

**HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
REGULAR BOARD OF DIRECTORS MEETING
1002 North School Street, Building A Boardroom
Honolulu, Hawaii 96817
Thursday, January 16, 2020
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

Regular Meeting Minutes, December 19, 2019
Executive Session Minutes, December 19, 2019 (not for public distribution)

IV. FOR ACTION/INFORMATION

- A. Election of a Board Vice-Chairperson for the Hawaii Public Housing Authority Board of Directors
- B. To Appoint no Less than One (1) and no More than Five (5) Directors to the HHA Wilikina Apartments Project, Inc. Board of Directors
- C. To (1) Reappoint Ms. Jennifer De La Cruz to the Hawaii Public Housing Authority's (HPHA) Federal Eviction Board as a Regular Board Member, for a Four-Year Term beginning March 1, 2020, and ending February 29, 2024; and (2) Reappoint Ms. Arde Long-Yamashita to the HPHA Federal Eviction Board as a Regular Board Member, for a Four-Year Term beginning March 1, 2020 and ending February 29, 2024
- D. To (1) Approve the Hawaii Public Housing Authority's Amended Annual Public Housing Agency Plan for the Fiscal Year 2019-2020 to: a) Establish Site-Based Waiting Lists in the Deconcentration Plan, and, b) Approve a Policy to Allow for the Use of Special Purpose Vouchers; and (2)

Authorize the Executive Director to Take All Required Actions to Submit the Approved Amended Plan to the U.S. Department of Housing and Urban Development

- E. To: (1) Approve the Hawaii Public Housing Authority's (HPHA) Draft Public Housing Agency Annual Plan (PHA Plan) for the Fiscal Year Starting July 1, 2020 and Ending June 30, 2021; and (2) Authorize the Executive Director to Hold Public Hearings on the Draft Annual Public Housing Agency Plan
- F. To Authorize the Executive Director to Execute a Ground Lease for a Term up to 65 Years at the Hawaii Public Housing Authority's Kalaeloa Property for the Purpose of Constructing and Operating Supportive Housing for Homeless Individuals and Families

(The Board may go into executive session during consideration and deliberation of the project pursuant to Hawaii Revised Statutes sections 92-4, 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 project at Kalaeloa)

V. BOARD TRAINING

Training: Part I: Board Orientation on the Hawaii Public Housing Authority. Presentations by the HPHA staff

- HPHA Resource Binder
- HPHA Purpose, Mission, Structure, History, etc.
- Roles of the Board & Executive Director
- State and Federal Public Housing
- Housing Choice Voucher - Section 8
- Construction Management
- Program Management
- Financial Management
- Procurement & Contracting Requirements
- Ethics
- Ongoing Programs, Projects & Challenges

VI. REPORTS

Executive Director's Report:

- Financial Report for the Month of November 2019 is provided to the Board in the monthly packet.

- Report on Contracts Executed During December 2019 and Planned Solicitations for January 2020 are provided to the Board in the monthly packet. No formal report is planned.
- Legislative Matters and Updates
- Public Housing Occupancy/Vacancy Report; Federal Public Housing; Eviction Hearings for the Month of December 2019.
- Obligation and Expenditure Status for Design and Construction Projects Funded Under the Federal Capital Fund Program (CFP) and the State Capital Improvement Program (CIP). Report on closed contracts.
- Section 8 Subsidy Programs Voucher: Voucher Lease-up and Pending Placements; Update on Rent Supplement Program.
- Human Resources

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 13, 2020, the HPHA will try to obtain the auxiliary aid/service or accommodation, but we cannot guarantee that the request will be fulfilled. The Board packet for this meeting is available for inspection at the Board's office located at 1002 North School Street, Building E, Honolulu, HI 96817. 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 16, 2020
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 16, 2020. At approximately 9:09 a.m., Chairperson Hall called the meeting to order and declared a quorum present. Those present were as follows:

