is the HPHA still waiting for the appropriations. Mr. Allen responded the HPHA is still waiting for the appropriations.
- Director Tokishi asked if in “tenant services” September the HPHA is ahead of budget because of timing of expenses, but in October the HPHA is in line with budget. Mr. Allen responded that it depends on when the asset management projects (AMP) submits their expenses.
- Director Tokishi stated that credit unions checking account statement is an average for the month, but the savings account is a three month average. He stated that he also contacted American Savings, Central Pacific Bank and Bank of Hawaii and they are also the same way. Executive Assistant Arashiro responded that the requirement is on the savings account. Executive Assistant Arashiro also clarified that any change to the Section 8 Administrative Plan will require Board approval. The proposed change in the PHA plan is notification to HUD of our intent to change the current policy.

Executive Session:

Director Tokishi moved at 9:41 a.m.,

To go into Executive Session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to:

1. Personnel Matters

The motion was unanimously approved.

The Board reconvened from Executive Session at 10:13 a.m.

Chairperson Gierlach reported that the Board discussed personnel matters in Executive Session.

Chairperson Gierlach reported last month the HPHA held a service award ceremony recognizing employees. He stated he hopes this is an annual event. Chairperson Gierlach reported the staff that received awards were:

1. Family Self Sufficiency Program

- a) Mr. David Webb

2. Certificates of Recognition

- a) Rookie All-Stars
 - Ashley Dennis, Compliance Office
 - Denise Gibo, Construction Management Branch
 - Julie Lau, Fiscal Management Office
 - Tammie Wong, Contract and Procurement Office
- b) Ha'aheo – Pride in Public Service Award
 - Aldeen Gardenia Cabral, AMP 39 Maui
 - Emma DeLeon, Construction Management Branch
 - Susan Henobio, AMP 34 Kalakaua
 - Eva Mayeshiro, Fiscal Management Office
 - Dennis Xiao, Section 8
- c) Most Improved Occupancy
 - AMP 31 Kalihi Valley Homes, managed by Gail Lee and Marie Onato
- d) Most Improved Re-certifications
 - AMP 30 Mary-Jane Hall-Ramiro
- e) Most Improved Operations
 - AMP 32/33 Mayor Wright Homes, Cynthia Yoshida
- f) Exemplary Performance Award

- Elizabeth Siangco, Section 8

3. Employee Merit Awards

- a) SWAT Team
 - William Richardson, Property Management and Maintenance Services Branch
 - Greg Cuadra, Exempt Maintenance Team
 - Stephanie Fo, Section 8
- b) Sustained Superior Performance Award –
 - Mannix Tesoro, AMP 32/33
- c) Chief of the Year
 - Kiriko Oishi, Compliance Office
- d) Director's Award
 - Rick Sogawa, Contract and Procurement Office
- e) Chairman's Award
 - Gail Lee, AP 31 and AMP 35
- f) Governor's Award
 - Construction Management Branch: Becky Choi, Sahar Ibrahim, Teresa Fraticelli, Michelle Gonzalez, Christine Ke-a, Larry Hinojosa, Kelbert Yoshida, Eric Richards, Lisa Izumi, Mitchell Kawamura, Salli Krekel, Denise Gibo, Leslie Higa, Ronald Asato, Michael Harrison, Stanley Miyasato, Carianne Abara, and Emma De Leon
- g) People's Choice Award
 - Governor Neil Abercrombie

Adjournment:

There was no further business to discuss, Chairperson Gierlach asked for a motion to adjourn the Regular Meeting.

Director Oh moved,

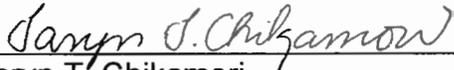
To adjourn the Regular Hawaii Public Housing Authority Board meeting.

The motion was unanimously approved.

The meeting was adjourned at 10:18 a.m.

MINUTES CERTIFICATION

Minutes Prepared by:


Taryn T. Chikamori
Secretary to the Board

FEB 20 2014
Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on January 16, 2014: [] As Presented [] As Amended


Jason Espero
Director/Board Secretary

FEB 20 2014
Date