

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING
1002 North School Street, Building A Boardroom
Honolulu, Hawaii 96817
April 13, 2017
11:00 a.m.**

AGENDA

I. CALL TO ORDER/ESTABLISHING QUORUM

II. 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.

III. FOR ACTION

- A. **Motion:** To Approve the Hawaii Public Housing Authority's Amended Five-Year Public Housing Agency Plan for the Fiscal Years Beginning July 1, 2014 to June 30, 2019, and Annual Public Housing Agency Plan for the Fiscal Year Beginning July 1, 2017 to June 30, 2018, and to Authorize the Executive Director to Take Required Actions to Submit the Approved Plan to the U.S. Department of Housing and Urban Development
- B. **Motion:** To Adopt Board Resolution No. 17-01 Authorizing the Executive Director to Enter Into a Master Development Agreement with the Hunt Development Group, LLC and Vitus Group for the Mixed Finance, Mixed Income, Mixed Use, and Transit Oriented Redevelopment of the Mayor Wright Homes

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(8), and 103D-105 to discuss, deliberate or make a decision on information that must be kept confidential, 92-5(a)(3) to deliberate concerning the authority of persons designated by the Board to negotiate the acquisition of public property, and/or 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 related to the Redevelopment of Mayor Wright Homes.

Motion: To: 1) Adopt Proposed Changes to the Hawaii Public Housing Authority's Admissions and Continued Occupancy Policy (ACOP) Chapters 1, 2, 5, 7, 8, 9, 11, and 15, to:

- a) Be Consistent with and Include Reference to Chapter 515, Hawaii Revised Statutes, Sections 12-46-302 and 307, Hawaii Administrative Rules, Regarding Familial Status, and HUD's Final Rule on Equal Access to Housing; and
 - b) Include Other Housekeeping Revisions;
- 2) Permanently Adopt Changes to ACOP Chapter 11.B Entitled "Annual Recertification" Which Were Previously Effective Until March 31, 2014, Based on HUD's Final Rule on "Streamlining Administrative Regulations for Public Housing, Housing Choice Voucher, Multifamily Housing, and Community Planning and Development Programs";
 - 3) Authorize the Executive Director to Take All Actions Necessary to Implement the Proposed Changes; and
 - 4) Authorize the Executive Director to Make Other Non Substantive Changes to Style, Format, and Grammar in Any and All Chapters of the ACOP

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.

If any person requires special needs (i.e., large print, taped materials sign language interpreter, etc) please call Ms. Did' Ahakuelo-Kepa at (808) 832-4694 by close of bus ness 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 SPECIAL MEETING
HELD AT 1002 NORTH SCHOOL STREET, BUILDING A
HONOLULU, HAWAII 96817
ON THURSDAY, APRIL 13, 2017
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority held a Special Board Meeting at 1002 North School Street, on Thursday, April 13, 2017. At approximately 11:08 am, Chairperson Pono Shim called the meeting to order and declared a quorum present. Those present were as follows:

PRESENT: Director Pono Shim, Chairperson
Director Nani Medeiros, Vice Chair
Director Jason Espero, Secretary
Director Pankaj Bhanot
Director George De Mello
Director Lisa Darcy
Director Myoung Oh
Director Laura Smith
Director En Young

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

STAFF PRESENT: Hakim Ouansafi, Executive Director
Barbara Arashiro, Executive Assistant
Chong Gu, Chief Financial Management Advisor
Rick Sogawa, Procurement Officer
Becky Choi, State Housing Development Administrator
Nelson Lee, IT Office
Gary Nakatsu, Applications Office
Sam Liu, Property Management Specialist
Sarah Beamer, Planner
Taryn Chikamori, Secretary

OTHERS PRESENT (and signing in as):

U'i Goods, Medical Legal Partnership
Desiree Kihano, Palolo Valley Homes resident and RAB President
Ernesto M. Gonzaga
Steve Colon, President, Hunt Group, Hawaii Division
Thomas Lee, Senior Vice President, Hunt Group, Hawaii Division

Public Testimony

Ui Goods, Medical Legal Partnership (MLP) stated that she had concerns with the lack of tenant participation in the PHA Planning process compared to the number of tenants that live in public housing. Ms. Goods recommended that although the HPHA's notice to tenants is compliant with HUD's requirements, the HPHA could benefit from drafting a notice that is easily understood by the tenants. Meaningful tenant engagement should be the goal. Tenants don't understand the depth and breadth of the plan. The HPHA should break down the plan into manageable parts and engage tenants in discussions.

