AGENDA

I. CALL TO ORDER/ROLL CALL

II. APPROVAL OF MINUTES

A. Regular Meeting Minutes, June 18, 2015 (Pages 19 – 36)
B. Executive Session Minutes, June 18, 2015

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 Resolution No. 15-80 Approving the Section 8 Management Assessment Program (SEMAP) Certification For Fiscal Year July 1, 2014 to June 30, 2015 and to Authorize the Executive Director to Undertake All Actions Necessary to Submit the SEMAP Certification to the U.S. Department of Housing and Urban Development (Pages 37-46)

V. REPORTS

A. Executive Director’s Report Highlights: (Pages 47 – 96)
   - Property Management and Maintenance Services Branch
     Occupancy and Rent Collection Status
   - Mixed finance private public partnership developments
   - Section 8 Lease up Status and Program Activity
   - Design and Construction Project Updates
   - Contracts Executed During June - July 2015
VI. FOR DISCUSSION

A. Jeanne A. Lorrin v. Hawaii Public Housing Authority (Civil No. 14-1-0735-03) (Page 97)

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 Jeanne A. Lorrin v. Hawaii Public Housing Authority (Civil No. 14-1-0735-03)

B. Fetu Kolio v. Hawaii Public Housing Authority (CAAP-13-0000785; Civil No. 12-1-2339-09 (Page 98)

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 Fetu Kolio v. Hawaii Public Housing Authority (CAAP-13-0000785; Civil No. 12-1-2339-09

C. For Discussion: Adoption of Temporary Admissions Preference for Homeless Families with Children in the State of Hawaii for the Federally Assisted Public Housing Program and State-Aided Family Public Housing Program (Pages 99 – 100)

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 Adoption of Temporary Admissions Preference for Homeless Families with Children in the State of Hawaii for the Federally Assisted Public Housing Program and State-Aided Family Public Housing Program

D. For Information: Orientation and Training for the HPHA’s Board of Directors, including a broad overview of the HPHA as follows: (Page 101)

- Purpose, Mission, Structure, and History of HPHA
- Roles of the Board & Executive Director
- Overview of the State and Federal Public Housing Program
  - The Annual Contributions Contract
  - Understanding the Public Housing Assessment System
  - The HPHA’s housing inventory
- Redevelopment, Construction, Modernization, Repair and Maintenance Issues
- Overview of the Housing Choice Voucher Section 8
  - Understanding the Section 8 Management Assessment Program
- Overview of Construction Activities at HPHA
- Overview of Program Management
- Overview of Financial Management of HPHA’s programs
- Procurement and Contracting Requirements
- Ethics and Standards of Conduct for the Board and Staff
- Ongoing Programs & Projects
- Applicable Statutes, Rules, and Administrative Policies
- Previously Adopted Board Policies
- HPHA’s Statement of Procurement Policy
- HPHA’s Five Year and Annual Public Housing Agency Plan
- Organization Charts and Functional Statement
- Goals and Objectives
- Annual Reports

**The meeting time is an approximation and will start immediately after the conclusion of the HHA Wilikina Apartments Project, Inc. Annual Board of Directors Meeting which starts at 9:15 am.

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) 832-4694 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.
The Board of Directors of the Hawaii Public Housing Authority held their monthly Board Meeting at 1002 North School Street, on Thursday, August 20, 2015 at 9:39 a.m. Newly elected chairperson Pono Shim called the meeting to order. Those present were as follows:

**PRESENT:**
- Director Pono Shim, Chairperson
- Director Alena Medeiros, Vice Chairperson
- Director Jason Espero, Secretary
- Director Myoung Oh
- Designee Pankaj Bhanot
- Director Rachael Wong
- Director Lisa Darcy
- Director Elizabeth Kim
- Director En Young

