

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING
1002 North School Street, Building A Boardroom
Honolulu, Hawaii 96817
Thursday, January 17, 2019
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. Regular Meeting Minutes, December 13, 2018
- B. Executive Session Minutes, December 13, 2018 (not for public distribution)

IV. DISCUSSION AND/OR DECISION MAKING

- A. To: (1) Approve the Hawaii Public Housing Authority's (HPHA) Draft Public Housing Agency (PHA) Five Year Plan for Fiscal Years Beginning July 1, 2019 and Ending June 30, 2024 and the HPHA's Annual Plan for the Fiscal Year Starting July 1, 2019 and Ending June 30, 2020, and (2) Authorize the Executive Director to Hold Public Hearings on the Draft Five Year and Annual Public Housing Agency Plans
- B. Update on Redevelopment Projects Mayor Wright Homes (Tax Map Key: 1-7-029-003-0000), Kuhio Park Terrace Low Rise/Kuhio Homes (Tax Map Keys 1-3-039-008-0000; 1-3-039-006-0000; and 1-3-039-003-0000) and School Street Administrative Offices (Tax Map Key: 1-6-009-003-0000)

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 Mayor Wright Homes, Kuhio Park Terrace Low Rise/Kuhio Homes and HPHA's School Street Administrative Offices.

V. REPORTS

Executive Director's Report:

- Financial Report for the Month of November 2018 Financial Report is provided to the board in the monthly packet. Status of federal programs and potential impact of federal government shut down.
- Report on Contracts Executed During December 2018 and Planned Solicitations for January 2019/February 2019 are provided to the Board in the monthly packet. No formal report is planned.
- Public Housing Occupancy/Vacancy Report; Federal Public Housing; Eviction Hearings for the Month of December 2018.
- Obligation and Expenditure Status for Design and Construction Projects Funded Under the Federal Capital Fund Program (CFP) and the State Capital Improvement Program (CIP).
- Section 8 Subsidy Programs Voucher: Voucher Lease-up and Pending Placements; Update on Rent Supplement Program.

If any person requires special needs (i.e., large print, taped materials, sign language interpreter, etc.) please call Ms. Jennifer Menor at (808) 832-4694 by close of business three days prior to the meeting date. If a request is received after January 14, 2019, the HPHA will try to obtain the auxiliary aid/service or accommodation, but we cannot guarantee that the request will be fulfilled. 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, JANUARY 17, 2019
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, January 17, 2019. At approximately 9:12 a.m., Chairperson Pono Shim called the meeting to order and declared a quorum present. Those present were as follows:

PRESENT: Director Pono Shim, Chairperson
Designee Cathy Betts
Director Myoung Oh
Director George De Mello
Director Lisa Darcy
Director Denise Iseri-Matsubara

Deputy Attorney General Klemen Urbanc

EXCUSED: Director Alena Medeiros, Vice-Chairperson
Director Jason Espero, Secretary
Director Laura Smith

STAFF PRESENT: Hakim Ouansafi, Executive Director
Chong Gu, Chief Financial Officer
Robei Broadous, Property Management Branch Chief
Katie Pierce, Section 8 Branch Chief
Benjamin Park, Planner
Sarah Beamer, Planner
Jennifer Menor, Secretary

OTHERS PRESENT (and signing in as):
Robin Vaughn, HUNT
Denise Pokipala, Kalakaua Homes resident
Andrew Nakoa, Sr., Mayor Wright Homes resident
Steve Colon, HUNT

Chairperson Shim welcomed Deputy Director Cathy Betts from the Department of Human Services.

Chairperson Shim recognized the effects of the federal shutdown, as well as personal struggles for specific Board members. He asked for a moment of silence as a recognition of everyone.

Public Testimony

Chairperson Shim stated that the Board would accept public testimony on any item relevant to the agenda. 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.