PRESENT: Director Robert Hall, Chairperson
Director Pono Shim, Secretary
Director Lisa Darcy
Director George De Mello
Designee Daisy Hartsfield
Director Roy Katsuda
Director Betty Lou Larson
Director Kymberly Sparlin
Director Todd Taniguchi

Deputy Attorney General Jennifer Sugita
Deputy Attorney General Klemen Urbanc

EXCUSED: Director Susan Kunz

STAFF PRESENT: Hakim Ouansafi, Executive Director
Barbara Arashiro, Executive Assistant
Chong Gu, Chief Financial Officer
Kevin Auger, Redevelopment Officer
Rick Sogawa, Contracts and Procurement Officer
Katie Pierce, Section 8 Subsidy Program Branch Chief
Becky Choi, State Housing Development Advisor
Benjamin Park, Chief Planner
Shirley Befitel, Human Resources Supervisor
Renee Blondin-Nip, Hearings Officer
Nelson Lee, IT Supervisor
Sarah Beamer, Compliance Specialist
Sery Berhanu, Housing Development Specialist
Gary Nakatsu, Program Specialist
Jennifer Menor, Secretary to the Board

OTHERS PRESENT (and signing in as):
Taavao Alualu, Solid Rock Fellowship

Desiree Kihano, Palolo Valley Homes
Soloi Laapui, Solid Rock Fellowship
Andrew Nakoa, Sr., Mayor Wright Homes
Susan Scott, HomeAid
Lenda Tominiko, Kuhio Homes

Public Testimony

Chairperson Hall 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.

Lenda Tominiko, Kuhio Homes tenant, testified that youths and young adults are wandering the grounds until 3 a.m. and allegedly drinking and taking drugs on the housing property. She attested concerns with tenant-to-tenant threats caused from individuals wearing red clothing. Ms. Tominiko called the Honolulu Police Department to create a neighborhood watch, which currently consists of three members. A police officer is scheduled to host a neighborhood watch training on January 24 at 6 p.m. Ms. Tominiko expressed her concern on the safety of the residents and requested for in-house security.

Director De Mello stated that he recommended to Michaels Development on establishing a Resident Association at the November Board meeting and recommended that Ms. Tominiko follow-up with them. Director De Mello also added the significance of redirecting the youth's attention, where they have a place to go and something to do.

Chairperson Hall commended Ms. Tominiko on her desire to establish a neighborhood watch and recognized its effectiveness on the community.

Director Darcy recommended Ms. Tominiko to invite the youth and leaders for support.

Andrew Nakoa, Sr., Mayor Wright Homes tenant, testified on continued issues with his neighbors. He stated that his neighbor was drinking and blasting music since 8 a.m. on Christmas Eve. Security arrived at his neighbor's unit and addressed the noise at 12 p.m. At approximately 5 p.m., while Mr. Nakoa, his wife and one of his daughters were at the market, Mr. Nakoa's other daughter called stating that the neighbor was pounding at his back door and yelling followed by pounding and yelling at the front door. When Mr. Nakoa and his family arrived home, his neighbor started antagonizing Mr. Nakoa and his son, so the police were called and a report was filed. Mr. Nakoa expressed a deep concern with the safety of the residents and discussed how his son was afraid to leave the unit to go to work. He continued to state a concern with the effectiveness of the security and continued to request for in-house security.

Approval of Minutes

Director Katsuda moved,

To Approve the Regular Meeting Minutes of December 19, 2019

Chairperson Hall mentioned that revisions were made to page 6 and page 10 of the meeting minutes, which were provided prior to the meeting.

The minutes were unanimously approved as presented.

Chairperson Hall deferred consideration of the Executive Session Minutes of December 19, 2019 to a future meeting.

For Action/Information

Director Darcy moved,

Election of a Board Vice-Chairperson for the Hawaii Public Housing Authority Board of Directors

Chairperson Hall requested for nominations for Vice-Chairperson for the Hawaii Public Housing Authority Board of Directors.

Director De Mello moved,

To Elect Director Pono Shim as Board Vice-Chairperson for the Hawaii Public Housing Board of Directors

Director Shim accepted the nomination.

