

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING
1002 North School Street, Building A Boardroom
Honolulu, Hawaii 96817
October 15, 2015
9:00 a.m.**

AGENDA

I. CALL TO ORDER/ESTABLISHING QUORUM

II. APPROVAL OF MINUTES

- A. Regular Meeting Minutes, September 17, 2015 (**Pages 1 – 108**)
- B. Executive Session Minutes, August 20, 2015 (not for public distribution)
- C. Executive Session Minutes, September 17, 2015 (not for public distribution)

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

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 below.

- A. Motion: To Ratify the Executive Director's Action to Execute a Settlement Agreement in Complaint filed by Margery Moore v. State of Hawaii, Department of Human Services, Hawaii Public Housing Authority (HCRC No. RE-WH-0911; HUD No. 09-11-0785-8) and Take All Actions Necessary to Carry Out the Agreement (**Pages 109 – 116**)
- B. Motion: To Adopt Proposed Changes to the Hawaii Public Housing Authority's Policy on Eligibility for the Federally-Assisted Public Housing Program to Amend the Prohibition on Applicants who have been Evicted from a Public Housing Program Administered by the Authority or its predecessors since March 1, 1985, Subject to the Department of the Attorney General's Review, and to Authorize the Executive Director to Take All Actions Necessary to Implement the Amendment, Including:

1. Holding Public Hearings on Draft Amendments to the PHA Annual Plan for Fiscal Year 2015-2016;
2. Submitting the Amended PHA Annual Plan for Fiscal Year 2015-2016 to the United States Department of Housing and Urban Development;
3. Holding Public Hearings on Draft Amendments to the following Section of Chapter 17-2028, Hawaii Administrative Rules, "Federally-Assisted Public Housing Projects":

Section 17-2028-22(a)(1)(F), Eligibility for Admission and Participation
4. Amending and Compiling Chapter 17-2028, Hawaii Administrative Rules, "Federally-Assisted Public Housing Projects";
5. Amending Sections of the Admissions and Continued Occupancy Policy for the Federally Assisted Public Housing Program to Amend the Prohibition; and
6. Amending the Proposed Language to Incorporate Revisions Recommended by the Department of the Attorney General;

in accordance with Chapter 91, Hawaii Revised Statutes, and Administrative Directive No. 09-01 (**Pages 117 – 172**)

- C. To Adopt Resolution No. 15-81 Approving the Demolition Request for six units at Lanakila Homes, HA 1004, Hilo, Hawai'i. Building 59: 499 and 501 Kapi'olani Street (1004-0059L and 1004-0059R respectively); Building 61: 559 and 561 Wailoa Street (1004-0061L and 1004-0061R respectively); and Building 62: 6 and 8 Akahi Street (1004-0062R and 1004-0062L respectively), Hilo, Hawai'i, 96720; all TMK: (3) 2-4-028:007) and Authorizing the Executive Director to Take All Steps Necessary to Obtain Required Approvals (**Pages 173 – 187**)

V. REPORTS

- A. Executive Director's Report Highlights: (**Pages 188 – 225**)
- 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 September 2015
 - Update on the Multi-Skilled Worker Pilot Program

VI. FOR DISCUSSION

- A. For Discussion: Department of Human Services Director Rachael Wong; Update from the Governor's Leadership Team on Homelessness on Goals, Plans, and Activities in the State; and the HPHA's Strategic Plans **(Page 226)**

- B. For Information: Presentation by Jesse Wu, Director of the U.S. Department of Housing and Urban Development's (HUD) Hawaii Field Office Regarding HUD programs and Responsibilities (Estimated time: 1 hour), including: **(Pages 227 – 245)**
 - 1. Mission
 - 2. Budget and Funding
 - 3. Honolulu Field Office and Program Areas
 - 4. Funding Opportunities
 - 5. Lead The Way (videos)

- C. For Discussion: U.S. Department of Housing and Urban Development's Rental Assistance Demonstration (RAD) Program **(Pages 246 – 255)**

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. Didi Ahakuelo-Kepa 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.