Ms. Goods stated her objections to the HPHA's proposed policy to not allow adults who have left the household to rejoin the household. This policy will put families at-risk who are already fighting poverty and trying to avoid homelessness. The policy does not recognize the family culture in Hawaii, such as hanai relationships.

Ms. Goods stated that the HPHA's summary of her testimony at the public hearing was inaccurate. She did not attend the public hearing to say that "it was not a good idea to adopt a policy to cap the amount of childcare expenses that can be claimed to the amount of the lowest. She reported that she testified that "the proposed policy was an emphatically absurd idea". Families do not have control over wages or the cost of childcare and the HPHA arbitrarily linked the two.

Ms. Goods expressed support for the HPHA's proposed revisions to the Admissions and Continued Occupancy Policy to incorporate and recognize the hanai status of families in public housing.

Ms. Goods stated that the MLP has concerns with tenant and community engagement in planning for the redevelopment of Mayor Wright Homes.

Vice Chair Medeiros thanked Ms. Goods for her testimony and was interested in her comments on the connections regarding poverty as it relates to the challenges to tenant participation, tenant behaviors, educational barriers, and language barriers. Vice Chair Medeiros welcomed suggestions on what forms of communication work best with the HPHA's tenant population.

Ms. Goods responded that the HPHA should focus on their relationship and connections with the tenants. Ms. Goods feels that she is able to have meaningful conversations with clients because she talks to them and asks them how they feel. The HPHA should work to break down the language barriers. The HPHA can also work to "fill the room" simply by telling people that there's a meeting.

Vice Chair Medeiros asked whether the MLP finds that the language barrier and related challenges are unique to public housing, or are there language barriers everywhere for the tenants when receiving services.

Ms. Goods agreed that there are language barriers everywhere, but explained that when a tenant's housing is at risk that is a priority above the loss of other benefits.

Vice Chair Medeiros commented that based on her experience with services and housing, language barriers for public housing tenants are not limited to the HPHA, and instead cut across many services provided to this group of families.

Chairperson Shim summarized that Ms. Goods feels that the HPHA has responsibilities when serving the community and that the HPHA should raise the bar and increase the level of trust and understanding between itself and the tenants.

Vice Chair Medeiros asked whether there are alternative forms of communication (e.g., email, text messages, meetings) that would work better than newsletters in the rent bill. She asked whether organizations, like MLP, could receive notices ahead of time and help their clients understand the information.

Ms. Goods agreed that it was a good suggestion for service providers to get copies of notices. She stated that the tenants are given notice which comply with the HUD requirements, but the HPHA could, for example, make it more interesting to catch their attention.

Director DeMello stated that the HPHA and the Resident Advisory Board (RAB) has made concerted efforts to inform the tenants of the proposed plan. He stated that his resident association has tried many different strategies to inform and engage the tenants on the Big Island, including adding pictures to flyers and going door-to-door to talk to tenants. He reported that they often find a lot of tenant notices in the trash.

Director Darcy commented that Ms. Goods brings a unique perspective to housing issues, but requested that she bring forward actual needs that are not being met, not just general comments. This will help the HPHA in its discussions on how to improve.

Director Bhanot agreed that the points made by the testifier were very relevant for the Department's program. DHS implemented the Ohana Nui (extended families) framework which recognizes that the participant families and the larger community need to be actively engaged early in the process because they are familiar with the problems and should be part of crafting the solutions. DHS and the Department of Health (DOH) held discussion with the supportive service and philanthropic community to work on service and funding strategies. Director Bhanot looks forward to additional communication with the HPHA and the opportunity to streamline service delivery models.

Steve Colon, President, Hunt Development Group, Hawaii Division, stated that the Hunt group is excited with the progress that has been made. The Hunt Group has experience with mixed income, mixed finance, and mixed use projects with large public housing projects in other locations, such as El Paso, Texas, Atlanta and other areas. The Hunt Group has operated in Hawaii for over 25 years, including developing, owning

and operating rental housing all of the Navy and Marine Corp. housing in Hawaii. Mr. Colon stated that the Hunt Group and the HPHA are close to entering into a Master Development Agreement which has been about a year in the making. Planning has involved community meetings, information gathering, studies of data, proposed designs, and analysis of costs. The Hunt Group plans to replace the 364 public housing unit property with a community that could be up to 2,500 homes. The first phase could feature approximately 500 units and a project of this size will require multiple phases. The redevelopment at Mayor Wright Homes will be ground breaking and people in Hawaii will be proud of the new TOD-oriented community near downtown Honolulu at a time when rental housing is urgently needed.