Director Darcy concurred with the nomination. She acknowledged how much Director Shim has contributed to the HPHA Board of Directors and commended the synergy and knowledge combined of Chairperson Hall and Director Shim.

Director Pono Shim was unanimously elected as Vice-Chairperson.

Director Darcy moved,

To Appoint no Less than One (1) and no More than Five (5) Directors to the HHA Wilikina Apartments Project, Inc. Board of Directors

Executive Director Ouansafi briefly explained the requirements of the HHA Wilikina Apartments Project, Inc. Board of Directors. He added that their by laws contain some typos that need to be corrected. For example, the by laws state that “there shall be no less than three and no less than eight directors”.

Chairperson Hall recalled that this motion was completed in July 2019, but that the process was completed incorrectly and that the election of officers will be conducted by only the HHA Wilikina Apartments Project, Inc. Board of Directors at the HHA Wilikina meeting.

Executive Assistant Arashiro confirmed that with the resignation of Director Milo Spindt, there are only three directors on the HHA Wilikina Apartments Project, Inc. Board. Executive Assistant Arashiro explained that only those who are appointed a HHA Wilikina Apartments Project, Inc. Board of Director can discuss and vote on motions during that meeting. Although the Board must appoint a minimum of one additional director, staff recommends that at least two additional directors be appointed to avoid issues with quorum.

Chairperson Hall stated that the HHA Wilikina Apartments Project, Inc. Board of Directors currently consist of Director Shim, Director Taniguchi and himself.

Director Larson asked for clarification on the HHA Wilikina Apartments Project, Inc. Board of Directors’ role.

Executive Director Ouansafi explained that the HHA Wilikina Apartments Project, Inc. Board of Directors are expected to address any issues that arise with the Wilikina lease or any action relevant to the property. Although HPHA doesn’t anticipate any issues and hasn’t had any issues in regards to the Wilikina property, the organization must continue to have an active Board.

Director Larson asked if there is any oversight with the Wilikina property.

Executive Director Ouansafi reported that the Wilikina property was sold and that HPHA entered into a ground lease with the partnership.

Director Katsuda asked for clarification on the individuals available for nomination.

Executive Director Ouansafi and Executive Assistant Arashiro confirmed that nominations are limited to members of the HPHA Board of Directors.

Chairperson Hall requested for nominations or volunteers for the HHA Wilikina Apartments Project, Inc. Board of Directors.

Director Larson volunteered to join the HHA Wilikina Apartments Project Board.

Director Darcy asked if Board of Directors from the neighbor islands are able to attend future HHA Wilikina Apartments Project, Inc. meetings without physically being present (for instance, ability to participate via Skype).

Executive Assistant Arashiro stated that it is allowable but challenging. Wherever a Board member requests to participate in a meeting remotely, that location must be accessible to the public.

Director Darcy volunteered to join the HHA Wilikina Apartments Project Board.

Director Shim expressed his appreciation to Director Larson and Director Darcy and the expertise they'll be bringing to the HHA Wilikina Apartments Project, Inc. Board of Directors.

Chairperson Hall discussed his past experience at HPHA and explained that the duties of the HHA Wilikina Apartments Project, Inc. Board of Directors are mainly operational.

Chairperson Hall called for a vote,

To Appoint Director Betty Lou Larson and Director Lisa Darcy to the HHA Wilikina Apartments Project, Inc. Board of Directors

The motion was unanimously approved.

Director Shim moved,

To (1) Reappoint Ms. Jennifer De La Cruz to the Hawaii Public Housing Authority's (HPHA) Federal Eviction Board as a Regular Board Member, for a Four-Year Term beginning March 1, 2020, and ending February 29, 2024; and (2) Reappoint Ms. Arde Long-Yamashita to the HPHA Federal Eviction Board as a Regular Board Member, for a Four-Year Term beginning March 1, 2020 and ending February 29, 2024

Chairperson Hall stated that Ms. De La Cruz is located in Hilo and was available at the meeting via Skype if the Board had any questions for her.