HAWAII PUBLIC HOUSING AUTHORITY
MINUTES OF THE REGULAR MEETING
HELD AT 1002 NORTH SCHOOL STREET, BUILDING A,
HONOLULU, HAWAII 96817
ON THURSDAY, OCTOBER 15, 2015
IN THE COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority held their Regular Board Meeting at 1002 North School Street, on Thursday, October 15, 2015 at 9:00 a.m. Chairperson Pono Shim called the meeting to order. Those present were as follows:

PRESENT: Director Pono Shim, Chairperson
Director Alena Medeiros, Vice Chairperson
Director Lisa Darcy
Director Elizabeth Kim
Director Myoung Oh
Director Laura Smith
Director Rachael Wong
Director En Young

Deputy Attorney General, Jennifer Sugita

EXCUSED: Director Jason Espero, Secretary

STAFF PRESENT: Hakim Ouansafi, Executive Director
Barbara Arashiro, Executive Assistant
Chong Gu, Chief Financial Management Advisor
Dawn Takeuchi Apuna, Chief Planner
Kiriko Oishi, Chief Compliance Officer
Becky Choi, State Housing Development Administrator
Joanna Renken, Public Housing Supervisor VI
Sam Liu, Contract Administration Supervisor
Renee Blondin-Nip, Hearings Officer
Gary Nakatsu, Data Processing Supervisor
Stephanie Fo, Section 8 Branch Chief
Dean Sakata, Housing Development Specialist
Kau'i Martinez, Resident Services Program Specialist
Maricar Campos, Property Management Specialist
Elena Murayama, Secretary

OTHERS PRESENT (and signing in as):

Jesse Wu, U. S. Department of Housing and Urban Development
Jun Chung, U. S. Department of Housing and Urban Development
Ene Augafa, Mayor Wright Homes resident
Uilani Goods, Medical-Legal Partnership

Fetu Kolio, private resident
Andrew Nako Sr., Mayor Wright Homes resident
Segia To'o, Mayor Wright Homes resident
Apelaamo Sulu, Mayor Wright Homes resident
Jesse Ponce de Leon, resident
June Talia, Kuhio Park Terrace resident
Roy Nakamura, Kalakaua Homes resident
Paulilua Tuita, Kuhio Park Terrace resident

Proceedings:

Chairperson Shim declared a quorum present.

Approval of Minutes:

Director Darcy moved,

To approve the Regular Meeting Minutes of September 17, 2015.

The minutes were unanimously approved.

Chairperson Shim deferred the Executive Session Minutes until later in the meeting.

Public Testimony

June Talia, Kuhio Park Terrace resident, asked to have Executive Director Ouansafi or someone from the Michaels Development Company to provide their elderly tenants with updates on the redevelopment. She also recommended that Michaels should provide more information on topics such as emergency preparedness (e.g., what to do when a storm hits). Ms. Talia stated that "the kupuna need someone to come and talk to them."

Roy Nakamura, Kalakaua Homes resident, handed out a letter and alleged that another tenant is threatening him. He indicated that he brought this up at a previous Board meeting and also reported the incident to the police. He was told by the Property Manager that she was required to send a notice of violation to both him and the other tenant for being involved in the confrontation. Mr. Nakamura did not agree that he should have been sent a notice of violation. Mr. Nakamura stated that he believes there are drugs on his property and supports drug testing of the tenants.

Segia To'o, Mayor Wright Homes resident, stated there's a problem with their front door. She requested that a private walkway be installed directly in front of their unit. She testified that she submitted a request to the Compliance Office and someone came to their unit to check, but their request was denied. She complained that she doesn't know who can help them to get the walk way approved and doesn't trust the

property management staff. She reported that the management staff will tell them that they complain too much and hang up the phone on them. Ms. To'o also testified that the trash on property smells and requested management deal with the problem.

Apelaamo Sulu, Mayor Wright Homes resident, stated that whenever something is broken in the unit, management does not come to their unit. He alleged that management will say they will fix the problem with their unit, then they receive a letter that their request is denied. Mr. Sulu stated that this was his second time coming to the Board meeting to tell the Board what's going on at his project.

Fetu Kolio, private resident, stated he should never have been evicted from his unit. Mr. Kolio continues to allege that his eviction was a conspiracy against him and indicates corruption at HPHA. He testified that he wants to be placed in unit 34D at Mayor Wright Homes and will not sign any documents unless it is for unit 34D. He reported that it has been six months since he was reinstated into housing and has been to the Applications Office three times since then. He believes that his family is being harassed by the staff and that property management should not talk to his family members about his application. He insisted that the staff should only go straight to him for questions about his application. Mr. Kolio also stated that tenants should have a voice in executive session at the Board meetings and feels that the executive session should not be conducted behind closed doors.

