

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

**June 16, 2016  
9:00 a.m.**

**AGENDA**

**I. CALL TO ORDER/ESTABLISHING QUORUM**

**II. APPROVAL OF MINUTES**

Regular Meeting Minutes, May 19, 2016  
Executive Session Minutes, May 19, 2016 (not for public distribution).

*Executive session minutes will be considered by the Board of Director in executive session scheduled for later in the meeting as a courtesy to the public.*

**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 Authorize the Executive Director to Certify Duly-Elected Resident Councils Pursuant to Volume 24 Code of Federal Regulations (CFR) Part 964; to Enter into Memorandum of Agreements with Certified Resident Councils that Qualify for Federal Resident Participation Funds from the U.S. Department of Housing and Urban Development (HUD); and to Suspend Certification Status of a Resident Council that Falls into Non-Compliance

B. **MOTION:** To Approve the Settlement Agreement in Valantin Sirom and Sasinta Seremea v. State of Hawaii, Department of Human Services, Hawaii Public Housing Authority; Hakim Ouansafi, as an individual; Lori Nakanishi, as an individual; Trofe Long, as an individual; Renee Blondin-Nip, as an individual; Earl Mente, as an individual; and William Richardson, as an individual (HCRC No. RE-O-1063; HUD No. 09-15-

1309-8) and to Authorize the Executive Director to Take All Actions Necessary to Carry Out the Agreement

The Board will 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 this motion.

- C. **MOTION:** (A) Rescind the Hawai'i Public Housing Authority (HPHA) Board of Directors' Approval (on 5/19/2016) of Motion to (1) Adopt Proposed Rules under the Governor's Proclamation, dated October 16, 2015, and Supplementary Proclamations, Entitled "Special Rent Supplement Program Rules" Which is Substantially Based on Chapter 15-184, Hawai'i Administrative Rules (HAR), and Which Include the Rules and Requirements for HPHA's Special Rent Supplement Program, a Program Established to Provide Rent Subsidies to Qualified Homeless Person(s) or Family; and (2) to Authorize the Executive Director to Undertake All Other Actions Necessary to Implement the Special Rent Supplement Program for the Homeless, Including Promulgating the Rules Pursuant to Section 127A-25, Hawai'i Revised Statutes (HRS);

(B) Adopt a New Chapter under Hawai'i Administrative Rules as Title 17 Chapter HPHA-RS, entitled "Special Rent Supplement Program Emergency Rules", Which is Substantially Based on Chapter 15-184, Hawai'i Administrative Rules, and Sets Forth the Requirements for Eligibility and Participation in HPHA's Special Rent Supplement Program Which Provides Rent Subsidies to a Qualified Homeless Person or Family, through Chapter 91, HRS, Emergency Rulemaking, to Provide Emergency Relief to Address the Homeless Emergency Declared by the Governor in his Proclamation dated October 16, 2015, and Supplementary Proclamations; and

(C) Authorize the Executive Director to Undertake All Actions Necessary to Implement the "Special Rent Supplement Program Emergency Rules", Including But Not Limited to Contracting with Third-Parties to Administer, in Whole or Part, This Special Program.

*The Proposed "Special Rent Supplement Program Emergency Rules" may be viewed on the internet on or about June 10, 2016 on the Lieutenant Governor's website at: <http://ltgov.hawaii.gov/the-office/administrative-rules/> or can be viewed in person at the HPHA's Offices located at HPHA's Administrative Offices, 1002 N. School Street, Honolulu*

The Board will 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 this motion.

**\*Note:** The Governor's Proclamation dated October 16, 2015, and Supplementary Proclamations dated October 26, 2015, December 24, 2015, February 19, 2016, and April 22, 2016, suspended, as allowed by law, the following statutes:

- Chapter 92, Hawai'i Revised Statutes (HRS), **Public Agency Meetings and Records**, to the extent that any notice requirements or any other provisions of Chapter 92 may delay the expeditious action, decision, or approval of any agency; and
  - Chapter 91, HRS, **Administrative Procedures**, as those provisions relate to rulemaking, to the extent necessary for the purpose of providing emergency relief as necessary to address the homeless emergency contemplated in his proclamations.
- D. **MOTION:** To Adopt Resolution No. 16-05 Approving the Hawaii Public Housing Authority's Operating Budget for Fiscal Year 2016 – 2017 and to Authorize the Executive Director to Take All Actions Necessary to Implement and Submit Budget Certifications to the U.S. Department of Housing and Urban Development (HUD-Form 52574).

