

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING
1002 North School Street, Building A Boardroom
Honolulu, Hawaii 96817
Thursday, August 17, 2017
9:00 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. APPROVAL OF MINUTES

- A. Annual Meeting Minutes, July 20, 2017
- B. Regular Meeting Minutes, July 20, 2017
- C. Executive Session Minutes, April 13, 2017 (not for public distribution)
- D. Executive Session Minutes, April 20, 2017 (not for public distribution)

IV. FOR ACTION

- A. **MOTION:** To Adopt Resolution No. 17-02 Approving the Section Eight (8) Management Assessment Program (SEMAP) Certification for Fiscal Year July 1, 2016 to June 30, 2017 and to Authorize the Executive Director to Undertake All Actions Necessary to Submit the SEMAP Certification to the U.S. Department of Housing and Urban Development
- B. **MOTION:** To Approve Draft Legislative Proposals for the 29th Legislature regarding the Hawaii Public Housing Authority (HPHA) and Authorize the Executive Director to Submit Proposed Legislation to the Office of the Governor, including the following proposals:
 - 1. Align HPHA's smoking prohibition statute with the U.S. Department of Housing and Urban Development's "smoke free" policy and regulation;

2. Create an administrative eviction process for the HPHA state low-income housing and state housing for elders;
3. As a housekeeping measure, exclude HPHA titled lands from “public lands” definition in section 171-2, Hawai'i Revised Statutes, pursuant to Legislative Reference Bureau's advice and suggestion;
4. Clarify trespass on HPHA on public housing property to prohibit persons who enter or remain on the property without authorization after proper notice or warning; and

And Testify on Behalf of the Hawai'i Public Housing Authority During the 2018 Legislative Session

V. FOR INFORMATION/DISCUSSION

A. **For Information/Discussion:** Update on Status of Negotiations for Kuhio Park Terrace/Kuhio Homes Redevelopment Project Phase II and Future Phases

The Board will 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 motion.

B. **For Information/Discussion:** Update on Redevelopment Projects at Mayor Wright Homes and School Street Administrative Offices

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 Projects at Mayor Wright Homes and School Street Administrative Offices.

C. **For Information/Discussion:** Removal of State of Hawaii, Department of Human Services, Hawai'i Public Housing Authority as a Respondent from Complaint filed by Kristyl Hayashida with the Hawai'i Civil Rights Commission (HCRC), Kristyl Hayashida v. State of Hawaii, Department of Human Services, Hawai'i Public Housing Authority; KPT Towers 1, LLC;

Interstate Realty Management Company; and the Michaels Development Company I, L.P. (HCRC No. RE-O-1129; HUD No.: 09-17-7920-08) (HCRC Complaint), and Withdrawal and Dismissal of HCRC Complaint Pursuant to HCRC Mediation Settlement Agreement Dated August 8, 2017

The Board may go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities as related to this discussion item.

VI. REPORTS

A. Executive Director's Report:

- Financial Report for the Month of June 2017. The June 2017 Financial Report is provided to the board in the monthly packet. Report on Operating Budget for FY 2017-2018.
- The Report on Contracts Executed During July 2017 and Planned Solicitations for July 2017 are provided to the Board in the monthly packet. No formal report is planned.
- Public Housing Occupancy/Vacancy Report; Preliminary Results of REAC inspections for Federal Public Housing; Eviction Hearings for the Month of July 2017.
- Obligation and Expenditure Status for the Federal Capital Fund Program (CFP) and the State Capital Improvement Program (CIP).
- Section 8 Subsidy Programs Voucher: Status of Applications and Waiting List. Status of the Special Rent Supplement Program Targeted to Homeless Families.

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 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, AUGUST 17, 2017
IN THE CITY AND 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, August 17, 2017. At approximately 9:07 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-Chairperson
Director Jason Espero, Secretary
Director George DeMello
Designee Lila King
Director Myoung Oh
Director Laura Smith
Director En Young

Deputy Attorney General Jennifer Sugita
Deputy Attorney General Klemen Urbanc

EXCUSED: Director Lisa Darcy

STAFF PRESENT: Hakim Ouansafi, Executive Director
Barbara Arashiro, Executive Assistant
Chong Gu, Chief Financial Management Advisor
Stephanie Fo, Special Projects Coordinator
Katie Pierce, Section 8 Subsidy Programs Branch Chief
Benjamin Park, Planner
Sarah Beamer, Planner
Mary Jane Hall-Ramiro, Property Management Supervisor
Didi Ahakuelo-Kepa, Secretary

OTHERS PRESENT (and signing in as):

Desiree Kihano, Palolo Homes resident
Andrew Nakoa, Mayor Wright Homes resident
Bernice Nakoa, Mayor Wright Homes resident
Monique Ocampo, Nanakuli Homes resident
Sefo Sefo, Kalakaua Homes resident
June Talia, Kuhio Homes resident
Andres Y. Gonzalez, Medical Legal Partnership
U'i Goods, Medical Legal Partnership

Public Testimony

Chairperson Shim opened public testimony and reminded testifiers to identify the item on the agenda that they were testifying on pursuant to 92-3, Hawaii Revised Statutes and Section 17-2000-18, Hawaii Administrative Rules. The Board requested that the public limit testimony to three minutes per agenda item.