Desiree Kihano, Palolo Valley Homes resident, left before the start of the meeting. Ms. Kihano submitted written testimony regarding the changes and updates to public housing and Section 8 in the draft Annual PHA plan. A copy was distributed to each Board member and to HPHA.

Robin Vaughn, Executive Vice President of HUNT, indicated that he's available to answer any questions or concerns regarding the Mayor Wright Homes redevelopment project. He stated that HPHA's Executive Director will be meeting with HUNT's corporate leadership in February 2019. Mr. Vaughn informed that MWH Partners LLC is fully committed to the Mayor Wright Homes redevelopment project and has invested over \$2.5M in predevelopment costs.

Denise Pokipala, Kalakaua resident, testified about the need for more security at the property. She has observed non-residents following residents onto the property. Ms. Pokipala recommended that HPHA issue parking decals to residents to better monitor the cars parked on the premises. She has reported seeing non-residents parking on the property at two o'clock in the morning to catch the bus. Ms. Pokipala added that kids are up running around past curfew and allegedly dealing drugs. She believes there's a safety concern and requested 24-hour security.

Andrew Nakoa, Sr., Mayor Wright Homes resident, stated that kids continue to play in his yard, leave trash and damage his plants. He added that kids are playing outside past curfew and have also hit his car multiple times when riding scooters around the parking lot. Mr. Nakoa expressed frustration with the lack of discipline of the kids living in the housing property. He indicated that issues with the children have been going on for six years. Mr. Nakoa requested for more security and regulation of the kids.

Approval of Minutes:

Director Oh moved,

To Approve the Regular Meeting Minutes of December 13, 2018

The minutes were unanimously approved as presented.

Chairperson Shim deferred consideration of the Executive Session Minutes of December 13, 2018 to the next Board meeting.

Discussion and/or Decision Making

Director Darcy moved,

To: (1) Approve the Hawaii Public Housing Authority's (HPHA) Draft Public Housing Agency (PHA) Five Year Plan for Fiscal Years Beginning July 1, 2019 and Ending June 30, 2024 and the HPHA's Annual Plan for the Fiscal Year Starting July 1, 2019 and Ending June 30, 2020, and (2) Authorize the Executive Director to Hold Public Hearings on the Draft Five Year and Annual Public Housing Agency Plans

Executive Director Ouansafi reported that the Public Housing Agency Five-Year and Annual Plan is a requirement by HUD. All public housing agencies administering federal public housing and Section 8 tenant-based voucher assistance programs must submit plans to receive federal funding. The plans reflect the goals, objectives, and proposed policy changes of HPHA. The plans don't cover to the State public housing programs.

Executive Director Ouansafi stated that a public hearing on the draft plans is required, and a notice of the hearing is published in the newspaper 45 days prior.

The deadline to submit the PHA Plan and required attachments to HUD is April 17, 2019. The deadline is listed in the Board packet.

Director Iseri-Matsubara asked where the existing performance levels are at and what the occupancy rate is currently at. As a new Board member, Director Iseri-Matsubara wanted more information on where HPHA stands with some of the performances in relation to the goals.

Chairperson Shim added that it would be a great reflection for the Board to know what the occupancy rate was back in 2011 (when Executive Director Ouansafi came on board with HPHA) in comparison with where HPHA is now.

Executive Director Ouansafi stated that HPHA was in the 80s in previous years and is now in the high 90%. HPHA's goal is to maintain an occupancy rate of 98%. Executive Director Ouansafi added that there is approximately \$200M worth of construction renovations on units, and some units needed to be vacated for HPHA to conduct accessibility renovations. HPHA currently has an adjusted occupancy rate of less than 98%.

Director Iseri-Matsubara asked for more clarification on what an adjusted occupancy is.

Executive Director Ouansafi explained that an adjusted occupancy is a total of all the housing units minus the construction units that HUD approved to be removed from inventory. Basically, it's all occupancy of units that HPHA has control over.

Director Iseri-Matsubara additionally asked for more information on units needing to be shut down for ADA compliance.