Andrew Nakoa Sr., Mayor Wright Homes resident, stated that he would like the Board to know that today is the 11th anniversary of his son's murder in front of Mayor Wright Homes. He wants parking stall #348 fronting his unit, but management said the stall belongs to another unit, which he alleged is not true. He complained that kids are jumping on his car because it's not close to his unit for him to monitor what's going on. Mr. Nakoa commented that if assigned the stall in front of his unit, he would be able to watch his car.

Ene Augafa, Mayor Wright Homes resident, stated that in July his family was moved temporarily while his unit was renovated. When they moved back in, they had a different refrigerator. He would like to know whether he can get the new refrigerator back. Mr. Augafa also testified that tenants need weed eaters and gas to help keep their yard area clean, but would like Management to help provide an area to store their equipment.

Paulilua Tuita, Kuhio Park Terrace resident, stated that she is representing the KPT Towers buildings and questioned whether they were still allowed to attend Board meetings. She stated that the tenants don't know who to turn to with their concerns about management by the Michaels Development Company.

Director Rachael Wong arrived at 9:30 am.

The Board was deferred discussion on For Action item IV.A until later in the meeting.

For Action:

Director Kim moved,

To Adopt Proposed Changes to the Hawaii Public Housing Authority's Policy on Eligibility for the Federally-Assisted Public Housing Program to Amend the Prohibition on Applicants who have been Evicted from a Public Housing Program Administered by the Authority or its predecessors since March 1, 1985, Subject to the Department of the Attorney General's Review, and to Authorize the Executive Director to Take All Actions Necessary to Implement the Amendment, Including:

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- 4. Amending and Compiling Chapter 17-2028, Hawaii Administrative Rules, "Federally-Assisted Public Housing Projects";**
- 5. Amending Sections of the Admissions and Continued Occupancy Policy for the Federally Assisted Public Housing Program to Amend the Prohibition; and**
- 6. Amending the Proposed Language to Incorporate Revisions Recommended by the Department of the Attorney General;**

in accordance with Chapter 91, Hawaii Revised Statutes, and Administrative Directive No. 09-01

Executive Director Ouansafi explained that management is proposing that the HPHA amend its administrative rules and admission policy which currently includes a lifetime ban from public housing for individuals and families evicted from public housing. The proposed rule would simply require that tenants evicted for rent delinquencies would need to clear their delinquent balance in order to be eligible to reapply for housing.

Director Darcy asked whether the evicted tenants would need to repay their entire debt before being able to reenter housing. Executive Director Ouansafi responded that

management would recommend that the entire debt should be repaid. He added that staff would continue to refer families in arrears to grant making agencies in the nonprofit community.

Director Wong expressed support for the proposed change and commented that the removal of the lifetime ban would be aligned with the Governor's approach to public housing. Director Wong asked how long was the current rule in place and what was the catalyst for changing the rule. She also asked whether there were other barriers to housing that were identified by staff.

Executive Director Ouansafi responded that the current rule was in place since 1985. He explained that staff are working on reviewing all of the administrative processes currently in place and that once we have done the research and due diligence on various policies they will be brought to the Board for revision, if appropriate. Executive Director Ouansafi informed the Board that the staff will be holding a training for homeless service providers on the application process. The goal is for the service providers to be able to assist their clients in completing the online application process.

Director Young noted that the timeline for implementation was tight and asked whether the HPHA's Resident Advisory Board (RAB) would be able to comment on the proposed rule changes in November. Director Young also asked whether there was a RAB at all properties.

Executive Director Ouansafi explained that the HPHA has one RAB which represents all of the HPHA's properties that meet once a month at the HPHA's offices. He explained that not all of the properties have a resident association, but that HPHA encourages residents to form an association.

Director Medeiros asked whether the average amount owed by tenants is in the hundreds of dollars or thousands.

Executive Director Ouansafi responded that there are some tenants who have wilfully damaged the units and could owe large balances due to the cost of repairs. For example, there was a tenant on Maui who was on drugs and tore up all the drywall which cost over \$100,000 to repair. He explained that the majority of tenants evicted, however, probably owe far less than that (e.g., \$500) and staff could provide the Board with specific amounts if they so desired. He stated, however, that the staff are proposing that the entire debt be repaid as the funds owed belong to the taxpayer and are needed for housing operations.