Executive Director Ouansafi confirmed that Eviction Board member nominees are not required to be present at the Board meeting. He reported that the Eviction Boards are comprised of volunteers from the community with a variety of expertise who are responsible to provide a fair and impartial hearing for the tenants.

Executive Director Ouansafi briefly described each reappointment. Ms. De La Cruz is the Chairperson for the Hilo Eviction Board since 2016 and her experience as a Social Worker with the Judiciary makes her a valuable member. Ms. Long-Yamashita is a former resident of the public housing and as such is familiar with public housing. Both

have expressed their willingness to continue to serve another term as a regular Eviction Board member.

Director Katsuda asked for clarification on the Eviction Boards.

Executive Director Ouansafi reported that each County has an Eviction Board, and each requires a minimum of one public housing resident.

Director Katsuda asked if Ms. De La Cruz and Ms. Long-Yamashita are on same Eviction Board.

Executive Director Ouansafi clarified that Ms. De La Cruz is an Eviction Board member in Hilo, while Ms. Long-Yamashita is an Eviction Board member on Kauai. Executive Director Ouansafi referred to page 30 of the Board packet, which lists all the current Federal and State Eviction Board members.

Chairperson Hall acknowledged six additional appointments to be made for the year of 2020, based on the current expiration dates listed on page 30. He asked if the overall process will be covered in the training scheduled later during the meeting.

Executive Director Ouansafi confirmed that the process of the Eviction Board will be discussed during the HPHA training.

The motion was unanimously approved.

Director Taniguchi moved,

To (1) Approve the Hawaii Public Housing Authority's Amended Annual Public Housing Agency Plan for the Fiscal Year 2019-2020 to: a) Establish Site-Based Waiting Lists in the Deconcentration Plan, and, b) Approve a Policy to Allow for the Use of Special Purpose Vouchers; and (2) Authorize the Executive Director to Take All Required Actions to Submit the Approved Amended Plan to the U.S. Department of Housing and Urban Development

Executive Director Ouansafi reported that the Public Housing Agency (PHA) Annual Plan is a requirement (of the Quality Housing Work Responsibility Act of 1998 and the Housing Economic Recovery Act for 2008). All public housing agencies who wish to receive administrative, operating, Capital Fund Program, and Section 8 Housing Choice Voucher assistance monies must submit their plans to the U.S. Department of Housing and Urban Development (HUD).

In October 2019, the HPHA Board of Directors approved the HPHA draft Amended PHA Annual Plan for FY 2019-2020, subject to comments at the public hearing. Discussions with the Resident Advisory Board (RAB), as well as public hearings statewide, on the

draft Amended PHA Annual Plan were held. No testimony was received prior to and at the public hearings, so no changes were made to the draft Amended PHA Annual Plan for FY 2019-2020.

Executive Director Ouansafi stated that the proposed final Amended PHA Annual Plan for FY 2019-2020 was included in the Board packet. He explained the proposed amendments (highlighted on page 45 and page 62) to: 1) establish a policy to allow for the use of Special Purpose Vouchers and 2) establish site-based waiting lists. He added that applicants are able to change their desired site at any time.

Chairperson Hall understood that applicants are given an opportunity to live where they would like to and hopes there will be no adverse impacts as a result. He expressed a concern regarding applicants requesting “popular” sites versus no one wishing to live at the unpopular sites.

Executive Director Ouansafi explained that HPHA plans to identify reasons that applicants desire specific areas to live. If HPHA finds difficulty in moving applicants to specific areas, HPHA will explore other options.

The motion was unanimously approved.

Director Shim moved,

To: (1) Approve the Hawaii Public Housing Authority’s (HPHA) Draft Public Housing Agency Annual Plan (PHA Plan) for the Fiscal Year Starting July 1, 2020 and Ending June 30, 2021; and (2) Authorize the Executive Director to Hold Public Hearings on the Draft Annual Public Housing Agency Plan

Executive Director Ouansafi reported, while the previous motion was for fiscal year 2019-2020, this motion is for fiscal year 2020-2021. He referred to page 69 of the Board packet, which listed the changes.