Executive Director Ouansafi clarified that units were shut down to increase the amount of ADA compliance. HPHA has hired a consultant to inspect and report if all properties are meeting the ADA requirements.

Director Iseri-Matsubara asked for more clarification on his statement of shutting down multiple units to get to ADA. She was curious if the units were taken off due to being in bad conditions.

Executive Director Ouansafi explained that ADA requires 5% of units be accessible and 2% be visual/hearing impaired accessible. HPHA works to go beyond these 5% and 2% benchmarks as it is a minimum requirement that may be exceeded based on need. Executive Director Ouansafi added that units are taken offline during construction.

Executive Director Ouansafi then reported on Section 8. HPHA is funded based on the previous year utilization. Currently, HPHA is serving approximately 2400 families.

Director Iseri-Matsubara asked what the utilization rate is of Section 8 vouchers.

Executive Director Ouansafi stated that the voucher utilization rate is currently at approximately 60%. The utilization rate had previously been much less.

Chairperson Shim asked if Executive Director Ouansafi could share more about the effects on Section 8 due to the federal government shutdown.

Executive Director Ouansafi reported that HPHA currently has no available funding from HUD after February, but there is a possibility of dipping into reserves. He stated about 90% of monthly cost are in the reserves, which may be available.

Director Iseri-Matsubara stated that funding is one part of the component of servicing. She mentioned that at the Office of Community Service (OCS) there's funding, carryover monies and reserves, but there is an issue where there's no one stationed at the US DOA office to issue the funds.

Executive Director Ouansafi answered that there is no federal staffing, and that all agencies have been asked to cut down on major purchases at this time. HPHA was able to issue 3,000 units through PBCA, but there is no funding for February. For public housing, there are currently no major issues with funds and business.

Director Iseri-Matsubara then referred to the table of housing needs of families on the Section 8 waiting list as of July 1, 2017 (page 34 of the Board packet). She recognized the tremendous improvements reflected by the numbers and asked what year the crossed-out numbers are from.

Executive Director Ouansafi confirmed that the changes were from a year ago.

Director Iseri-Matsubara commended Executive Director Ouansafi and his team for all of their hard work on all the improvements completed in a year.

Executive Director Ouansafi referred to page 34 and 35 of the Board packet. He stated that the federal funding is at 75% and HPHA is at 78%. HPHA's PHAS score is at 86, which is the highest for the agency.

Chairperson Shim added that as a result of the shutdown, HPHA hasn't been able to make any edits to what was already posted for the Capital Fund Program – Five-Year Action Plan. A draft of what needs to be edited was provided to the Board. Proposed activities related to lead based paint abatement needs to be listed under “General Description of Major Work Categories” as opposed to “Development Number/Name”, and will be changed when the federal shutdown ends.

The motion was unanimously approved.

Chairperson Shim then commented that Director Nahale-a was appointed by the Governor to the Board of Regents. Although it's a huge loss for the HPHA Board, it's a tremendous benefit for the University of Hawaii and the State to have Director Nahale-a serve in that capacity.

For Information:

Update on Redevelopment Projects Mayor Wright Homes (Tax Map Key: 1-7-029-003-0000), Kuhio Park Terrace Low Rise/Kuhio Homes (Tax Map Keys 1-3-039-008-0000; 1-3-039-006-0000; and 1-3-039-003-0000) and School Street Administrative Offices (Tax Map Key: 1-6-009-003-0000)

Executive Director Ouansafi reported the following:

- Kuhio Park Terrace Low Rise/Kuhio Homes: no change since last month. The RFQ has been reviewed and is ready for distribution. HPHA is preparing for the appropriate time to get a new developer on board.
- School Street: the EIS has been completed and accepted. The deed transfer for the North School Street property to HPHA was approved by the Board of Land and Natural Resources (BLNR) subject to legislative disapproval.

Director Iseri-Matsubara asked if the land is owned by Board of Land and Natural Resources (BLNR).