Director Young asked how the HPHA books the back owed rent in the financials or whether it is reflected in the financial statements.

Executive Director Ouansafi explained that the staff utilize a variety of methods to collect on back rent. If staff are unsuccessful at collecting the back rent, the case is referred to the Department of the Attorney General's (AG's) Civil Recoveries Division

which must approve the HPHA writing off the bad debt. Once approved by the AG's, the HPHA will write off the amount. The outstanding balance, however, is still recorded in the individual tenant file as a debt to the HPHA.

Director Wong requested that staff ensure that all properties, including the Kuhio Park Terrace property are given an opportunity to comment on the rule changes. Executive Director Ouansafi confirmed that all tenants are informed of proposed rule changes and that staff would ensure the widest dissemination possible of proposed rule changes.

The motion was unanimously approved.

For Action:

Director Young moved,

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Executive Director Ouansafi explained that in 1999 the HPHA had a HUD approved application to conduct demolition and new construction of units at Lanakila Homes. However, several years ago, a former Executive Director requested that 6 units be changed from demolition status to "un-demo" status. The plan was for community volunteers to repair the units in a pilot project. The volunteer project never materialized. Subsequently, staff conducted a cost analysis and found that the cost to repair the 6 un-demo units would be comparable to building brand new units. After several conversations with the HUD staff, HUD recommended that management obtain Board approval to conduct demolition on the 6 units. The goal is for HUD to allow the HPHA to conduct demolition on those 6 units without HPHA having to submit a whole new demolition application.

Director Wong asked whether any Capital Improvement Program (CIP) funds lapsed as a result of the Lanakila project. Executive Director Ouansafi explained that no CIP funds lapsed as there are still other units that are undergoing demolition and new construction. Additionally, the HPHA is continuing to work on remediating the arsenic in the soil at Lanakila Homes.

Director Wong explained that the State Capital Improvement Program (CIP) funds must be encumbered by certain deadlines or the funds will lapse. If the funding deadlines pass, the agency must return the funds to the State treasury.

Chair Shim clarified that the request is to include the 6 units back into the demolition status and to add those to the units that have already been developed. Executive Director Ouansafi concurred that there are approximately 300 units and that these 6 units will be amongst those units to be newly constructed.

Director Kim questioned why there was such a long delay between HUD approval and when the former Executive Director asked to rescind the 6 units. She commented that all of the units should have been demolished by 2008. Executive Director Ouansafi surmised that the delay in demolition and construction could have been due to the lack of funds and that the project was being handled in phases.

The motion was unanimously approved.

Executive Director's Report:

- Executive Director Ouansafi commended staff for their hard work and although the agency is extremely busy, staff continues to address tenants' needs and concerns. He mentioned that the Compliance Office reviews all of the reasonable accommodation requests.
- Executive Director Ouansafi clarified that a testifier at a previous Board meeting reported a stabbing at Mayor Wright Homes, however, staff immediately conducted a follow up and concluded that there was no stabbing. The testifier admitted that "he had heard" that there was a stabbing, he did not know whether an incident actually occurred.
- Executive Director reported that he is fully aware of the complaints and concerns by the residents that testify at the Board meeting. The appropriate Branch or office does the follow up but sometimes we are not able to share the information because of the confidentiality rules. He also mentioned that sometimes the tenants are not satisfied with the decision made and would like to take it to a higher level such as the Director's or Governor's office.
- Executive Director reported that the federal REAC inspections show that HPHA's inspection scores are improving.
- Executive Director Ouansafi reported that the Multi Skilled Pilot Program started on October 1, 2015. The team received a full day of orientation and training on their first day. Approximately 37 members are on the team.
- Executive Director Ouansafi reported that last month 56 families moved into public housing and 47 families moved out, creating a net gain of 9 families. He reported that over a hundred families in the Section 8 Program are looking for rental unit. HPHA has scheduled a Section 8 application process training for service providers, who will assist homeless families complete the application process.