The PHA Annual Plan for fiscal year 2020-2021 has several new goals and objectives, as well as changes to HPHA policies, which include some of the following:

1. Consideration of an external storage policy
2. Updated policy to enforce criminal activity legislation, Act 206, Session Laws of Hawaii (SLH) 2019, passed July 2, 2019
3. Update Section B.2 – New Activities – to include potential increased redevelopment projects at Kuhio Homes and Kuhio Park Terrace Low-Rise, Lanakila Homes in Hilo, Kapaa and Eleele Homes on the island of Kauai
4. Update Section B.2 – Demolition/Disposition – to include a potential third-party agreement with the City and County of Honolulu to encumber part of the Hale Laulima property in Pearl City to be used by the Honolulu Fire Department (HFD) fire trucks if a fire station is built next to the Hale Laulima property

Director Larson asked for clarification on the external storage policy.

Executive Director Ouansafi reported that this arose from the occurrence of violations during inspections, such as tenants storing gasoline without a cap. He explained that this policy is mainly to allow each tenant to have extra space to store items in a unified, outside storage. HPHA staff to ensure that each storage is maintained properly and that items are stored accordingly. Executive Director Ouansafi stated that this policy hasn't been created yet, and there are mixed feelings about it amongst the residents.

Director Sparlin asked if the external storage policy will assist with inspections.

Executive Director Ouansafi stated that the external storage policy won't necessarily assist with inspections.

Chairperson Hall stated that HUD is accepting of changes as long as the agency acknowledges a specific need and is proactive about it.

Director Sparlin expressed a safety concern and requested security experts be involved with the process, especially when hearing that tenants are storing gas without a cap.

Chairperson Hall encouraged HPHA to get ample feedback from the residents. He recommended that HPHA advocate for feedback and work with the existing community leaders, including those that attend the Board meetings.

Executive Director Ouansafi acknowledged the importance of resident feedback. He added that the external storage policy was included in the PHA Annual Plan for fiscal year 2020-2021 per requests made by the residents.

The motion was unanimously approved.

Director Shim moved,

To Authorize the Executive Director to Execute a Ground Lease for a Term up to 65 Years at the Hawaii Public Housing Authority's Kalaeloa Property for the Purpose of Constructing and Operating Supportive Housing for Homeless Individuals and Families

Executive Director Ouansafi reported that a right of entry was executed with HomeAid. There have been discussions regarding a ground lease at the HPHA's Kalaeloa property. He explained that HPHA is proposing to enter into a ground lease agreement with U.S. VETS for a term of one year, and the Department of Human Services (DHS) to fund the program. Deputy Attorney General Urbanc assisted HPHA with expediting a lease agreement, which was provided to the Board.

Deputy Attorney General Urbanc explained that the provided lease agreement was a draft based on a similar agreement.

Chairperson Hall asked if the lease agreement was final or if there are possibilities for negotiations.

Executive Director Ouansafi clarified that the lease agreement illustrates HPHA's intent with the Kalaeloa property. He emphasized that the land will continue to be owned by HPHA. The program operator is responsible for securing program funding. If funding ceases for any reason, the property will be returned to HPHA in its existing condition. Executive Director Ouansafi added that the agreement is for a period of 65 years.

Director Larson asked for clarification of the 65 years. She stated that, while the motion is for 65 years, the draft lease agreement provides for three years.

Executive Director Ouansafi reported that under the Emergency Proclamation, it is required to be for a term of three years. After the three years, the HPHA would have to enter into a ground lease through regular procedures.

Deputy Attorney General Urbanc explained that the motion allows up to 65 years due to the possibility of a variety of situations. He stated that since the agreement provides for entering into agreement with a private entity under the Emergency Proclamation, the initial term will be for one year with extensions for up to two additional periods of one year for a total of three years.

Director Larson asked when the lease date would start, if it'd commence on the date the motion is approved or when funding is established.