Deputy Attorney General, Jennifer Sugita

**EXCUSED:**
- Director Laura Smith

**STAFF PRESENT:**
- Hakim Ouansafi, Executive Director
- Barbara Arashiro, Executive Assistant
- Chong Gu, Chief Financial Management Advisor
- Becky Choi, State Housing Development Administrator
- Dawn Takeuchi Apuna, Chief Planner
- Joanna Renken, Acting Public Housing Supervisor VI
- Renee Blondin-Nip, Hearings Officer
- Gary Nakatsu, Data Processing Supervisor
- Rick Sogawa, Contracts & Procurement Officer
- Clarence Allen, Fiscal Officer
- Stephanie Fö, Section 8 Branch Chief
- Dean Sakata, Housing Development Specialist
- Maricar Campos, Property Management Specialist
- Kau'i Martinez, Resident Services Program Specialist
- Taryn Chikamori, Secretary to the Board
OTHERS PRESENT (and signing in as):
Augafa Ene, Mayor Wrights Homes resident
Fetu Kolio, private resident
Uilani Goods, Medical-Legal Partnership for Children in Hawaii
Roy Nakamura, Kalakaua Homes resident
James Tuquero, Kalakaua Homes resident
Jesse Wu, U.S. Department of Housing and Urban Development

Proceedings:
Chairperson Shim declared a quorum present.

Approval of Minutes:
Director Kim moved,
To approve the Regular Meeting Minutes of June 18, 2015.
The minutes were unanimously approved.

Public Testimony
Roy Nakamura, Kalakaua Homes resident, stated that he has been asking for a designated smoking area for the past couple of months. He also stated that he was overpaying his rent and got reimbursed. Mr. Nakamura stated that his rent increased from $293 to $309, if he overpays again he feels he should be entitled to a full reimbursement. He stated that he drinks and smokes, but he stays in his unit and minds his own business. He reported that there is a youth who buys and smokes marijuana and a woman who smokes on the bench in the common area. He has informed the staff, but feels nothing is being done about the situation.

Fetu Kolio, private resident, stated that court's opinion states that he became a tenant in 2004 and that the court reversed the Intermediate Court of Appeals (ICA), Circuit Court judgement and the Hawaii Public Housing Authority’s (HPHA) September eviction findings.

For Action:
Designee Bhanot moved,
To Adopt Resolution No. 15-80 Approving the Section 8 Management Assessment Program (SEMAP) Certification For Fiscal Year July 1, 2014 to
June 30, 2015 and to Authorize the Executive Director to Undertake All Actions Necessary to Submit the SEMAP Certification to the U.S. Department of Housing and Urban Development.

Executive Director Ouansafi reported that the Section 8 Management Assessment Program (SEMAP) is a federally mandated management assessment system which covers 14 different indicators. Once the HPHA compiles the proposed rating, the Board needs to approve submission of the score to the U.S. Department of Housing and Urban Development (HUD). HUD then reviews the HPHA’s SEMAP to ensure the score is correct and then provides a final score and performance rating for the agency. The HPHA anticipates being rated a high performer at 98% for the fiscal year ended June 30, 2015.

Director Kim asked whether an independent third party reviews the HPHA’s certification, prior to submission to HUD. Executive Director Ouansafi reported that the HPHA reviews all the files and self certifies the score. Subsequently HUD will review the HPHA’s submittal and will issue the final score. He reported that last year HUD awarded the HPHA 2 more points than the HPHA gave itself.

Director Kim questioned what kind of assurance does the Board have that the staff are not just “rubber stamping” their approval and submitting the SEMAP scores to the Board. Chairperson Shim asked if this is the normal procedure. Executive Director Ouansafi responded that all public housing authorities follow a similar process and clarified that management does not “rubber stamp” anything. He explained that there is a clear process set by the federal government and that ultimately HUD will review the certification and issue the final score to HPHA. Executive Director Ouansafi reiterated that in a previous year, the HPHA actually certified a lower score and when HUD reviewed the certification issued HPHA a higher score than was certified.

Designee Bhanot further clarified that many federal grants, like those at DHS, work in a similar fashion. He reported that normally the grantee will self-report to the federal government about their performance on a federal grant. The federal government will then accept the score or conduct a monitoring to confirm the self-assessed score.

Director Espero asked what changes were made which resulted in an additional 5 points this year. Executive Director Ouansafi reported that last year the HPHA was short staffed and was unable to conduct quality control on a minimum number of inspections. This year, the HPHA was able to hire staff to conduct quality control on the inspections.

Director Espero asked how many people were hired to conduct the quality control. Executive Director Ouansafi responded that there is one employee and a supervisor.