- Executive Director Ouansafi reported continued negotiations for the Kuhio Park Terrace, Mayor Wright Homes and School Street Redevelopments projects.
- Executive Director Ouansafi announced that staff from the Senate Ways and Means (WAM) committee will be meeting with the Fiscal Management Office staff to learn more about the HPHA's operations. Executive Director Ouansafi also reported that meetings are scheduled with the leadership of the House and Senate in preparation for next legislative session.
- Executive Director Ouansafi indicated that every complaint that comes into HPHA is fully investigated and Management is aware of those complaint. He explained that if tenants are not satisfied with Management's decision they can request for a grievance hearing. Director Darcy asked if the Executive Director Ouansafi is aware of the complaints and issues raised by individuals that testified today. Executive Director Ouansafi responded that he is aware of all of the complaints, except the parking stall request by Mr. Nakoia.
- Director Darcy recognized that everybody works hard and encouraged a philosophy of having people working smarter, not harder. She also suggested the establishment of a call in number for tenants that would like to participate in the discussion, but who are not able to attend meetings.
- Director Young suggested that some complaints may be reflective of a communication issue and more about customer relations. He asked whether the agency has ever looked into a an electronic tickler system to track issues and complaints.

Executive Director Ouansafi responded that the agency does have a tracking system, which could be improved through electronic management. He explained that despite our efforts to communicate, there may be instances where staff cannot report back to tenants about another tenant due to confidentiality, or there may be a delay in response due to investigation of the complaint.

- Director Kim requested to have a follow up response to the individuals that testify at the Board meetings and suggested a report at the following Board meeting.

Chair Shim commented that he is not interested in just creating more work for the staff, but would like the Directors to think about how they might contribute as a working Board.

Director Ouansafi explained that complaints are received and reviewed by appropriate staff but, due to confidentiality reasons and under the advisement of the Department of the Attorney General, are often not able to release information to the complainant.

Chair Shim mentioned that items could be discussed in Executive Session and that the Deputy AG advised that it could be done through an ad hoc investigative committee.

Director Medeiros commented that she is apprehensive to have that type of discussion at the Board meeting where there is an exchange in information about private housing matters relating to specific resident. She also would be interested in knowing how other housing agencies across the country successfully deal with resident complaints.

Chair Shim reiterated that the Board does not question the integrity of the staff and that they also do not want to get involved in the daily operations.

Director Darcy clarified her comment made earlier that the intent to everyone is not to imply that staff is not working smart or hard, but that the Board supports everybody's needs.

Chair Shim mentioned that the overall objective is to help everyone and to provide harmony in our community in very difficult situations; this is something that all Board members desire.

- Director Betsy Kim noted a typo on page 206, Artistic Corporation Supplemental Amount should be \$2,926,626. Executive Director apologized for the error.

For Discussion:

Department of Human Services Director Rachael Wong; Update from the Governor's Leadership Team on Homelessness on Goals, Plans, and Activities in the State; and the HPHA's Strategic Plans

Director Wong provided an update from the Governor's Leadership Team on homelessness, which includes the identification of temporary shelter for people who are homeless; a long term goal of permanent supportive housing; and that every State department will be asked to identify ways it can contribute to the initiative.

Director Wong posed a possible philosophical discussion to the Board of "As permanent supportive housing for low income people, what is public housing's role in addressing homelessness across the State as we look at strategy?"

Director Darcy commented that because a lot of these issues weren't always around we need to adjust and quickly address these changes that are happening rapidly. Having this conversation will help us move forward as a community that is inclusive of those we are helping.

Director Wong agreed and suggested three things moving forward: (1) Invite Scott Morishige, Governor's Coordinator on Homelessness, to the next meeting to give a more in depth update; (2) Create a committee of interested Board members to dive into

these homeless issues and work with management to identify the issues; and (3) Look into future and past policies which may have contributed to the situation we're in now and is there anything we can do now collectively to address this.

Director Oh commented that there are barriers to housing for many people, whether it's affordable housing or housing for the middle income and to identify those barriers is a challenge whether it's within the department or with the legislature. Director Oh stated that the Governor is open minded as far as lifting some of those barriers and moving forward whether its affordable housing, the 201H program for affordable housing, but even at that it could take years. Affordable housing has always been an issue, everyone has ideas, but there's no silver bullet.

Chair Shim supported the idea of inviting Scott Morishige to a Board meeting. He also asked that if there are issues that Board members would like to be considered for the agenda for Board members to recommend those to Executive Director Ouansafi and/or the Chair to consider. Chair Shim commented that the Board can bridge the connection between the Governor's direction and Scott's responsibilities, and that there should be a discussion on land use issues.

