

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

**October 28, 2014
9:00 a.m.**

AGENDA

I. CALL TO ORDER/ROLL CALL

II. APPROVAL OF MINUTES

- A. Annual Meeting Minutes, August 21, 2014 **(Pages 1 – 3)**
- B. Regular Meeting Minutes, August 21, 2014 **(Pages 4 – 15)**
- C. Executive Session Minutes, August 21, 2014 (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 Adopt Administrative Policy, Programs No. 1, Relating to Hawaii Public Housing Authority's Non-Discrimination Policy and Complaint Procedures for All Programs, and to Authorize the Executive Director to Undertake All Actions Necessary to Implement the Policy **(Pages 16 – 31)**
- B. Motion: To Adopt Administrative Policy, Programs No. 2, Relating to Hawaii Public Housing Authority's Language Access Policy for All Programs, and to Authorize the Executive Director to Undertake All Actions Necessary to Implement the Policy **(Pages 32 – 39)**
- C. Motion: To Authorize the Executive Director to Accept and Pay for the Investment Grade Energy Audit from Ameresco in the Amount of \$151,436 **(Pages 40 – 41)**

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 the Energy Performance Contract with Ameresco.

- D. Motion: To Authorize the Executive Director to Close the Waitlist for the Palolo Homes Project Based Section 8 Program **(Pages 42 – 43)**
- E. Motion: To Approve the Selection of a Master Developer for the Redevelopment of Mayor Wright Homes and to Authorize the Executive Director to Begin Negotiations to Enter into A Master Development Agreement with the Selected Master Developer **(Pages 44 – 46)**

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 the Selection of Master Developer for the Redevelopment of Mayor Wright Homes.

- F. Motion: To Ratify All Past Actions as of January 2012 Regarding the Development of the Hawaii Public Housing Authority's Administrative Offices Located at 1002 N. School Street, Honolulu, Hawaii 96817 and to Authorize the Executive Director to Continue Taking all the Necessary Steps Needed for Such Development **(Pages 47 – 48)**

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 the Redevelopment of the Hawaii Public Housing Authority's Administrative Offices.

- G. Motion: To Adopt Amendments to the Hawaii Public Housing Authority's (HPHA) By-Laws to Establish Voting Requirements to Discipline or Terminate the Executive Director or Executive Assistant for Cause; and to Authorize the Executive Director to Delegate Authority to Qualified Staff to Execute Instruments or Checks for Payments on Behalf of the Hawaii Public Housing Authority **(Pages 49 – 69)**

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(2) 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 Amendments to the Hawaii Public Housing Authority's (HPHA) By-Laws to Establish Voting Requirements To Discipline or Terminate the Executive Director or Executive

Assistant; and to Authorize the Executive Director to Delegate Authority to Qualified Staff to Execute Instruments or Checks for Payments on Behalf of the Hawaii Public Housing Authority

- H. Motion: To Approve Compensation for the Hawaii Public Housing Authority's (HPHA) Executive Director Effective January 1, 2014 Provided that the Executive Director's Salary Shall Not Exceed the Governor's Salary Pursuant to §356D-2, Hawaii Revised Statutes; and to Clarify Delegated Authority Related to the Executive Assistant, Chief Financial Management Advisor, Property Management Branch Chief, Chief Planner, and Redevelopment Officer During Temporary Assignment
(Pages 70 – 72)

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(2) 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 Compensation for the Hawaii Public Housing Authority's (HPHA) Executive Director Effective January 1, 2014 Provided that the Executive Director's Salary Shall Not Exceed the Governor's Salary Pursuant to §356D-2, Hawaii Revised Statutes; and to Clarify Delegated Authority Related to the Executive Assistant, Chief Financial Management Advisor, Property Management Branch Chief, Chief Planner, and Redevelopment Officer During Temporary Assignment