## V. REPORTS

- Financial Report for the Month of April 2016 and Report on HPHA's Budget for Operating and Capital Funds for FY 2016-2017. The April 2016 Financial Report is provided to the board in the monthly packet.
- The Report on Contracts Executed During May 2016 and Planned Solicitations for June 2016 are provided to the Board in the monthly packet. No formal report is planned.
- Property Management and Maintenance Services Lease up Status and Eviction Hearings for the Month of May 2016
- Construction Management Activities, including Obligation and Expenditure Status for the Federal Capital Fund Program (CFP) and the State Capital Improvement Program (CIP), Kuhio Park Terrace and Kalihi Valley Homes Construction Activity
- Section 8 Subsidy Programs Voucher Lease Up and Report on Status of HQS Inspections for the Month of May 2016. The Section 8 Report is provided to the Board in the monthly packet. No formal report is planned.
- Status of Redevelopment at Mayor Wright Homes with MWH Partners, Redevelopment of 1002 N. School Street with Retirement Housing Foundation, and the Redevelopment of Kuhio Park Terrace with the Michaels Development Company.

If any person requires special needs (i.e., large print, taped materials, sign language interpreter, etc.) please call Ms. Jonessa Burns at (808) 832-4694 by close of business three 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, JUNE 16, 2016  
IN THE COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority (HPHA) held their Regular Board Meeting at 1002 North School Street, Building A on Thursday, June 16, 2016. At approximately 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 Jason Espero, Secretary  
Director Lisa Darcy  
Director George De Mello  
Director Laura Smith  
Director Rachel Wong  
Director En Young

Deputy Attorney General, Jennifer Sugita  
Deputy Attorney General, Klemen Urbanc

**EXCUSED:** Director Myoung Oh

**STAFF PRESENT:** Hakim Ouansafi, Executive Director  
Barbara Arashiro, Executive Assistant  
Chong Gu, Chief Financial Management Advisor  
Rick Sogawa, Procurement Officer  
Helen Enobakhare, Property Management and Maintenance  
Services Branch Chief  
Becky Choi, State Housing Development Administrator  
Stephanie Fo, Section 8 Subsidy Programs Branch Chief  
Shirley Befitel, Personnel Supervisor  
Renee Blondin-Nip, Hearings Officer  
Gary Nakatsu, IT Officer  
Sam Liu, Property Management Specialist  
David Nygaard, Budget Resource Specialist  
Maricar Campos, Property Management Specialist  
Kau'i Martinez, Resident Services Program Specialist  
Jonessa Burns, Secretary

**OTHERS PRESENT (and signing in as):**

Jackie L. Anakalea, Punchbowl Homes tenant  
Ene Augafa, Mayor Wright Homes tenant  
Ira Calkins, Punchbowl Homes tenant  
Jacquelyn Fairchild, Punchbowl Homes tenant  
U'i Goods, Medical-Legal Partnership  
Mary K. Hall, Punchbowl Homes tenant  
Desiree Kihano, Palolo Valley Homes tenant  
Duck Geo Kim, Punchbowl Homes tenant  
Bob Loren, Punchbowl Homes tenant  
Jeanne Lorrin, Punchbowl Homes tenant  
Esther Maniago, Punchbowl Homes tenant  
Haruko Moberg, Punchbowl Homes tenant  
Andrew Nakoa, Mayor Wright Homes tenant  
Holly Nojima, Punchbowl Homes tenant  
Benjamin Park, Senate Ways and Means Committee  
Pura Patino, Punchbowl Homes tenant  
Nancy Schroeder, Punchbowl Homes tenant  
Daniel Webster, Punchbowl Homes tenant

**Proceedings:**

Chairperson Shim declared a quorum present.

**Approval of Minutes:**

**Director Mederios moved,**

**To approve the Regular Meeting Minutes of May 19, 2016.**

Executive Director Ouansafi requested a revision to the minutes on page 5 to insert after Director Wong's motion to amend, the statement "The motion to amend was unanimously approved."

The minutes were unanimously approved as amended.