Thomas Lee, Senior Vice President, Hunt Group, Hawaii Division, acknowledged that there have been a lot of stories about concerns with community engagement, but wanted to point out that the Hunt Group has included a significant component of planning, partnerships and focus on human capital. They have been bringing the tenants together and the community service providers to participate in the planning. There's a huge team of local consultants and some mainland consultants, who are also involved in the effort.

Director Darcy asked the Hunt Group to describe the "best part" of the human capital plan and what would the team be bringing to the process.

Mr. Lee reported that the Hunt team has met with the local service providers and found that there are a wealth of services available. Tenants don't know where to access the services in the community. The service community is sometimes duplicative in its efforts and are not communicating with each other. The redeveloped property will act as a hub and provide community space where people can have meaningful access to services, rather than kiosk-type services.

Director Bhanot recommended that the term "social capital" be used in place of "human capital". We need to build capacity of those who are impacted (i.e., tenants) and bringing these services will help. More importantly, however, we need to engage the tenants to build their own capacity and to solve their own problems because they will be the ones who are impacted. It's not the service providers. Government services need to change the way we are thinking and delivering services. The tenants are resourceful and we need to build their capacity to be self-reliant and self-sufficient. Human capital already exists, we need to build social capital.

Executive Director Ouansafi clarified that part of the request for qualifications included a requirement that the planning process includes robust tenant engagement. The Hunt Team has met that requirement and they had multiple meetings with the tenants.

Desiree Kihano, Palolo Homes resident, stated that the Resident Advisory Board is done meeting for the planning season. She felt that the RAB meetings went well. This year was the first time that Ms. Kihano testified at the Legislature. Ms. Kihano attended the PHA Plan public hearing as she is interested in other people's comments and

concerns. She testified at the public hearing about resident participation and stated that it's difficult to engage residents in the planning process. Tenants are busy with work or kids. She acknowledged that there may be language barriers, but commented that when you say "free" or "you will get paid" people can suddenly understand English and will come to the meetings.

For Action:

Director Espero moved,

To Approve the Hawaii Public Housing Authority's Amended Five-Year Public Housing Agency Plan for the Fiscal Years Beginning July 1, 2014 to June 30, 2019, and Annual Public Housing Agency Plan for the Fiscal Year Beginning July 1, 2017 to June 30, 2018, and to Authorize the Executive Director to Take Required Actions to Submit the Approved Plan to the U.S. Department of Housing and Urban Development

Executive Director Ouansafi reported that the public hearing process was completed and the proposed Five Year and Annual Plan are being presented to the Board for final approval and submission. No substantive changes were made to the proposed rules as a result of the comments from the public hearings.

Executive Director Ouansafi stated that proposed changes incorporated into the PHA Plan reflect suggested changes from the tenants and the Resident Advisory Board, or are proposed to reduce administrative burden or as a result of laws that were changed. During the planning process, the HPHA recognizes its obligations to the tenants, prospective tenants, and the tax payers.

The HPHA engages the tenants prior to the completed draft of the PHA Plan and works through each section of the PHA Plan with the Resident Advisory Board. The Resident Advisory Board meets with the HPHA and then goes back to their communities to get comments. They are highly talented and informed and ask the HPHA tough questions about proposed changes. The HPHA provides official communication to all tenants in the monthly rent insert, posts notices in all offices, and advertises the plan in the newspaper. Tenants are also informed that translation and interpreter services are available upon request. The HPHA also holds quarterly meetings with the AMP Managers. Participation has always been disappointing in the PHA Plan public hearing, but the Resident Advisory Board meets every month.

The HPHA has met with and/or received comments from supportive service providers, homeless service providers, Legal Aid Society of Hawaii, and the Hawaii Civil Rights Commission which are all considered when drafting the PHA Plan. The HPHA can't do more with the amount of staff we have. You have to make a determination about what can be done within your resources.