Director Espero asked whether the HPHA’s participation in the Family Self-Sufficiency program is mandatory. Executive Director Ouansafi reported that the program is not mandatory and the HPHA contracts with the City and County of Honolulu (C & C) for
this program. Director Espero asked if the HPHA can make the program mandatory. Executive Director Ouansafi responded that according to HUD regulations the participant may choose to participate or not.

Director Darcy asked how many hours it takes to conduct this assessment. Executive Director Ouansafi reported that the quality control is ongoing throughout the year. To get the report together takes several hours and then there is review by management. Executive Assistant Arashiro reported that the HPHA takes several weeks to gather supporting documentation for the proposed SEMAP score. The Program Chief is then required to meet with the Executive Office to review all of the documentation and the proposed score.

The motion was unanimously approved.
RESOLUTION NO. 15-80
HAWAII PUBLIC HOUSING AUTHORITY
STATE OF HAWAII

RESOLUTION APPROVING THE SECTION 8 MANAGEMENT ASSESSMENT
PROGRAM (SEMAP) CERTIFICATION
AUGUST 20, 2015

WHEREAS, the Board of Directors of the Hawaii Public Housing Authority, in compliance with the U.S. Department of Housing and Urban Development (HUD) management performance requirements for Fiscal Year July 1, 2014 to June 30, 2015, has reviewed the Section 8 Management Assessment Program (SEMAP) Certification (form HUD-52648, exp 11/30/2016) as attached hereto; and

WHEREAS, SEMAP provides policies and procedures for HUD's use in identifying Public Housing agency management capabilities and deficiencies; and

WHEREAS, HUD will utilize the SEMAP to practice accountability, monitoring, and risk management.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Hawaii Public Housing Authority hereby approves the SEMAP Certification for the fiscal period July 1, 2014 to June 30, 2015.

The UNDERSIGNED, hereby certifies that the foregoing Resolution No. 15-80 was duly adopted by the Directors of the Hawaii Public Housing Authority on August 20, 2015.

Adopted by the Board of Directors on the date set forth above.

By:
Its: Chairperson
Executive Director Report:

- Executive Director Ouansafi reported that the HPHA has put together a plan to increase the affordable housing inventory by 10,000 units. Since the HPHA is at 98% occupancy and there is a long waitlist, the HPHA can only serve more families by increasing its inventory. The plan is designed to work with the transit oriented development (TOD) along the rail line.

- The HPHA selected the Hunt Group who teamed up with The Vitus Group and McCormack Baron Salazar for the Mayor Wright Homes (MWH) public-private mixed finance redevelopment and the HPHA is in negotiations.

- Executive Director Ouansafi reported that the HPHA is in negotiations for phase two of the Kuhio Park Terrace (KPT) redevelopment. The HPHA had a year long community engagement process for the KPT redevelopment.

- Executive Director Ouansafi reported that the HPHA has over 200 families that have been issued Section 8 housing choice vouchers, but are still looking for housing units. The HPHA has been putting a plan together to give incentives to the landlords who rent to Section 8 tenants to be presented to the Board. Ideas being discussed include: 1) providing a guarantee to landlords that rental payments from the HPHA will be delivered on the first day of the month; 2) establishing a working relationship with non-profits to help fix units that are damaged by Section 8 tenants beyond normal wear and tear; and 3) providing landlords 3-months worth of rent in advance.

- Executive Director Ouansafi reported that the HPHA has housed over 400 homeless veterans under the Veteran's Affairs Supportive Housing (VASH) voucher program.

- Executive Director Ouansafi reported that the HPHA has been working on a plan to help the homeless with children. The HPHA met with Director Wong and asked to be part of the solution with the Governor’s Homeless Leadership team. He stated that in less than 2 years the HPHA should be able to house most homeless families with children.

- Executive Director Ouansafi reported HUD requires an annual audit. The audit is in progress and is very time consuming. He reported that last year, the HPHA had 3 findings in its single audit.

- Executive Director Ouansafi reported that HUD conducts a Public Housing Assessment System (PHAS) score using a variety of indicators. He reported that HPHA received an 83 out of 100 points for its PHAS score for the fiscal year ending June 30, 2014.
• Executive Director Ouansafi reported HUD also conducts the Real Estate Assessment Center (REAC) physical inspection of the federal properties. If a property receives below 70 then they re-inspect the following year; 80 or higher every 2 years and 90 or higher every 3 years. Although the inspections are still ongoing, we are pleased that the REAC score have been going up.