**Public testimony:**

Pura Patino, Punchbowl Homes tenant, stated that she is the Acting President of Punchbowl Homes Resident Association Council. She stated that the Punchbowl Homes Resident Association is the first elected association. Ms. Patino stated that the association consists of 15 committees, volunteers and staff who report to her. The

association meets in the recreation room, which also serves as a multipurpose room, from Monday through Friday. Ms. Patino expressed her appreciation for the assistance received from the HPHA.

Duck Geo Kim, Punchbowl Homes tenant, stated that he is Korean and is the Vice President of the Punchbowl Homes Resident Association. He expressed his appreciation for the position. Mr. Kim reported that many individuals from the Korean community meet every Tuesday in the recreation room for various activities.

Daniel Webster, Punchbowl Homes tenant, stated that he is the recording Secretary of the Punchbowl Homes Resident Association. He stated that he co-sponsors a Pet Club with Ms. Jeanne Lorrin and invited the Board to attend a gathering next week Thursday.

Ira Calkins, Punchbowl Homes tenant, stated that he is the Correspondence Secretary of the Punchbowl Homes Resident Association. Mr. Calkins reported that he creates a monthly newsletter to communicate with the Hawaii Public Housing Authority and the general public. Mr. Calkins stated that he is also a member of the Safety Committee. He acknowledged that the terms "resident council" and "resident association" are often used interchangeably, however, all official actions will require a duly elected resident council to be referred to as "resident council".

Haruko Moberg, Punchbowl Homes tenant, stated that she is the Treasurer of the Punchbowl Homes Resident Association. She expressed her appreciation and looks forward to serving on the Board.

Jackie Anakalea, Punchbowl Homes tenant, stated that he is a member of the Beautification Committee. Mr. Anakalea requested help in making Punchbowl Homes beautiful.

Mary Hall, Punchbowl Homes tenant, stated that she is hearing impaired and co-chair of the Beautification Committee. She stated that the committee looks forward to working with HPHA to make Punchbowl Homes beautiful.

Nancy Schroeder, Punchbowl Homes tenant, stated that she is part of the Safety Committee. Ms. Schroeder requested assistance from HPHA to install ramps and an accessible walkway at the front of the property. She looks forward to coordinating with Hawaii Public Housing Authority.

Jacquelyn Fairchild, Punchbowl Homes tenant, stated that she is part of the Entertainment Committee. Ms. Fairchild stated that having social events helps the community stay active.

Jeanne Lorrin, Punchbowl Homes tenant, stated that she is in charge of the pet birthday parties and parties with the Pet Committee. Ms. Lorrin expressed appreciation for the use of the recreation room and looks forward to future beautification projects for Punchbowl Homes.

Esther Maniago, Punchbowl Homes tenant, stated that she helps coordinate with the Welcome Committee to assist new residents of Punchbowl Homes. Ms. Maniago stated that they hope they can work closely with the management at Asset Management Project (AMP) 35.

Holly Nojima, Punchbowl Homes tenant, stated that she is a member of the Welcome Committee that assists with helping new residents of Punchbowl Homes. Ms. Nojima stated that she is also part of the Birthday Committee and expressed her appreciation for use of the recreation room.

Bob Loren, Punchbowl Homes tenant, stated that he appreciates the mutual cooperation of all the tenants at Punchbowl Homes. Mr. Loren stated that dozens of residents have spent time and put forth effort into improving Punchbowl Homes. He commented that the residents look forward to working in cooperation with AMP 35 and HPHA during the redevelopment period. Mr. Loren reported that the residents are willing to share the recreation room during the redevelopment for storage of materials. However, he requested that AMP 35 staff understand that people and their pets should come first. Mr. Loren stated that the residents request clear communication with management and the Hawaii Public Housing Authority.

Andrew Nakoa Sr., Mayor Wright Homes resident, reported that kids have been running around the complex late at night since summer break started. Mr. Nakoa requested that the security guards patrol the entire premises every hour. He reported children playing near dumpsters and leaving trash outside the trash bins. Mr. Nakoa indicated that he reported this to the office and maintenance staff. He suggested that the property office send out a rent notice that children should not be allowed to take trash out to the dumpsters. Mr. Nakoa stated parents should be more aware of their kids and curfew should be enforced on the property.