Executive Director Ouansafi confirmed that BLNR has no part in the redevelopment project since transferring ownership of the School Street property to HPHA.

Director Iseri-Matsubara asked in regards to Kuhio Park Terrace Low Rise/Kuhio Homes, if HPHA has a timeframe on when the RFQ will be distributed.

Executive Director Ouansafi stated that HPHA plans to go over that during executive session.

Executive Director Ouansafi continued to report the following:

- Rental Assistance Demonstration (RAD): HPHA may be coming to the Board to discuss whether HPHA should continue to pursue RAD. HPHA began the process of RAD for MWH, but due to challenges they may not be able to proceed. HPHA does plan to proceed with KPT.
- Mayor Wright Homes: there are certain challenges that Executive Director Ouansafi asked to further discuss in executive session to consult with the Board attorney.

Director Darcy moved,

The Board go into executive session pursuant to Hawaii Revised Statutes sections 92-4 and 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 Mayor Wright Homes, Kuhio Park Terrace Low Rise/Kuhio Homes and HPHA's School Street Administrative Offices.

The Board entered Executive Session at approximately 9:55 a.m.

The Board reconvened at approximately 10:57 a.m.

Chairperson Shim reported that pursuant to Hawaii Revised Statutes section 92-5(a)(3), the Board deliberated concerning the authority of the Executive Director to continue negotiations regarding the redevelopment of Mayor Wright housing and the RAD associated with the development.

Executive Director's Report:

- Executive Director Ouansafi reported that the 2019 legislative session has opened. The Governor's budget request included \$1.1 M increase for the State Rent Supplement Program for the first year and approximately \$1M for the second year, which will cover about 60% of the current recipients. The budget included a CIP request of \$35M for capital repairs on existing public housing units.
- HPHA receives 90.7% of its revenues from federal resources (\$110M a year) and about 9.2% from the state. For capital improvement funding, 41% from federal and 59% from state. Of 310 positions, only two are state funded. Others are federally funded or funded through business enterprises.

- Executive Director Ouansafi reported a total of 39 move-ins last month and 36 vacancies. Currently, HPHA is serving approximately 4,400 families in the federal program and about 1800 families on the state side.
- Under federal construction, about 139 units are affected. This month, 170 units will become available.
- Section 8 VASH, HPHA is able to service 460 families with zero people on the waitlist. Section 8 has approximately 5,400 applicants on the waitlist and 200 families have been issued vouchers but are still searching for housing.
- Executive Director Ouansafi thanked the Department of Human Service (DHS), Director Pankaj and his team on finding a solution on funding for the State Rent Supplement Program. HPHA was instructed to submit a request to release the funds held as a budget restriction. These funds will assist those currently on rent supplement.
- In regards to lead based paint, a process has been started where families with children six years old or younger will be offered to move if their unit was tested positive.
- HPHA had a successful job fair on January 12th, recruiting for about 60 positions.

Chairperson Shim acknowledged friends who are federal workers and so much of funding comes from federal. He expressed being grateful for all the work that fellow federal workers have done. Chairperson Shim thanked the staff at Mayor Wright Homes, the maintenance staff, Chief Financial Officer Chong Gu and the fiscal management office. He added that it was incredible that at the last Board meeting it was reported that there were no significant audit findings after being under monitoring by HUD. He also recognized the staff working on the Five Year Plan and Section Eight Management Assessment Program (SEMAP). Chairperson Shim thanked HPHA for all their efforts on behalf of the entire Board of Directors.

Director Oh moved,

To Adjourn the Meeting.

The motion was unanimously approved.

The meeting adjourned at 11:08 a.m.

MINUTES CERTIFICATION:

Minutes Prepared by:



Jennifer K. Menor
Secretary

FEB 21 2019
Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on February 21, 2019 [] As Presented [] As Amended



Director Jason Espero
Board Secretary

FEB 21 2019
Date