Director DeMello stated that the lack of attendance at the public hearing should not necessarily be considered negative. He feels that tenants may not attend the public hearing because the RAB did a good job communicating with the tenants prior to the public hearing. At the monthly and quarterly meetings, we discuss the changes and that's why they don't need to come to the public hearing. Non-tenants can voice their opinions at the public hearing, but the tenants don't need to as they are already informed. The residents don't necessarily use the public hearing to make their comments. The Resident Advisory Board does a word-for-word review and they are willing to "fight" until they can understand the changes. There are 18 components in the PHA Plan and the HPHA always discusses the proposed changes that will help the tenants and the homeless families.

Executive Director Ouansafi stated that the HPHA believes that the rent insert is an effective means of communication as demonstrated in the number of calls received regarding previous mailings. He commended the RAB for their hard work and efforts to reach out to the community.

Director Bhanot acknowledged that the HPHA and the RAB have been doing a good job in the community and the process is working. He asked for additional information on how the HPHA is assisting individuals with LEP issues to understand the basic notice and participate in discussions.

Executive Director Ouansafi reported that the HPHA makes translators available at the resident meetings. When there is a public meeting, tenants or members of the public can also request for interpreter services. The HPHA has spent thousands of dollars to translate documents and have interpreters available at community meetings.

Director Medeiros asked what information is provided in the notice to tenants. She questioned whether there was a way to "get their attention", such as including a fear message which will help them understand it's a priority.

Chairperson Shim commented that it's likely that people do not think the notices or the PHA Plan affect them. We're not good at helping people to connect with the importance of the information as it relates to them and their family. The HPHA should work to help them connect to the information and understand the relevance to their family.

Director Bhanot shared that some DHS clients do not engage in the planning process, but found that they may not participate because they are not the decision makers. In Hawaii, there may be someone else in the extended family (e.g., grandmother, aunt, church) that is the decision maker. Under the Ohana Nui framework, DHS learned that they had to engage a larger group (extended family) in discussions.

Executive Director Ouansafi explained that it is more efficient to have the tenants talking to their resident leaders. Also, many tenants participated during the year in the development of the PHA Plan, so by the time the public hearing is held they don't feel

the need to attend the hearing. If tenants agree with proposed changes, they don't come to the public hearing to voice their support so the low turnout is not necessarily negative.

Director DeMello reported that in his public housing community, the resident association has been wondering why the new tenants do not attend the community meetings. They determined that you cannot just put out a notice and expect people to attend. In his community, they identified who the community leader was and went to his house personally to discuss the concerns/changes. In this situation, the concept of engaging the right people worked to improve participation.

Chairperson Shim stated that he and Executive Director Ouansafi have attended many community meetings and high level meetings (e.g., with the Governor or County leaders) where of people have offered solutions in various meetings. During those meetings/discussions on solutions and opportunities, Executive Director Ouansafi will always write two words, "Aloha Response". Chairperson Shim stated that we need to look for relevant connections, rather than a clinical solution.

Chairperson Shim shared his experiences about his meetings with leaders in the Micronesian community which demonstrated how important it is for HPHA to recognize the relevance of cultural differences in the community. The HPHA should strive to understand and tap into people's desire to learn and help them understand the relevance of the information being presented.

Director Bhanot encouraged everyone to read section 5-7.5, Hawaii Revised Statute regarding the aloha spirit and the Hawaii State constitution which states that the Department of Human Services is required to provide financial, medical and social services for people in need with the aloha spirit in mind.

Chairperson Shim further explained that section 5-7.5, HRS was drafted by his father in 1985. It set the "high bar" for services and interactions with the State and encouraged people to consider that in all of our dealings that we can choose "Aloha".

Director Darcy expressed appreciation for the Board sharing their perspectives on this issue. She is interested in seeing that the redeveloped community by the Hunt Group will be able to create a service hub that will bring all of these concepts together with input from the community on their needs.

Director Medeiros stated that approximately 10 years ago the development community realized that they needed help in ensuring that their designs and developments were representative of the local culture(s). She recommended that the Hunt Group include various cultural specialists into the planning process.

The motion was unanimously approved.

Executive Director Ouansafi requested that the Board consider For Action Item C, before Item B. Chairperson Shim agreed.

Chairperson Shim called for a recess at approximately 12:27 pm.

The Board reconvened at approximately 12:35 pm.