V. REPORTS

- A. Executive Director's Report Highlights: **(Pages 73 – 143)**
- Property Management and Maintenance Services Branch Occupancy and Rent Collection Status
 - Storm Damage Report
 - Hawaii Public Housing Authority's Public Housing Assessment System (PHAS) Score of 67 for the Fiscal Year July 1, 2012 to June 30, 2013
 - Section 8 Lease up Status and Program Activity
 - Design and Construction Project Updates
 - Contracts Executed During August and September 2014
 - Request to Appoint a Finance Task Force to Review Audited Financial Statements

VI. FOR DISCUSSION/INFORMATION

- A. For Information: *Kolio v. State of Hawaii, Hawaii Public Housing Authority; Case No. 13-000785*) Eviction Appeal and Oral Arguments Before the Supreme Court **(Page 144)**

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 v. State of Hawaii, Hawaii Public Housing Authority; Case No. 13-000785*)

- B. For Discussion: Selection of Specialized Legal Counsel for the Hawaii Public Housing Authority for Services Related to Mixed Finance Redevelopment of Kuhio Park Terrace and Kuhio Homes; Mixed Finance Redevelopment of Mayor Wright Homes; Resolution of Issues Related to Section 9(g)(3) of the U.S. Housing Act of 1937 ("Faircloth Amendment") and Increase of Operating Subsidy; Establishment of a Non-Profit Subsidiary of the Hawaii Public Housing Authority; and Redevelopment, Acquisition, and/or New Construction of Low Income and/or Affordable Housing such as the Redevelopment of the Hawaii Public Housing Authority's Administrative Offices located at 1002 N. School Street **(Pages 145 – 149)**

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 the Selection of Specialized Legal Counsel for the Hawaii Public Housing Authority for Services Related to Mixed Finance Redevelopment of Kuhio Park Terrace and Kuhio Homes; Mixed Finance Redevelopment of Mayor Wright Homes; Resolution of Issues Related to Section 9(g)(3) of the U.S. Housing Act of 1937 ("Faircloth Amendment") and Increase of Operating Subsidy; and Establishment of a Non-Profit Subsidiary

- C. For Discussion: Legislative Proposals for the 28th Legislature regarding the Hawaii Public Housing Authority **(Pages 150 – 170)**
- D. For Discussion: U.S. Department of Housing and Urban Development's Environmental Monitoring of Public Housing Capital Funds Program for the Hawaii Public Housing Authority (HI001) **(Pages 171 – 179)**

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 on any item listed above. 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 TUESDAY, OCTOBER 28, 2014
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 Tuesday, October 28, 2014 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, Vice Chairperson
Director Myoung Oh, Secretary
Director Gilbert De Motta
Director Morgan Kaya
Director Debbie Shimizu
Director Sheri Tanaka
Designee Barbara Yamashita

Deputy Attorney General, Diane Taira

EXCUSED: None

STAFF PRESENT: Hakim Ouansafi, Executive Director
Barbara Arashiro, Executive Assistant
Chong Gu, Chief Financial Management Advisor
Kiriko Oishi, Chief Compliance Officer
Dawn Takeuchi Apuna, Chief Planner
Rick Sogawa, Procurement Officer
Becky Choi, State Housing Development Administrator
Joanna Renken, Supervising Public Housing Manager
Stephanie Fo, Section 8 Subsidy Programs Branch Chief
Renee Blondin-Nip, Hearings Officer
Gary Nakatsu, Data Processing Supervisor
Shirley Befitel, Personnel Officer
Clarence Allen, Fiscal Officer
Rochelle Akamine, Resident Services Program Specialist
Sam Liu, Property Management Specialist
Kalia McKeague, Property Management Specialist
Taryn Chikamori, Secretary to the Board

OTHERS PRESENT (and signing in as):

Daria Fand, Kalakaua Homes resident
Brian Uy, private resident

Proceedings:

Chairperson Gierlach declared a quorum present.

Chairperson Gierlach introduced new Board member Director Morgan Kaya. Director Kaya stated she works for Altres Staffing.

Executive Director Ouansafi introduced Supervising Deputy Attorney General Diane Taira.