• Executive Director Ouansafi reported that because Act 159 was not extended during this last legislative session the “Special Teams” staff went from 36 staff down to 16 staff. The HPHA has since entered into a Letter of Understanding with the United Public Workers (UPW) Union to continue the Special Team concept and is working on a Memorandum of Understanding for a multi-skilled worker pilot program. He also reported that the loss of skilled worker has affected the public housing occupancy which has dropped from 98% to 96.8%.

• Executive Director Ouansafi reported that the HPHA has been in communication with the Hawaii Government Employees Association (HGEA) regarding reorganizing the Fiscal Management Office (FMO).

• Executive Director Ouansafi reported it has been difficult to hire property managers. Designee Bhanot asked if the problem is because the salaries are not high enough or because of the lack of qualified applicants. Executive Director Ouansafi responded that it is a combination of both. Executive Director Ouansafi stated that the HPHA is planning a job fair and will also ask to raise the pay. The HPHA is also training within so staff can be promoted. Executive Director Ouansafi reported that the HPHA is currently recruiting for approximately 50 positions. Designee Bhanot asked if there is a vocational training program available for applicants or is it on the job training. Executive Director Ouansafi responded that the public housing program is very complex because it is governed by a variety of State and federal laws, rules, and policies. Designee Bhanot stated the Department of Human Services (DHS) built a program where the Supplemental Nutrition Assistance Program (SNAP) recipients are matched up with employers and community colleges to gain skills and can be hired for specific positions.

(End of Executive Director’s Report)

Chairperson Shim encouraged all Board members to mark their calendars and to try to commit to attending the Board meetings.

Chairperson Shim called for a recess at 10:32 a.m. and reconvened at 10:44 a.m.
For Discussion:

Adoption of Temporary Admissions Preference for Homeless Families with Children in the State of Hawaii for the Federally Assisted Public Housing Program and State-Aided Family Public Housing Program.

Executive Director Ouansafi reported that staff visited the homeless encampment at Kakaako and were concerned with the homeless children. He explained that the proposed preference would cover homeless families with children. Executive Director Ouansafi reported that once the homeless children are housed, then the HPHA would evaluate the need to create a different preference depending on the community’s need at the time.

Designee Bhanot asked if the HPHA will need approval from HUD or do administrative rules need to be adopted. Executive Director Ouansafi responded that the administrative rules would need to be changed for the federal properties, but after consulting with the Attorney General’s Office the Governor can create an emergency declaration for the State properties. Designee Bhanot stated that he believes that this is a health and safety issue and interim administrative rules can be created before going through the entire process.

Director Kim stated that she and Director Wong met with HUD officials yesterday and she asked if the HPHA can create a preference for the homeless. The HUD officials informed her that a homeless preference could be easily created and implemented right away. Executive Director Ouansafi concurred and reported that the federal properties already have a homeless preference. He explained that the preference the HPHA is trying to create would be specifically for families with children and would require changing the administrative rules for the State properties.

Director Shim asked how long it takes to change the administrative rules and if there is a way to expedite the process. Executive Director Ouansafi responded that the HPHA needs to go through certain procedures, although if the Governor suspends the process than it will be a lot shorter.

Director Wong arrived at 10:55 a.m.

Director Espero asked how a new preference would affect the current preferences. Executive Director Ouansafi responded that the suggestion would be that homeless families with children be given first preference because only 50% of the vacancies can be used for preferences. Executive Director Ouansafi reported that management will prepare amendments to the administrative rules if the Board supports the proposed preference.

Director Wong asked: 1) what is the current homeless preference and how does it change things and 2) is it part of the federal process or can it just be state related. Executive Director Ouansafi responded that currently the preferences are homeless;
disabled; and domestic violence in no particular order. Those groups are admitted to public housing on a date and time basis (i.e., first-come, first-served). The proposed preference is for families with homeless children and to serve them first. Executive Director Ouansafi responded that because the majority of the HPHA’s inventory are federal units and that 80% of the State units are for the elderly, the HPHA wants to do both federal and state rule changes at the same time.

Director Wong suggested that the HPHA work with HUD so it is in line with what is happening nationally. Executive Director Ouansafi reported that HPHA is working with HUD.