Director Bhanot moved,

To: 1) Adopt Proposed Changes to the Hawaii Public Housing Authority's Admissions and Continued Occupancy Policy (ACOP) Chapters 1, 2, 5, 7, 8, 9, 11, and 15, to:

- a) **Be Consistent with and Include Reference to Chapter 515, Hawaii Revised Statutes, Sections 12-46-302 and 307, Hawaii Administrative Rules, Regarding Familial Status, and HUD's Final Rule on Equal Access to Housing; and**
- b) **Include Other Housekeeping Revisions;**

2) Permanently Adopt Changes to ACOP Chapter 11.B Entitled "Annual Recertification" Which Were Previously Effective Until March 31, 2014, Based on HUD's Final Rule on "Streamlining Administrative Regulations for Public Housing, Housing Choice Voucher, Multifamily Housing, and Community Planning and Development Programs";

3) Authorize the Executive Director to Take All Actions Necessary to Implement the Proposed Changes; and

4) Authorize the Executive Director to Make Other Non Substantive Changes to Style, Format, and Grammar in Any and All Chapters of the ACOP

Executive Director Ouansafi explained that the HPHA is proposing revision to the ACOP for consistency with Chapter 515, HRS and other housekeeping measures.

Director Oh asked whether the change in the definition of hanai also allowed for tenants to receive a deduction for childcare expenses related to the hanai child.

Executive Director Ouansafi confirmed that families with hanai children would be eligible for childcare expenses.

The motion was unanimously approved.

Director Young moved,

To Adopt Board Resolution No. 17-01 Authorizing the Executive Director to Enter Into a Master Development Agreement with the Hunt Development

Group, LLC and Vitus Group for the Mixed Finance, Mixed Income, Mixed Use, and Transit Oriented Redevelopment of the Mayor Wright Homes.

Executive Director Ouansafi explained that the HPHA completed the procurement process and selected the Hunt Development Group and the Vitus Group as the master development team for the redevelopment of Mayor Wright Homes. The proposed project will complement the surrounding area and enhance the lives of the tenants. The solicitation mandated certain mandatory threshold requirements (e.g., one-for-one replacement of public housing units, incorporate TOD elements, tenant and community participation).

The HPHA began the yearlong process by meeting with the tenants to discuss their needs and wants. Then the HPHA completed the selection process and selected the Hunt team. The redevelopment team was required to include consultants, cultural specialists, tenants, service providers and interested parties in the planning process. The redevelopment team has held several community meetings on-site at Mayor Wright Homes. Various studies are ongoing (e.g., noise study, air quality, archeological surveys) and will be used in combination with community planning efforts.

The financing for the project will include multiple phases and include various funding sources.

Director Oh moved,

That the Board go into executive session pursuant to Hawaii Revised Statutes sections 92-4, 92-5(a)(8), and 103D-105 to discuss, deliberate or make a decision on information that must be kept confidential, 92-5(a)(3) to deliberate concerning the authority of persons designated by the Board to negotiate the acquisition of public property, and/or 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 related to the Redevelopment of Mayor Wright Homes.

The motion was unanimously approved.

The Board went into Executive Session at approximately 12:45 pm.

Chairperson Shim left the meeting and later returned during executive session. Directors Oh, Young, and Bhanot left the meeting during executive session.

The Board reconvened from Executive Session at 4:20 pm.

Director Smith moved to amend the motion as follows:

To Adopt Board Resolution No. 17-01 Authorizing Approve the Negotiated Business Terms and Authorize the Executive Director to Enter Pursue Entering Into a Master Development Agreement with the Hunt Development Group, LLC and Vitus Group for the Mixed Finance, Mixed Income, Mixed Use, and Transit Oriented Redevelopment of the Mayor Wright Homes

The motion was unanimously approved.

Director Espero moved the amended motion:

To Approve the Negotiated Business Terms and Authorize the Executive Director to Pursue Entering Into a Master Development Agreement with the Hunt Development Group, LLC and Vitus Group for the Mixed Finance, Mixed Income, Mixed Use, and Transit Oriented Redevelopment of the Mayor Wright Homes

The motion was unanimously approved

Director DeMello moved,

To adjourn the meeting.

The motion was unanimously approved.

The meeting was adjourned at approximately 4:25 pm.

MINUTES CERTIFICATION

Minutes Prepared by:



Deidra Ahaku'elo-Kepa
Secretary

JUN 14 2017

Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on June 14, 2017 [] As Presented [] As Amended



Director Jason Espero
Board Secretary

JUN 14 2017

Date