Approval of Minutes:

Director Espero moved,

To approve the Annual and Regular Meeting Minutes of August 21, 2014.

The minutes were unanimously approved.

Public Testimony:

Daria Fand, Kalakaua Homes resident, stated that she is an advocate for the no smoking ban and has been working with the Coalition for a Tobacco Free Hawaii and the Department of Health (DOH). She thanked the Hawaii Public Housing Authority (HPHA) for working with the Legislature to pass the no smoking law. She stated that because there is no lease addendum the policy is not enforceable. She requested information on: 1) who from HPHA is working with the Attorney General's (AG) office; 2) how often are they communicating; 3) what are the questions and responses from the AG's office; and 4) how long has the lease addendum been under review at the AG's office. She recommended/requested that the Board write a letter to the AG's to inform them of the urgency of the lease addendum.

Executive Director Ouansafi stated that the AG's office is working to expedite various items. He also clarified that although the lease addendum is being worked on, the ban on smoking is state law and a lease addendum is not required to enforce the law.

For Action:

Director Espero moved,

To Adopt Administrative Policy, Programs No. 1, Relating to Hawaii Public Housing Authority's Non-Discrimination Policy and Complaint Procedures for All Programs, and to Authorize the Executive Director to Undertake All Actions Necessary to Implement the Policy.

Executive Director Ouansafi stated that the policy has not been updated since 2001. There are references to the Hawaii Community Development Corporation of Hawaii (the HPHA's predecessor). The non-retaliation language was moved to the policy section of the memorandum. He stated the policy was clarified to include complaints relative to language access. The Compliance Officer has the added responsibilities of being the Language Access Coordinator and Section 504 coordinator.

Director Shimizu asked if the tenants are given a list of resources of who can help them complete the complaint form. Executive Director Ouansafi confirmed her understanding and added that the complaint does not need to be written, it can also be verbal.

Director Shimizu asked about the availability of translated complaint forms into various languages. Executive Director Ouansafi confirmed that translated forms will be available and distributed copies of various translated documents as samples for the Board to review.

Director Shimizu stated the policy states "HIV status", but was concerned that there are other communicable diseases. She questioned whether the policy needed to list HIV specifically. Supervising Deputy Attorney General Taira confirmed that there are specific statutory protections regarding persons with HIV.

Director Shimizu stated that with the current situation she would like to see future discussions on how other communicable diseases are dealt with.

The motion was unanimously approved.

For Action:

Director Oh moved,

To Adopt Administrative Policy, Programs No. 2, Relating to Hawaii Public Housing Authority's Language Access Policy for All Programs, and to Authorize the Executive Director to Undertake All Actions Necessary to Implement the Policy.

Executive Director Ouansafi stated that the HPHA is committed to a non-discriminatory environment. He stated that federal properties have a similar policy adopted in the Admissions and Continued Occupancy Policy (ACOP) and the HPHA wants to extend the policy to the state projects as well.

The motion was unanimously approved.

For Action:

Director Espero moved,

To Authorize the Executive Director to Accept and Pay for the Investment Grade Energy Audit from Ameresco in the Amount of \$151,436.

Chairperson Gierlach requested that the item be deferred to next month to allow the Board to confer with Deputy Attorney General John Wong. He stated that Deputy Attorney General Wong is the attorney most familiar with this action and he was unable to attend the meeting today.

For Action:

Director Oh moved,

To Authorize the Executive Director to Close the Waitlist for the Palolo Homes Project Based Section 8 Program.

Executive Director Ouansafi stated that Palolo Homes has 300 units and there are approximately 3,400 families on the waitlist. He stated that in order to serve all these families it would take about 100 years.

Director Espero asked how many other project based properties does the HPHA have. Executive Director Ouansafi responded that the HPHA has approximately 3,000 units under the Performance Based Contract Administration (PBCA) program which is contracted out to the Bremerton Housing Authority and two properties with project based vouchers: Palolo Homes and Kuhio Park Terrace (KPT).