Director Wong reported that HUD mentioned Rental Assistance Demonstration (RAD) and requested that more information be given at the next Board meeting. Executive Director Ouansafi responded that RAD is when public housing units are converted to Section 8 units.

Director Medeiros stated she supports the proposed preference for homeless families with children. She stated that there is no youth shelter in the State. She reported that she visited a drop in shelter that served 505 children, who made 4,347 visits to the center, which is open only 3 hours, 4 days a week. The shelter offers one hot meal and a hot shower.

Director Young stated he wants to better understand how the HPHA can create this preference versus providing preferences for other protected classes. Executive Director Ouansafi responded that under the law, the HPHA is allowed to create preferences depending on what is happening in the locality. He reported that this is just an idea and the staff will bring the details before the Board at a future meeting.

Responding to Director Young’s question, Director Medeiros stated that State law and federal law allows for a homeless preference. She feels like other priority populations, like veterans, have support programs in place. She stated what she has learned from social workers are that many children are homeless because of sexual assault at home, domestic violence, drug abuse, getting kicked out, and sex trafficking, but there are no programs to support these children.

Executive Director Ouansafi also confirmed that this preference would not affect the VASH program which currently serves homeless veterans with rental assistance and supportive services.

Chairperson Shim encouraged moving forward, but cautioned against unintentionally providing another reason for people to have children. Executive Director Ouansafi stated that the thought is to create a waitlist and serve those with families with children that are currently homeless. After those families are served, the HPHA would reassess whether to re-open the wait list or if a new preference should be created.
Director Espero requested that when the staff establishes the preference they consider who will receive the preference: 1) sheltered families; 2) unsheltered families; 3) families in emergency shelters; or 4) families in the transitional shelters. He explained that the current homeless preference states that the family needs to be in a transitional shelter and following the service plan. He also asked that the HPHA look at who will verify an applicant family’s homeless status. He also cautioned that providing a preference for homeless families may cause people to become homeless just to receive the preference. Executive Director Ouansafi responded that the HPHA is prepared to meet with homeless service providers and will have discussions to gather input on these matters.

Director Medeiros stated that if a child wants to be housed but the family does not, will the HPHA try to find a way to house the child. Executive Director Ouansafi reported that he believes there is an age requirement for a person to enter into a rental agreement. He feels that the preference should be for families that agree to be housed and are receiving supportive services or who are working with service providers to find an appropriate guardian for the child.

Director Wong suggested that the HPHA work with the experts on the Board so the questions that the Governor’s leadership team will have are answered beforehand. Executive Director Ouansafi responded that the HPHA will work with the service providers on the details and that the HPHA will still need to go to public hearing and can adjust from there, but at the end of the process all the ideas will be considered and questions will be answered.

Director Espero asked if a Task Force should be appointed. Chairperson Shim responded that it was not necessary at this time and that it could be considered at a future time. He noted that there is a consensus and that the Executive Director should pursue discussions with the service providers and work on proposed changes to the existing preferences.

Directors Kim and Medeiros left at 11:28 a.m.

Director Espero moved at 11:29 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 attorney on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities as related to:

1. Jeanne A. Lorrin v. Hawaii Public Housing Authority (Civil No. 14-1-0735-03);

2. Fetu Kolio v. Hawaii Public Housing Authority (CAAP-13-000785; Civil No. 12-1-2339-09);

3. Executive Session Minutes for May 21, 2015.
Executive Session Minutes for May 21, 2015.

The motion was unanimously approved.

The Board reconvened from Executive Session at 12:14 p.m.

Chairperson Shim reported that the Board reviewed, but did not approve the Executive Session Minutes from the June 16, 2015 meeting. The Board also received an update regarding Fetu Kolio v. Hawaii Public Housing Authority (CAAP-13-0000785; Civil No. 12-1-2339-09).

HPHA OED reported that HUD training for the Board will be scheduled for the next Board meeting. A special meeting will be scheduled for HPHA Board Training.

Adjournment

There was no further business to discuss, Chairperson Shim asked for a motion to adjourn the meeting.

Designee Bhanot moved,

To adjourn the Hawaii Public Housing Authority Board meeting.

The motion was unanimously approved.

The meeting was adjourned at 12:15 p.m.

MINUTES CERTIFICATION

Minutes Prepared by:

Taryn T. Chikamori
Secretary to the Board

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Director Espero/Board Secretary

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