Deputy Attorney General Urbanc reported that the lease would begin when executed by both parties (lessor and lessee), provided that the funding is a condition. The lease agreement is contingent upon funding. Should U.S. VETS lose funding, the agreement would require the U.S. VETS to vacate the premises.

Executive Director Ouansafi clarified that DHS has confirmed that there is funding.

Director Larson asked if there is existing funding for the Kalaeloa property, in hopes that an agreement could be executed expeditiously.

DHS Designee Hartsfield explained that her understanding is that DHS will contract with U.S. VETS to provide social services to assist the homeless transition into the proposed tiny homes (alternative housing).

Director Larson asked if grants will be utilized for management and maintenance.

Executive Director Ouansafi stated that HPHA will enter into an agreement for the construction and one-year maintenance of the buildings with HomeAid Hawaii. He

reclarified that DHS will provide social services, while HPHA agrees to lease the property.

Deputy Attorney General Urbanc clarified that the lease agreement also provides that the lessee is responsible for maintenance throughout the contract term(s).

Director Larson understood that the U.S. VETS are in close proximity to the Kalaeloa property and asked for their location in the Exhibits provided.

Executive Director Ouansafi confirmed that they are nearby.

Deputy Attorney General Urbanc referred to Exhibit 2 attached to the lease agreement and identified that U.S. VETS is currently operating in the area next to the outlined Kalaeloa property.

Designee Hartsfield asked if any discussions have occurred in regards to the gap funding.

Executive Director Ouansafi stated that no discussions have occurred to explore gap funding resources.

Director Larson thanked Executive Director Ouansafi and the HPHA staff on their efforts with this complicated and fast-moving project. It's important for the State to look at new options to assist homeless individuals/families. While it's not necessarily the HPHA's role, it's good for it to be part of the housing solution.

Deputy Attorney General Urbanc clarified that the motion authorizes the Executive Director to execute a ground lease, and the document provided to the Board is a draft agreement, which could be revised. By approving this motion, Deputy Attorney General Urbanc verified that the Executive Director will be able to further negotiate and execute an agreement.

Chairperson Hall acknowledged the need to provide housing and recognized HPHA's intent and efforts to present housing for the community. He recognized Executive Directors Ouansafi's efforts to move cautiously to ensure that the project is not in conflict with the HPHA's mission and operations. He expressed the Board's willingness to participate in Special Meeting(s), if needed, and requested that HPHA continue to update the Board as plans are formed.

Director Shim expressed his gratitude to the Deputy Attorney Generals and their efforts. He acknowledged the importance of moving expeditiously, as the need for housing is extreme. He commented that while the process is moving quickly, for those that need a home it may not be fast enough.

Designee Hartsfield concurred with Director Shim's sentiments, but expressed a concern with the term of 65 years. She stated that she is inclined to oppose the motion,

mainly due to the length of the lease. Designee Hartsfield suggested amending the motion from 65 years to 3 years.

Director Larson stated that she has no issues with the term of 65 years, as it shows the agency's intent. She asked if the Board is able to evaluate the success of the project after three years when the provided lease agreement expires.

Deputy Attorney General Urbanc confirmed that, while the motion supports up to 65 years, there's a possibility of a lease with DHS. If that doesn't occur, the maximum allowable term is 36 months under the Emergency Proclamation. Deputy Attorney General Urbanc stated that the current motion doesn't allow the Executive Director to execute a ground lease that exceeds 36 months with U.S. VETS.

Executive Assistant Arashiro stated that the motion states differently, up to 65 years.

Deputy Attorney General Urbanc clarified that although the motion authorizes for a term up to 65 years, legally under the Emergency Proclamation, the Executive Director is unable to execute a ground lease that exceeds 36 months with U.S. VETS.

Chairperson Hall asked if the motion as written is acceptable to move forward.

Executive Director Ouansafi requested that the Board go into executive session.