Director Espero asked if KPT's waitlist will remain open. Executive Director Ouansafi responded that KPT waitlist will remain open.

Director Espero asked if the Palolo Homes waitlist is closed will the HPHA give applicants other options. Executive Director Ouansafi responded the HPHA encourages applicants to apply for public housing and the City and County of Honolulu's (C & C) Section 8 program.

The motion was unanimously approved.

For Action:

To Approve the Selection of a Master Developer for the Redevelopment of Mayor Wright Homes and to Authorize the Executive Director to Begin Negotiations to Enter into A Master Development Agreement with the Selected Master Developer.

Chairperson Gierlach deferred the motion to Executive Session.

For Action:

Director Oh moved,

To Ratify All Past Actions as of January 2012 Regarding the Development of the Hawaii Public Housing Authority's Administrative Offices Located at 1002 N. School Street, Honolulu, Hawaii 96817 and to Authorize the Executive Director to Continue Taking all the Necessary Steps Needed for Such Development.

Executive Director Ouansafi stated that all the information has already been shared with the Board, but the Department of the Attorney General suggested that the HPHA makes a formal request to the Board.

The motion was unanimously approved.

For Action:

To Adopt Amendments to the Hawaii Public Housing Authority's (HPHA) By-Laws to Establish Voting Requirements to Discipline or Terminate the Executive Director or Executive Assistant for Cause; and to Authorize the Executive Director to Delegate Authority to Qualified Staff to Execute Instruments or Checks for Payments on Behalf of the Hawaii Public Housing Authority.

Chairperson Gierlach deferred the motion to Executive Session.

For Action:

To Approve Compensation for the Hawaii Public Housing Authority's (HPHA) Executive Director Effective January 1, 2014 Provided that the Executive Director's Salary Shall Not Exceed the Governor's Salary Pursuant to §356D-2, Hawaii Revised Statutes; and to Clarify Delegated Authority Related to the

Executive Assistant, Chief Financial Management Advisor, Property Management Branch Chief, Chief Planner, and Redevelopment Officer During Temporary Assignment.

Chairperson Gierlach deferred the motion to Executive Session.

Executive Director's Report:

- Executive Director Ouansafi stated the HPHA's occupancy rate could potentially be at 99%, but because units are being held for relocation and right sizing the HPHA's occupancy rate is around 97% - 98%.
- Executive Director Ouansafi reported that several years ago the unit turnaround time was in the three digits and the goal is 7 days. Currently, the unit turnaround time is approximately 7.25 days.
- Executive Director Ouansafi reported that the HPHA submitted the Section 8 Management Assessment Program (SEMAP) to the U.S. Department of Housing and Urban Development (HUD) and the HUD system currently shows the HPHA's Section 8 program is rated as a high performer.
- Executive Director Ouansafi reported that the Public Housing Assessment System (PHAS) has been completed and the HPHA is a standard performer, with substandard performance (in the MASS). The HUD report recently issued is for the period July 2012 – June 2013, but if the scores were completed today the HPHA would be rated higher.
- Executive Director Ouansafi reported that the Real Estate Assessment Center (REAC) scores have gone up. The REAC inspections start again next month.
- Executive Director Ouansafi stated that Ms. Gail Lee, AMP 31 Manager, is retiring and he thanked her for her service. He stated because she is retiring there will be a management shift at some properties and he is working with the staff to ensure continuity of operations.
- Executive Director Ouansafi reported that the HPHA will be presenting the HPHA's mission to the Legislature at an informational briefing at the State Capitol. Executive Director Ouansafi reported that the HPHA housed over 3,000 homeless people which include 837 children in the last few years. He stated that 94% of these families are actually paying rent.
- Director De Motta stated that Senator Kahele asked when construction will begin at Lanakila Homes. Executive Director Ouansafi reported that the HPHA just received the permits and will begin construction after all necessary prep work is completed.