Sefo Sefo, resident of Kalakaua Homes, testified that he continues to have issues with his neighbor and that matters seem to be getting worse. Recently, the Manager and security had to be informed that there was a couple sleeping outside of his neighbor's unit. On another day, two people were fighting in the unit and security were called but did not respond to the incident. The new security company does not respond to calls and do not rove the property. Also, the security guards do not open the gate in the morning which makes it difficult for the elderly to go out at 5:00 am. Chairperson Shim acknowledged receipt of Mr. Sefo's written testimony.

Andrew Nakoa, resident of Mayor Wright Homes testified that he is against same sex marriage, rail, and legalized use of marijuana. Mr. Nakoa expressed his opposition to the HPHA's proposed legislative bill which will ban smoking within 25 feet from housing units, common areas, and administrative buildings. He feels that smoking should be a choice. He reported on an incident between his wife and his neighbor (who was allegedly drunk) who accused Mr. Nakoa of turning him into the manager for smoking on property.

Mr. Nakoa commented on the HPHA's proposed trespass legislation. He stated that the closure of the pedestrian gates at Mayor Wright Homes was a good thing to curb trespassing. He is concerned that after the redevelopment, the property will be opened and trespassing will be more difficult to control. He described his experience as a security guard and issuing trespass notices. The trespass notice can be effective if security guards properly enforce the trespass rules. Mr. Nakoa expressed concerns about children staying out late at night. He complained about tenants throwing diapers over their unit's balcony. Mr. Nakoa commented that the security guards may be scared of some of the tenants.

Monique Ocampo, resident of Nanakuli Homes, testified that the podium (in the Boardroom) should be facing the staff. She said that testifiers should be taught that they should be filing their complaint with the property manager, then with the Property Management and Maintenance Services Branch, and then with the Executive Director. If there is a problem with a law, tenants should go to the Legislature, not the HPHA's Board of Directors. She explained that problems need to be addressed to the HPHA staff, not the Board. She was concerned that the testifiers make themselves look ignorant when they do not know the proper protocol and that HPHA should be teaching them the process to get their concerns addressed.

Ms. Ocampo advocated for the establishment of designated smoking areas. She is aware, however, that creating designated smoking areas that are accessible could be very expensive for the HPHA. She acknowledged that designated smoking areas need to be accessible for tenants.

Ms. Ocampo commented that the trespass problems may have nothing to do with the HPHA. She believes that often times there are problems that are caused by public housing youth. She has seen on certain properties where the children of the resident association officers were permitted to "cause trouble" on the property.

Ms. Ocampo recommended that the Managers provide a form to tenants where they can confidentially submit complaints. She feels that the Manager cannot or should not conduct investigations by themselves. As an example, when there is welfare fraud, DHS should conduct an investigation without the HPHA's involvement. In this situation/investigation, the person under investigation will not know that the complaint came from someone in public housing. In this way, it's a win-win for HPHA and DHS to find fraud.

Ms. Ocampo stated that the HPHA should work with both recognized and non-recognized tenant associations. Prior to the Board meeting, the HPHA/HUD rules were explained to Ms. Ocampo, but she does not agree with the explanation. She does not agree that the HPHA does not need to work with both recognized associations and self-governing association (i.e., not recognized). She encouraged the Board to teach tenants to work with the management.

June Talia, resident of Kuhio Homes, reported that roof repairs will start next week. Ms. Talia requested that she be involved in the redevelopment planning for Kuhio Homes.

Chairperson Shim clarified that Ms. Talia is requesting to be on a community planning committee.

Ms. Talia commented that it seems like people don't want the Michaels Development Company to proceed with the redevelopment. She recommended that the HPHA work with the tenants to repair their own units, like with Habitat for Humanity.

Approval of Minutes:

Director Oh moved,

To approve the Annual Meeting Minutes for July 20, 2017.

Executive Assistant Arashiro requested a correction to a typographical error on the first page of "Kingdon" to "Kingdom".