U'i Goods, Medical-Legal Partnership, stated that she works with public housing tenants on a regular basis. Ms. Goods stated that she believes that there is a lack of meaningful and useful information provided for tenants to participate in the process. Ms. Goods stated she sees a lot of public housing tenants who aren't knowledgeable on how the system works and part of her job is to provide information. She stated that federal regulations encourage partnerships between local training resources, such as her organization, to provide resident training opportunities.

Ms. Goods feels that participation with the housing authority and local trainers are vital for a number of reasons, including that language and cultural beliefs have an impact on a tenant's understanding of rules. Ms. Goods stated that tenants may feel that the Hawaii Public Housing Authority isn't the best source for information and for this reason, a partnership with neutral local trainers should be utilized. She further stated that recognizing resident involvement creates a positive living environment.

Ene Augafa, Mayor Wright Homes tenant, stated that he received a memo from Asset Management Project (AMP) 32 regarding animals on the property. Mr. Augafa expressed appreciation for the notice reminding pet owners that they are responsible for their animals. However, he feels that the animal population needs to be taken care of instead of having the responsibility left to the tenants. He was also concerned that the tenants were warned that if they harmed the animals that they could be evicted.

**For Action:**

**Director Espero moved:**

**To Authorize the Executive Director to Certify Duly-Elected Resident Councils Pursuant to Volume 24 Code of Federal Regulations (CFR) Part 964; to Enter into Memorandum of Agreements with Certified Resident Councils that Qualify for Federal Resident Participation Funds from the U.S. Department of Housing and Urban Development (HUD); and to Suspend Certification Status of a Resident Council that Falls into Non-Compliance**

Executive Director Ouansafi stated this action would help the Hawaii Public Housing Authority to timely recognize resident groups who have a duly elect a resident council. He further stated this would allow for certain federal funds to be utilized by the duly elected resident councils.

**The motion was unanimously approved.**

**For Action:**

**Director Mederios moved:**

**To Approve the Settlement Agreement in Valantin Sirom and Sasinta Seremea v. State of Hawaii, Department of Human Services, Hawaii Public Housing Authority; Hakim Ouansafi, as an individual; Lori Nakanishi, as an individual; Trofe Long, as an individual; Renee Blondin-Nip, as an individual; Earl Mente, as an individual; and William Richardson, as an individual (HCRC No. RE-O-1063; HUD No. 09-15-1309-8) and to Authorize the Executive Director to Take All Actions Necessary to Carry Out the Agreement**

**Director Mederios moved:**

**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 Valantin Sirom and Sasinta Seremea v. State of Hawaii, Department of Human Services, Hawaii Public Housing Authority; Hakim Ouansafi, as an individual; Lori Nakanishi, as an individual; Trofe Long, as an individual; Renee Blondin-Nip, as an individual; Earl Mente, as an individual; and William Richardson, as an individual (HCRC No. RE-O-1063; HUD No. 09-15-1309-8).**

**The motion to move into Executive Session was unanimously approved.**

The Board entered into Executive Session at 9:37 a.m. and reconvened at approximately 10:31 a.m.

**The motion to approve the Settlement Agreement in Valantin Sirom and Sasinta Seremea v. State of Hawaii, Department of Human Services, Hawaii Public Housing Authority; Hakim Ouansafi, as an individual; Lori Nakanishi, as an individual; Trofe Long, as an individual; Renee Blondin-Nip, as an individual; Earl Mente, as an individual; and William Richardson, as an individual (HCRC No. RE-O-1063; HUD No. 09-15-1309-8) and to Authorize the Executive Director to Take All Actions Necessary to Carry Out the Agreement was approved; with one Director voting against.**

The Board took a short recess until approximately 10:45 a.m.

**Director Medeiros moved,**

**(A) Rescind the Hawai'i Public Housing Authority (HPHA) Board of Directors' Approval (on 5/19/2016) of Motion to (1) Adopt Proposed Rules under the Governor's Proclamation, dated October 16, 2015, and Supplementary Proclamations, Entitled "Special Rent Supplement Program Rules" Which is Substantially Based on Chapter 15-184, Hawai'i Administrative Rules (HAR), and Which Include the Rules and Requirements for HPHA's Special Rent Supplement Program, a Program Established to Provide Rent Subsidies to Qualified Homeless Person(s) or Family; and (2) to Authorize the Executive Director to Undertake All Other Actions Necessary to Implement the Special Rent Supplement Program for the Homeless, Including Promulgating the Rules Pursuant to Section 127A-25, Hawai'i Revised Statutes (HRS)**