- Director De Motta stated he spoke to the County of Hawaii regarding the private resident's patio that is encroaching on the HPHA's property. He was informed that a violation letter was sent from the County and the owner was informed that the patio needs to come down by January 2015.
- Executive Director Ouansafi reported that the HPHA will be having its Annual Employee Recognition Day on October 29, 2014. The Board members are encouraged to attend.
- Executive Director Ouansafi reported that HUD conducted an audit of HPHA's compliance with environmental review requirements on HUD funded construction projects. Executive Director Ouansafi clarified that the projects cited in the HUD report are not under contract, so technically the violations did not occur. However, the audit report allowed the HPHA to double check that all requirements will be fulfilled prior to the execution of the construction contracts and that the response was sent to HUD.
- Executive Director Ouansafi reported that the Department of Budget and Finance (B&F) staff is not processing the HPHA's request for \$6.1 million for Capital Improvement Program (CIP) funds. He stated that he spoke to B&F Director and the Chief of Staff to help resolve the issue.
- Executive Director Ouansafi reported that the HPHA is working on creating: 1) an automated phone system with different languages; 2) an online application process; and 3) a system which will allow tenants to pay their rent online.
- Executive Director Ouansafi reported that the HPHA will be requesting from the Legislature: 1) \$147 million of CIP funds; 2) Silo funds for Mayor Wright Homes re-development and School Street re-development; 3) operating funds for the State projects; and 4) funding for 17 more positions. If the HPHA does not receive the operating funds for the State projects the HPHA may need to raise rents.
- Executive Director Ouansafi stated that the HPHA had a meeting with the auditors who reported that the HPHA is in the best position it has ever been in. Chairperson Gierlach appointed Director Espero, Director Oh, and Director Tanaka to the Finance Task Force to review the audited financial statements.
- Director Shimizu asked about the storm damage. Executive Director Ouansafi reported that the HPHA had no storm damage. The item was included on the agenda in anticipation of any report that needed to be made.
- Executive Director Ouansafi reported that the HPHA intends to terminate the lease agreement with the Honolulu Community Action Program (HCAP) at the Makalapa Community Center located adjacent to Puuwai Momi. The lease agreement required HCAP to upkeep and maintain the building. They have not up kept the building and it is now unstable and unsafe for the children. HCAP had asked to

extend the lease, but the HPHA had previously extended the lease and the issues still have not been addressed.

Director Espero asked what the costs of repairs are. Executive Director Ouansafi reported that the HPHA hasn't had an official estimate, but his guess is over a million dollars.

Chairperson Gierlach asked why the tenant is responsible for the repairs. Executive Director Ouansafi responded that according to the lease agreement HCAP is responsible to maintain the facilities.

Director Oh asked how long HCAP has occupied the facilities. Executive Director Ouansafi stated he is unsure of the exact time, but guessed that it for many years.

- Director Shimizu asked for clarification on Cloudbreak Hawaii LLC's violation. Executive Director Ouansafi responded that before the HPHA applied for the project-based Veteran Affairs Supportive Housing (VASH) vouchers, Cloudbreak committed to provide units. The HPHA was awarded the vouchers and Cloudbreak said they only have one or two units. The HPHA is working with Cloudbreak to secure the number of units required by the application. They currently have 19 units available and are working on the remaining unit.
- Director Shimizu asked to explain why evictions are going up. Executive Director Ouansafi responded that many are for non-payment of rent, safety, and lease violations. Some tenants have not been paying rent for years and the AMP Managers are working with the Hearing Office to process those evictions.
- Director De Motta asked if the HPHA is working on a direct rent payment system. Executive Director Ouansafi responded that the HPHA will be working with banks and updating the HPHA software.