Director Medeiros commented that public housing already plays a great role serving 30,000 residents in our units. Director Medeiros stated that she believes public housing should not be a permanent, generational situation, except for those who are limited through income or medical or disability. Director Medeiros believes it was studied to death in this State for the last 20 years how to build affordable housing whether its 201H or putting resources to tax credits or rental housing trust fund there's a lot already there that can be looked at. Director Medeiros suggested that HCDA has a lot of opportunity to create more permanent rental inventory that people can afford.

Director Wong stated that they are working closely with HCDA.

Director Medeiros stated she would like to hear from Scott Morishige as well as other members of the Governor's leadership team, particularly the two legislators that chair the money committees since their decisions affected what HPHA has and hasn't been able to do in the last 5 to 10 years. Director Medeiros stated that she would like to hear from the Governor's leadership team if they identified any priorities in terms of funding for homelessness as well as HPHA. She stated that the Board can help with that issue in the upcoming legislative session. Director Medeiros commented further that the Board has an opportunity to ask what the Governor and Legislature can do to help HPHA.

Chair Shim commented that Director Medeiros is speaking on how we all get on the same page and we have this opportunity to have this dialogue with the Governor and others.

Director Wong stated that it is a statewide team where HPHA and the Governor should be aligned, and that's why HPHA is meeting with the Governor in two weeks.

Executive Director Ouansafi explained that HPHA has reached out to the Governor, and that HPHA's role is simple and unlike any other which is to prevent homelessness. HPHA has many apply for housing who are about to become homeless at 30% AMI or less, and is the leading provider of housing for homeless. Executive Director Ouansafi stated that although HPHA is not a homeless agency, it does provide housing which helps prevent homelessness, as well as provide housing directly to homeless.

Executive Director Ouansafi commented that Kakaako has 200 homeless families, yet HPHA served 4000 individuals in last five years. Further, the need for additional housing is tremendous, and HPHA's plan is to take advantage of TOD in its redevelopment plans. Executive Director Ouansafi stated that housing is at the forefront for the legislature this session. Executive Director Ouansafi commented that the HPHA welcomes this meeting and the new efforts and energy to make a huge dent in the homelessness crisis.

Director Smith commented that the conversation about prevention is just as important as the conversation about those that are homeless. Many families are one step away from losing their home. Director Smith would like to see the Board speak more about prevention and the target of prevention as part of our arsenal to help address homelessness.

Director Young commented that HPHA is very operationally savvy just based on the way things are executed for the Board that elevates the Board's responsibility and challenges to come up with strategies and policy that HPHA can achieve. Further, in addition to the Board's conversation about prevention, the Board should also talk about what the product is for the housing authority, what does the client look like when you first interface them, what do you want to see when they're in position to exit public housing, do they have skills, what is their social readiness, how can we measure that and use that to captivate an audience to bring in the right partners to get people to a certain standard and have that conversation as to what that standard might be.

Chair Shim commented that graduation is very important to us and although it's not within the purview of our responsibilities, this board is in the position to support looking at what service providers do, such as economic development.

Director Medeiros explained that based on the testimony, it's not just about graduating and giving them skills to improve themselves because when someone complains about walking down a ramp to their car while Director Medeiros personally pays 60% of her income towards rent, where's the bigger picture of what's trying to be accomplished and the kind of community we're trying to build. Director Medeiros stated that she wants the Board to build communities that foster communities and good character.

Chair Shim explained the Emily Warner study that was done in Kauai in 1955 that destroyed all theories experts had about persons born in blight finish in blight because 30% of those born in those "high risk" situations were actually functioning healthy human beings. The study pointed to two significant factors which contributed beyond

education: (1) the ability to reach out, sense of resilience within each individual; and (2) a significant non parental adult in their life. Chair Shim stated that graduation is the whole picture, not just getting people out but how do we build a healthy Hawaii.

Director Medeiros asked whether the nonprofit is ready to establish its role.

Executive Director Ouansafi stated that the nonprofit is still new and still in the paperwork phase, however, once it is formed we can start making the nonprofit work for HPHA.

Director Medeiros asked whether part of the nonprofit's responsibility is to be a development arm.

Executive Director Ouansafi confirmed it is.

Director Wong proposed there be a committee to address homelessness and the role HPHA plays in homelessness.

Various board member asked questions about the formation of the proposed committee, including: How many members are required? If the number of members is more than quorum, is it better to have a task force? Can non board members be part of the committee?