**(B) Adopt a New Chapter under Hawai'i Administrative Rules as Title 17 Chapter HPHA-RS, entitled "Special Rent Supplement Program Emergency Rules", Which is Substantially Based on Chapter 15-184, Hawai'i Administrative Rules, and Sets Forth the Requirements for Eligibility and Participation in HPHA's Special Rent Supplement Program Which Provides**

**Rent Subsidies to a Qualified Homeless Person or Family, through Chapter 91, HRS, Emergency Rulemaking, to Provide Emergency Relief to Address the Homeless Emergency Declared by the Governor in his Proclamation dated October 16, 2015, and Supplementary Proclamations; and**

**(C) Authorize the Executive Director to Undertake All Actions Necessary to Implement the "Special Rent Supplement Program Emergency Rules", Including But Not Limited to Contracting with Third-Parties to Administer, in Whole or Part, This Special Program.**

**Director Wong moved,**

**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 this motion.**

**The motion to move into Executive Session was unanimously passed.**

The Board entered into Executive Session at approximately 10:59 a.m.

The Board reconvened at approximately 12:27 p.m. Chairperson Shim reported that Director Espero and Director Wong left the board meeting at 12:20 p.m. during Executive Session.

Director Young proposed changes to the draft emergency rules for the Special Rent Supplement Program, section HPHA-RA-1 *Findings* for the Board's consideration and discussion as follows:

- Homelessness presents an immediate threat to the health and safety of unsheltered individuals and families, including increased exposure to the elements, communicable diseases, and unsanitary conditions.
- There is a gap between median income and median market-level housing and rental subsidy programs can bridge this gap for individuals and families who are currently priced out.
- Evidence-based practices such as Housing First are proven foundations for individuals and families to strive toward self-sufficiency.
- The rental subsidy programs have been implemented in Hawaii for over 20 years.

- Rental subsidy programs make better use of existing inventory, ameliorate the need for government agencies to construct and maintain new buildings, and provide economic benefit for those with available units

Director Young reported that Director Wong requested that section HPHA-RS-1 also reflect that homelessness has an impact on the social determinants of health.

Director Mederios agreed that it has become more popular recently in the development community. She stated that the development community is starting to look at how placement/location can affect an individual's health and the health of the community.

Director Mederios also proposed revisions to the draft emergency rules by adding language as follows:

- These emergency rules assist eligible homeless individuals and families residing in and receiving services from emergency or transitional shelters by providing them a special rent subsidy to help them transition into and secure permanent housing.
- These emergency rules assist shelter providers with placing their clients into permanent housing and provide 6 months of continuous follow up case management.
- The special rent supplement program administered by these emergency rules encourages unsheltered individuals and families experiencing homelessness to enter into emergency or transitional shelters so they become eligible for the permanent housing assistance and case management available thru this special program.

The Board continued to discuss the proposed changes, considered revisions, and recommended additional revisions to the draft emergency rules.

Deputy Attorney General Sugita and Director Medeiros summarized the final proposed revisions and order/numbering of the changes, as follows:

- Replacing HPHA-RA-1.0 (l) Findings. "These emergency rules assist eligible homeless individuals and families residing in and receiving services from emergency or transitional shelters by providing them a special rent subsidy to help them transition into and secure permanent housing."
- Numbered as HPHA-RA-1.0 (o) Findings. "These emergency rules assist providers with placing their clients into permanent housing and provide six months of continuous follow up case management."
- Numbered as HPHA-RA-1.0 (p) Findings. "The special rent supplement program administered by these emergency rules encourages unsheltered

individuals and families experiencing homelessness to enter into emergency or transitional shelters so they become eligible for the permanent housing assistance and case management available thru this special program.”