Finance Report

- Director Shimizu asked why on page 108 there is a huge variance for Asset Management Project's (AMP) 37, 38, 46, and 49. Executive Director Ouansafi reviewed all the variances. He reported the revenue variance is as follows: 1) the CFP is 100% less because the draw is split over 12 months and there is no actual draw; 2) the State CIP fund is 100% less than budgeted because the HPHA is waiting for B & F to release the funds; 3) the grant income is 32% less than budget because the actual payments are lower than budgeted; 4) the other income is 61% less than budgeted because the Special Teams were anticipated to go to the AMP's to help with repairs but because of issues they were not able to go to these AMP's. Executive Director Ouansafi reported that the expense variance is as follows: 1) the Housing Assistance Payments (HAP) is 15% greater because the HPHA received more subsidy from HUD; 2) the tenant services is 137% greater than budgeted because of relocation costs for the Kalihi Valley Homes (KVH) roof repairs; 3) utility

cost were 10% less than budgeted because of energy saving measures; 4) the maintenance is 25% less than budgeted because the HPHA spent less on construction costs; 5) protective service is less than budgeted because the HPHA is spending less; 6) general expenses is more than budgeted because clearing of \$107,000 and \$87,000 for Central Office Cost Center (COCC); and 7) the bad debt is 78% greater because of the write offs.

Executive Director's Report Continued:

- Director Espero asked the progress of the online application. Executive Director Ouansafi reported that the English version is almost complete, but will not be released until other languages are ready. The HPHA also intends to install computers outside the Applications Office for applicants to use.

Director Espero asked if the process will be 100% online or will paper applications still be an option. Executive Director Ouansafi responded that the HPHA will offer both options. The HPHA will possibly be working with the University of Hawaii (UH) to have students assist applicants.

- Director Espero stated that if the HPHA does not receive subsidy from the Legislature for the State housing projects the HPHA will need to look at rent increases. Executive Director Ouansafi stated that realistically it would take a combination of funds from the State and a rent increase. He stated in order to break even the HPHA may need to double the rent. Chairperson Gierlach voiced his concern at a rent increase and encouraged the staff to work vigorously to obtain State subsidy from the Legislature.
- Director Espero stated that service providers feel that the HPHA is not doing enough to help with the homeless problem. He suggested that the HPHA designate 1% of the units to the Housing First Program and the perception of the HPHA would be better. Executive Director Ouansafi responded that because there is a lack of affordable housing everyone looks at the HPHA for housing. He stated that the HPHA's issue with the Housing First Program is that it will hurt the tenant if they are evicted, because they are evicted for life. The HPHA provides more housing for the homeless than any other housing agency. The HPHA housed more than 3,000 people. The HPHA is fully occupied and it appears that the public doesn't understand that.

Chairperson Gierlach stated that the Board and others need to do a better job in explaining the abilities and limitations of the HPHA given the HUD program rules, and the achievements of the HPHA despite these limitations.

Executive Director Ouansafi reported that the HPHA contacted 150 families to issue vouchers and 62 of the families have a homeless preference. Executive Director Ouansafi stated that without the HPHA there would be thousands more homeless

people in the streets. Many public housing agencies stop taking vouchers because they lose money, the HPHA is asking for more vouchers so it can help more people.

Director Espero requested that the HPHA give the presentation at the Partners in Care meetings because not all the providers will be able to make the presentation at the Capitol.

Director De Motta asked if the HPHA can discriminate because an applicant is not homeless. Executive Director Ouansafi responded that the HPHA is not discriminating, but has three preference categories which are: homeless, domestic violence, and involuntary displacement. The HPHA has also identified three units for the people who have been involuntarily displaced by the lava flow.

- Director De Motta asked if the HPHA has land on Hawaii Island to build more housing. Executive Director Ouansafi reported that the HPHA is looking into selling properties that are difficult to manage and to build in areas that make more sense.

Director De Motta asked if the HPHA can contact the Hawaii Island Community Development (HICD) about the new developments. Executive Director Ouansafi responded that the HPHA cannot contact them or they could be precluded from participating in procurement. He suggested that the HICD keep checking the HPHA's website for Request for Proposals (RFP) or Request for Qualifications (RFQ).

Chairperson Gierlach called for a recess at 10:07 a.m. and reconvened at 10:17 a.m.