Deputy Attorney General Sugita explained that the proposed committee of at least two members but less than quorum, which is six, would meet outside of the Board meetings on a certain topic or to investigate and talk to others to bring back information to the Board at a Board meeting. The Sunshine law allows the Board to create a task force committee. When the Board meets next month it can add members to the committee.

Director Wong moved to create a task force on homelessness.

Director Shim commented that the Board is short two members and that a resident board member and a Kauai representative are needed. Furthermore, he asked whether a motion was necessary.

Deputy Attorney General Sugita stated that the Chair could appoint the members.

Director Wong stated that a discussion on where does homelessness fit in to the overall philosophy of HPHA and working with management is necessary, which may not fit under "policies".

Deputy Attorney General Sugita clarified that the point of the task force or committee is to conduct an investigation into the public housing's role, specifically HPHA's role in homelessness or addressing homelessness statewide. She further clarified that the task force should not be meeting to make presentations to others, but to meet with each other outside of the Board meeting.

Director Young stated that part of the discussion should be the intersection between State housing and County projects.

Director Medeiros asked for clarification if the task force could come back to the Board to present to outside entity organizations or groups. For example, she inquired about whether the task force could go back to the Governor and provide information on what the task force discussed.

Deputy Attorney General Sugita stated that the task force should not try to represent the full Board. In order to avoid any misunderstanding or miscommunication about what the task force is representing and what the Board is representing, the task force should not share their discussions with outside parties. But she added that the task force members are free to say that HPHA has created this task force to address HPHA's role on homelessness.

Executive Director Ouansafi stated that staff is available to meet with the Board members anytime and can provide guidance in operational homeless matters.

Deputy Attorney General Sugita stated that HUD also can provide information.

Director Wong stated that there is interest from the U.S. Interagency Council on Homelessness to assist.

Executive Director Ouansafi also requested that the Board appoint a task force to review the annual audit statements. The task force would require at least two hours to review the financial statements with the auditor and to report back to the Board. Executive Director Ouansafi stated that Directors Espero and Oh served on the financial audit task force last year.

Deputy Attorney General Sugita clarified that the homeless task force includes members: Director Wong, Director Medeiros and Director Darcy.

Chair Shim established the financial audit task force, recognizing volunteer members Director Oh, Director Medeiros, and Director Smith.

Executive Director Ouansafi suggested going into Executive Session due to quorum concerns.

Chair Shim agreed and asked for a motion to go into Executive Session to approve the August and September minutes and to ratify Director Margery Moore, etc., and take all other actions.

For Action:

Director Kim moved,

To Ratify the Executive Director's Action to Execute a Settlement Agreement in Complaint filed by Margery Moore v. State of Hawaii, Department of Human Services, Hawaii Public Housing Authority (HCRC No. RE-WH-0911; HUD No. 09-11-0785-8) and Take All Actions Necessary to Carry Out the Agreement

The Board entered Executive Session at 11:17 am and reconvened at 11:50 am.

The motion was unanimously approved.

Chairperson Shim reported that the Board discussed the complaint and consulted with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to the Settlement Agreement in compliance filed by Margery Moore.

The Board approved Executive Session Minutes dated August 20, 2015 and September 17, 2015 as amended, at the October 15, 2015 meeting.

For Information

Presentation by Jesse Wu, Director of the U.S. Department of Housing and Urban Development's (HUD) Hawaii Field Office Regarding HUD programs and Responsibilities, including:

1. **Mission**
2. **Budget and Funding**
3. **Honolulu Field Office and Program Areas**
4. **Funding Opportunities**
5. **Lead The Way (videos)**

Jesse Wu, Director of the Hawaii Field Office of the Office of Public Housing and Indian Program from the U.S. Department of Housing and Urban Development provided training for the HPHA's Board of Directors. (See attached powerpoint presentation). Mr. Wu also reminded the Board about HUD's online training videos and aired some of the introduction videos at the Board meeting.

For Discussion

Discussion on the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration (RAD) Program was deferred.

Chairperson Shim deferred this item to a future meeting.

Adjournment

Chairperson Shim adjourned the Regular Meeting.

The meeting ended at 12:33 p.m.

MINUTES CERTIFICATION

Minutes Prepared by:



Deidra Ahakuelo-Kepa
Secretary

NOV 19 2015

Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on November 19, 2015: [] As Presented [] As Amended



Director Jason Espero
Board Secretary

NOV 19 2015

Date

Amended: Page 108