- Replacing HPHA-RA-1.0 (g) Findings. “The authority finds that homelessness presents an immediate threat to the health and safety of unsheltered individuals and families, including an impact on social determinants of health, increased exposure to the elements, communicable diseases, and unsanitary conditions.”
- Numbered as HPHA-RA-1.0 (i) Findings. “There is a disparity between income and housing which is a barrier to permanent housing, and rental subsidy programs can address this barrier for individuals and families who are currently experiencing homelessness.”
- Numbered as HPHA-RA-1.0 (m) Findings. The rental subsidy programs have been implemented in Hawaii for over two decades.
- Numbered as HPHA-RA-1.0 (n) Findings. “Rental subsidy programs make better use of existing inventory, ameliorate the need for government agencies to construct and maintain new buildings, and provide economic benefit for those with available units.”
- Renumbered as HPHA-RA-1.0 (f) Findings. “The authority agrees with Governor’s determination in his Proclamation dated October 16, 2015, that “the lack of secure, safe, and sanitary shelter, and adequate health and social services, for this large number of people without homes is endangering the health, safety, and welfare of the people, including families and children, and poses a threat to the environment, and demands emergency action to prevent or mitigate suffering, injury, loss, or damage;”
- Renumbered as HPHA-RA-1.0 (c) Findings. “There is an imminent peril to the public health, safety, or morals, or to natural resources as the Governor has declared a homeless emergency in the State of Hawai’i through his Emergency Proclamations;”
- Renumbered as HPHA-RA-1.0 (d) Findings. “By Proclamation dated October 16, 2015, the Governor directed all state agencies and officers to cooperate with and extend their services, materials, and facilities as may be required to assist in all efforts to address the objectives of his proclamation in addressing the homeless situation;”
- Renumbered as HPHA-RA-1.0 (e) Findings. “By Supplementary Proclamation dated October 26, 2015, the Governor expanded the purpose of his original Proclamation to include all efforts necessary to respond to the current homeless emergency and that state agencies endeavor to include a coordinated response among participating state, county, and private agencies that includes assisting

with providing services, training, and opportunities to the homeless population and employing relocation efforts;"

- Renumbered as HPHA-RA-1.0 (j) Findings. "Homeless emergency shelters and homeless transitional shelters provide only temporary shelter for those who are homeless and do not constitute permanent housing;"
- Renumbered as HPHA-RA-1.0 (k) Findings. "Individuals and families residing in homeless emergency shelters or homeless transitional shelters need to relocate and have access to permanent housing;"
- Renumbered as HPHA-RA-1.0 (r) Findings. These emergency rules are necessary to provide emergency relief and implement the Governor's emergency homeless initiatives set forth in the Emergency Proclamations; and
- Renumbered as HPHA-RA-1.0 (s) Findings. Based on the above, there is an imminent peril to the public health, safety or morals, or to natural resources caused by the homeless situation requiring immediate adoption of these emergency rules upon less than thirty days' notice of hearing.
- Numbered HPHA-RA-1.0 (t) Findings. "These findings are based on the authority Board of Director's personal knowledge and professional experiences."

The Board further discussed proposed changes to the findings and rules.

Deputy Attorney General Sugita summarized additional changes to reflect the Board's intent to remove the 100 family limit on the number of placements into the Special Rent Supplement Program as follows:

- page 5, section HPHA-RS-1.2, HAR Applicability. Delete "upon placement of not more than 100 applicants into dwelling units, or" and "whichever occurs first," and delete "," and "and" (where grammatically incorrect).
- Page 17, section HPHA-RS-22, HAR Special Statewide Wait Lists. Delete "placement of not more than 100 applicants into dwelling units or upon" and "delete", whichever occurs first".
- Page 19, section HPHA-RS-24, HAR Removal from special statewide waiting list. Delete "placement of not more than 100 applicants into dwelling units or the" and delete ",whichever occurs first".

Chairperson Shim asked the Board if they concurred with the findings and proposed changes based on their personal and professional experience.

Director Young stated that his comments and proposed findings are based on his personal and professional experience as Director of the Hawaii Foodbank for the Big Island.

Director Smith stated that her discussion and comments were also based on her personal and professional knowledge.

Director Mederios stated that her recommendations are based on her personal and professional knowledge and experience.

**The motion was unanimously approved as amended to include the proposed changes by the Board to the draft rules.**

Director Young commended Executive Director Ouansafi and staff for using a system based perspective in its approach to address housing needs and homelessness.

Chairperson Shim also expressed his appreciation to Executive Director Ouansafi and staff for taking action on the matter.

**Director Mederios moved,**

**To Adopt Resolution No. 16-05 Approving the Hawaii Public Housing Authority's Operating Budget for Fiscal Year 2016 – 2017 and to Authorize the Executive Director to Take All Actions Necessary to Implement and Submit Budget Certifications to the U.S. Department of Housing and Urban Development (HUD-Form 52574).**

Executive Director Ouansafi explained there were no substantial changes to the draft budget from the version that was discussed with the Finance Task Force.