Director Yamashita moved at 10:17 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. To Approve the Selection of a Master Developer for the Redevelopment of Mayor Wright Homes and to Authorize the Executive Director to Begin Negotiations to Enter into A Master Development Agreement with the Selected Master Developer;**
- 2. To Adopt Amendments to the Hawaii Public Housing Authority's (HPHA) By-Laws to Establish Voting Requirements to Discipline or Terminate the Executive Director or Executive Assistant for Cause; and to Authorize the Executive Director to Delegate Authority to Qualified Staff to Execute Instruments or Checks for Payments on Behalf of the Hawaii Public Housing Authority**

3. **To Approve Compensation for the Hawaii Public Housing Authority's (HPHA) Executive Director Effective January 1, 2014 Provided that the Executive Director's Salary Shall Not Exceed the Governor's Salary Pursuant to §356D-2, Hawaii Revised Statutes; and to Clarify Delegated Authority Related to the Executive Assistant, Chief Financial Management Advisor, Property Management Branch Chief, Chief Planner, and Redevelopment Officer During Temporary Assignment**
4. **Executive Session Minutes for August 21, 2014**
5. ***Kolio v. State of Hawaii, Hawaii Public Housing Authority; Case No. 13-000785* Eviction Appeal and Oral Arguments Before the Supreme Court**

The motion was unanimously approved.

The Board reconvened from Executive Session at 11:06 a.m.

Chairperson Gierlach reported that the Executive Session minutes were deferred and the Board received an update on the Kolio litigation.

For Action:

Designee Yamashita moved,

To Approve a Personnel Task Force comprised of Director Tanaka and Director Kaya to draft an employment contract for the Executive Director.

The motion was unanimously approved.

For Action:

Designee Yamashita moved,

To Adopt Amendments to the Hawaii Public Housing Authority's (HPHA) By-Laws to Authorize the Executive Director to Delegate Authority to Qualified Staff to Execute Instruments or Checks for Payments on Behalf of the Hawaii Public Housing Authority.

The motion was unanimously approved.

Chairperson Gierlach reported that the motion To Adopt Amendments to the Hawaii Public Housing Authority's (HPHA) By-Laws to Establish Voting Requirements to

Discipline or Terminate the Executive Director or Executive Assistant for Cause will be deferred to the next Board meeting.

For Action:

Director Espero moved,

To Approve Compensation for the Hawaii Public Housing Authority's (HPHA) Executive Director's Salary to 95% of the Governor's Salary Retroactive to July 1, 2014; and to Clarify Delegated Authority Related to the Executive Assistant, Chief Financial Management Advisor, Property Management Branch Chief, Chief Planner, and Redevelopment Officer During Temporary Assignment.

The motion was unanimously approved.

Chairperson Gierlach stated that the salary adjustment is a result of the unanimous agreement that Executive Director Ouansafi and the staff are doing a great job and the Board is pleased with his excellent performance as the Executive Director.

Chairperson Gierlach stated that the Regular Board meeting is November 20, 2014 and a Special meeting needs to be scheduled for November 24, 2014 regarding the employment contract for the Executive Director.

Adjournment:

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

Director Yamashita moved,

To adjourn the Regular Hawaii Public Housing Authority Board meeting.

The motion was unanimously approved.

The meeting was adjourned at 11:12 a.m.

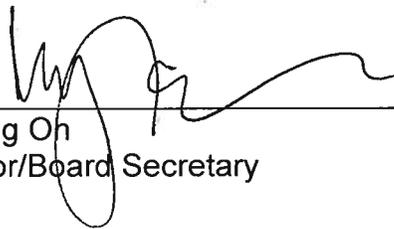
MINUTES CERTIFICATION

Minutes Prepared by:


Taryn T. Chikamori
Secretary to the Board

NOV 20 2014
Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on November 20, 2014: [] As Presented [] As Amended


Myoung Oh
Director/Board Secretary

NOV 20 2014
Date