The motion was unanimously approved.

Director Smith moved,

To approve the Regular Meeting Minutes for July 20, 2017.

Executive Assistant Arashiro requested a correction to a typographical error on the first page of "Kingdon" to Kingdom".

The motion was unanimously approved.

Chairperson Shim reported that Executive Session minutes for April 13, 2017 and April 20, 2017 would be deferred until the next meeting.

FOR ACTION

Director Espero moved,

To Adopt Resolution No. 17-02 Approving the Section Eight (8) Management Assessment Program (SEMAP) Certification for Fiscal Year July 1, 2016 to June 30, 2017 and to Authorize the Executive Director to Undertake All Actions Necessary to Submit the SEMAP Certification to the U.S. Department of Housing and Urban Development

Executive Assistant Arashiro reported that SEMAP is a federally-mandated management assessment system that the U.S. Department of Housing and Urban Development (HUD) uses annually to measure the performance of the public housing agencies (PHAs) that administer the Section 8 tenant-based rental assistance program.

On an annual basis, the HPHA electronically submits its SEMAP certification to HUD. The HUD office will review and certify the HPHA's score. For the fiscal period that ended June 30, 2017, the HPHA anticipates a score of 140 out of 145 (97%) which would designate the HPHA's Section 8 program as a "High Performer" under the federal management assessment program.

Executive Assistant Arashiro explained that the HPHA anticipates 0 of 5 points under indicator 10: Correct Tenant Rent Calculations. During the HPHA's quality control review, it was determined that 7% of 332 files showed errors that affected the family's share of rent. While all errors have been corrected, the HPHA will likely receive zero points for this category.

Executive Assistant Arashiro explained that in the past the HPHA has certified a lower score than actually issued by HUD.

Director Espero and Chairperson Shim recognized the HPHA management and staff for its five straight years of High Performer status under the Section 8 Management Assessment Program.

The motion was unanimously approved.

Director Young moved,

To Approve Draft Legislative Proposals for the 29th Legislature regarding the Hawaii Public Housing Authority (HPHA) and Authorize the Executive Director to Submit Proposed Legislation to the Office of the Governor, including the following proposals:

- 1. Align HPHA’s smoking prohibition statute with the U.S. Department of Housing and Urban Development’s “smoke free” policy and regulation;**
- 2. Create an administrative eviction process for the HPHA state low-income housing and state housing for elders;**
- 3. As a housekeeping measure, exclude HPHA titled lands from “public lands” definition in section 171-2, Hawai’i Revised Statutes, pursuant to Legislative Reference Bureau’s advice and suggestion;**
- 4. Clarify trespass on HPHA on public housing property to prohibit persons who enter or remain on the property without authorization after proper notice or warning; and**

Testify on Behalf of the Hawai’i Public Housing Authority During the 2018 Legislative Session

Executive Assistant Arashiro explained that the purpose of the first proposed bill is to align the HPHA’s smoking prohibition with the HUD smoke free policy. HUD requires that public housing agencies implement a “smoke free” policy which prohibits smoking within 25 feet from housing units, common areas, and administrative buildings.

Executive Assistant Arashiro explained that the purpose of the second proposed bill is to create an eviction process to the HPHA’s state low income family housing and elderly housing program that are similar to the administrative eviction process under the federal public housing program.

Director Young asked if the same Eviction Board would be used and Executive Assistant confirmed that the existing Eviction Boards would be used.

Director Oh asked if the State public housing evictions go to court now and if it creates a new chapter to follow the eviction process. Executive Assistant Arashiro responded that currently they go to court under the landlord-tenant code.

Director Espero presumed that the State Judiciary and the Department of the Attorney General would be in favor of the proposed legislation which could ultimately ease their caseload. He asked whether the HPHA anticipates any resistance to the proposed legislation.

Executive Director Ouansafi explained that the DCCA initially objected to the legislation last session. However, after meeting with the Director, the DCCA supported the exemption for the HPHA. Deputy Attorney General Jennifer Sugita explained that the Department of the Attorney General does not have an official position, but noted that the proposed legislation would align the eviction process in State public housing with the federal program. She commented that the consistency between programs would be better for the tenants and management.

Director Young questioned if a specific exemption was needed.

Deputy Attorney General Sugita clarified that the HPHA's state public housing program is currently governed by chapter 666, Hawaii Revised Statutes and until the proposed bill passes, we are still required to go to court to process evictions.

Executive Assistant Arashiro explained that the purpose of the third proposed bill is to provide an exception for the HPHA under the definition of "public lands" under Hawaii Revised Statutes, Section 171-2.