Executive Director Ouansafi reported the projected revenue estimates for the fiscal year 2016-2017 is an estimated \$129.5 million from a variety of different sources. He stated that the majority of funds are provided from federal sources.

Executive Director Ouansafi reported an estimated \$37 million increase for next year compared to Fiscal Year 2014, about \$16 million more than Fiscal Year 2015 and \$11 million more anticipated than last year.

Executive Director Ouansafi stated that the budget includes an infusion from the State for assistance with the Section 8 Housing Choice Voucher program and State family and elderly public housing programs. He also stated this reflected the increase amount of vouchers that have leased up and increase of occupancy they experienced.

Executive Director Ouansafi reported an increase of \$2 million for security services. He stated that the money received from the State Legislature will allow the HPHA to continue to provide security measures (e.g., security guards, cameras) at both elderly and family properties.

Executive Director Ouansafi explained that HPHA will have an estimated increase of \$7.8 million, including expenses and payroll increases based on the collective bargaining contracts.

Executive Director Ouansafi reported that funds received from HUD are based on a formula and subject to a HUD proration. He explained that in some AMPs additional funds were infused from other sources to assist with operating the property. HPHA generally keeps the funds at the property for different purposes, such as replacing major appliances.

Executive Director Ouansafi stated that the operating budget for each AMP are treated separately and presented as separate budgets as required by HUD under Asset Management.

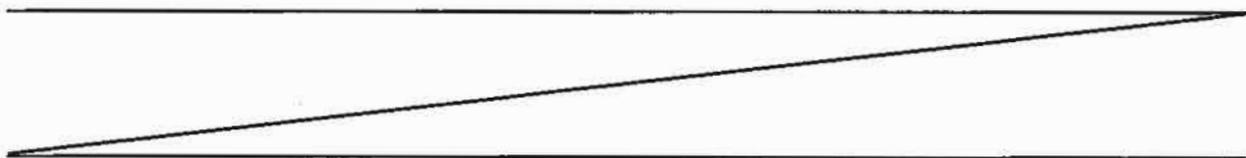
Director Young noted that some AMPs show a deficit before transfers and asked what contributes to the shortfall at those AMPs.

Executive Director Ouansafi stated that although all of the AMP budgets project that the AMPs will operate in the black, there is generally not enough subsidy for some of the properties. Some of the properties are difficult to manage with just the operating subsidy and rent revenue, so the HPHA bolsters their revenue with other funds. Some properties are under modernization and take a loss on rent for the vacant units being renovated. There are a number of different reasons or a combination of reasons that an AMP is unable to operate in the black without cash transfers in.

Director Young asked if the expectation, going forward, is to have the older AMPs run at a loss until the capital repairs are able to catch up.

Executive Director Ouansafi explained that each AMP's financial position is reviewed separately and it depends on the needs of that AMP. HUD allows the HPHA to transfer funds from one AMP to another if the transferring AMP has sufficient operating reserves. This allows public housing agencies to have some flexibility in operating and managing their portfolio of properties.

**The motion was unanimously approved.**



**PHA Board Resolution**  
Approving Operating Budget

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing -  
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0028  
(exp. 04/30/2016)

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures approval of budgeted receipts and expenditures and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Hawaii Public Housing Authority

PHA Code: HI901

PHA Fiscal Year Beginning: July 1, 2016

Board Resolution Number: 16-05

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- Operating Budget approved by Board resolution on: 06/16/2016
- Operating Budget submitted to HUD, if applicable, on:
- Operating Budget revision approved by Board resolution on:
- Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name: Pono Shim	Signature: 	Date: 06/16/2016
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**Adjournment:**

Director Smith moved,

To Adjourn the Meeting.

The motion was passed unanimously.

The meeting adjourned at approximately 1:31 p.m.

**MINUTES CERTIFICATION**

Minutes Prepared by:

  
\_\_\_\_\_  
Jonessa Burns  
Secretary

JUL 21 2016

\_\_\_\_\_  
Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on July 21, 2016: [ ] As Presented [ ] As Amended

  
\_\_\_\_\_  
Director Jason Espero  
Board Secretary

JUL 21 2016

\_\_\_\_\_  
Date