Director Young and Designee King asked why the bill did not pass during the previous legislative session.

Executive Director Ouansafi explained that the bill was not scheduled by one of the legislative committees. There were no objections when the bill was initially heard.

Chairperson Shim clarified that the Board's motion also provides for the Executive Director to provide legislative testimony on behalf of the HPHA.

Executive Assistant Arashiro explained that the purpose of the fourth proposed bill is to clarify that a person is considered trespassing on public housing property if that person enters or remains unlawfully or without authorization on the property after proper notice or warning.

Vice Chairperson Medeiros entered the meeting at 9:58 am.

Director Young stated that the proposed bill requires adequate signage and questioned if there are language access concerns.

Deputy Attorney General Sugita commented that the HPHA's no trespassing signs would be similar to the no trespassing signs at parks.

Director DeMello stated that his community has adequate signage for his property.

Executive Director Ouansafi commented that the proposed bills still need to be reviewed by the Department of the Attorney General and move through the administrative review process.

The motion was unanimously approved.

FOR INFORMATION/DISCUSSION

For Information/Discussion:

Update on Status of Negotiations for Kuhio Park Terrace/Kuhio Homes
Redevelopment Project Phase II and Future Phases

Executive Director Ouansafi reported that the HPHA has been negotiation discussions for the last several years and requested that the Board go into executive session

Director Medeiros moved,

To 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 to this item.

The motion was unanimously approved.

The Board entered Executive Session at approximately 10:04 am. The Board reconvened at approximately 12:30 pm.

Director Espero left the meeting at approximately 12:22 pm.

Chairperson Shim reported that the Board consulted with the attorneys on its questions related to the redevelopment at Kuhio Park Terrace and status of confidential negotiations.

For Information/Discussion:

Update on Redevelopment Projects at Mayor Wright Homes and School Street Administrative Offices

Executive Director Ouansafi reported that the HPHA continues to review EIS documents and is working on the final review of the organizational chart. The Hunt Development Group formally notified the HPHA that McCormak Barron was removed from the redevelopment team. It is anticipated that the draft EIS will be completed and published shortly.

For Information/Discussion:

Removal of State of Hawaii, Department of Human Services, Hawai'i Public Housing Authority as a Respondent from Complaint filed by Kristyl Hayashida with the Hawai'i Civil Rights Commission (HCRC), Kristyl Hayashida v. State of Hawaii, Department of Human Services, Hawai'i Public Housing Authority; KPT Towers 1, LLC; Interstate Realty Management Company; and the Michaels Development Company I, L.P. (HCRC No. RE-O-1129; HUD No.: 09-17-7920-08) (HCRC Complaint), and Withdrawal and Dismissal of HCRC Complaint Pursuant to HCRC Mediation Settlement Agreement Dated August 8, 2017

Deputy Attorney General (DAG) Sugita provided follow-up on the complaint filed by Kristyl Hayashida with the Hawai'i Civil Rights Commission (HCRC), Kristyl Hayashida v. State of Hawaii, Department of Human Services, Hawai'i Public Housing Authority; KPT Towers 1, LLC; Interstate Realty Management Company; and the Michaels Development Company I, L.P. (HCRC No. RE-O-1129; HUD No.: 09-17-7920-08) (HCRC Complaint).

DAG Sugita reported that mediation occurred on August 8, 2017. The settlement agreement with the complainant and HCRC agreed to remove the HPHA and MDC from the complaint. Only TKPT Towers and Interstate Realty Management remain a part of the settlement. She withdrew all claims against the parties. Affirmative relief provisions of the settlement agreement apply to TKPT and Interstate Realty Management.

Executive Director's Report

- Executive Assistant Arashiro reported on program statistics and accomplishments (found in the Board packet) for the Section 8, Public Housing, and Rent Supplement Program.
- Executive Assistant Arashiro reported that the HPHA continues to review and monitor payments under the Rent Supplement program. Due to the significant lease up under the state-funded program, the HPHA will need to project when the

program will be over leased and determine whether subsidies need to be decreased.

- The HPHA is currently undergoing REAC inspections by HUD.
- The HPHA is currently undergoing its annual financial and single audit.

Director Smith moved,

To adjourn the meeting.

The motion was unanimously approved.

The meeting was adjourned at approximately 12:45 pm.

MINUTES CERTIFICATION

Minutes Prepared by:

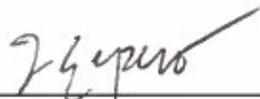


OCT 19 2017

Barbara E. Arashiro
Executive Assistant

Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on October 19, 2017 [] As Presented [] As Amended



OCT 19 2017

Director Jason Espero
Board Secretary

Date