Director Sparlin moved,

The Board go into executive session during consideration and deliberation of the project pursuant to Hawaii Revised Statutes sections 92-4, 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 project at Kalaeloa

The motion to go into executive session was unanimously approved.

(Director Larson left the room approximately at 10:12 a.m. and returned during executive session.)

The Board entered Executive Session at approximately 10:13 a.m.

The Board reconvened at approximately 10:56 a.m.

Chairperson Hall reported that the Board went into executive session to discuss negotiations related to the motion and consulted with its attorney.

Designee Hartsfield moved,

To amend the main motion to remove “a” and revise to “Lease(s)” and include “TMK No. (1) 9-1-013:053” into the motion to read:

To Authorize the Executive Director to Execute a Ground Lease(s) for a Term up to 65 Years at the Hawaii Public Housing Authority’s Kalaeloa Property TMK No. (1) 9-1-013:053 for the Purpose of Constructing and Operating Supportive Housing for Homeless Individuals and Families

Director Sparlin explained that although the motion authorizes HPHA to enter into leases for a term up to 65 years, at this time, the lease being considered by the Board is for a term of three years due to the Emergency Proclamation and will not be exceeding the legal limits.

Director Darcy expressed that Hawaii is experiencing unprecedented needs for housing, and the Board supports solutions on moving forward to meet those needs. She thanked the HPHA staff on their tremendous efforts and recognized the amount of discussion and coordination required to move a project like this along.

Designee Hartsfield added that if approved, the amended motion would, at the very least, allow HPHA to enter into an agreement for an initial lease, and if possible to enter into a long-term lease beyond the initial three years allowed via the Emergency Proclamation.

Chairperson Hall concurred with the sentiments of the Board and acknowledged the efforts of the HPHA staff. He echoed Director Shim’s comments that the staff are working hard and the project is moving fast, but he also recognized that for those in need it’s not moving fast enough.

Director Katsuda expressed his support for the HPHA’s efforts.

Executive Director Ouansafi thanked the Board for their support and thanked the Deputy Attorney Generals for their efforts.

Chairperson Hall acknowledged the collaboration of his fellow Board members and expressed his excitement on what else HPHA and the Board can achieve.

The motion to amend the main motion was unanimously approved.

Director Shim moved,

To Authorize the Executive Director to Execute a Ground Lease(s) for a Term up to 65 Years at the Hawaii Public Housing Authority’s Kalaeloa Property TMK No. (1) 9-1-013:053 for the Purpose of Constructing and Operating Supportive Housing for Homeless Individuals and Families

The amended motion was unanimously approved.

Chairperson Hall declared a recess at approximately 11:03 a.m. and the Board reconvened at approximately 11:16 a.m.

Board Training

Training: Part I: Board Orientation on the Hawaii Public Housing Authority. Presentations by the HPHA staff

- **HPHA Resource Binder**
- **HPHA Purpose, Mission, Structure, History, etc.**
- **Roles of the Board & Executive Director**
- **State and Federal Public Housing**
- **Housing Choice Voucher - Section 8**
- **Construction Management**
- **Program Management**
- **Financial Management**
- **Procurement & Contracting Requirements**
- **Ethics**
- **Ongoing Programs, Projects & Challenges**

Executive Director Ouansafi provided an overview of the training topics to be discussed. A copy of the Board orientation is attached.

(Director Taniguchi returned to the room from recess at approximately 11:22 a.m.)

Executive Director Ouansafi stated that HPHA is considered a large housing authority, one of three that are statewide housing authorities, and one of the few that manages all of the programs that currently exist (e.g., state housing, federal housing, and section 8).

(Chairperson Hall left the room at approximately 11:53 a.m. and returned at approximately 11:57 a.m.)

(Deputy Attorney General Sugita left the room at approximately 11:54 a.m. and returned at approximately 12:00 p.m.)

During the orientation, several questions were asked:

- From Slide 47, Director Sparlin asked when the utility allowance was most recently adjusted and the result of exceeding the utility allowance provided.

Executive Assistant Arashiro reported that the utility allowance is reviewed annually. HPHA provides tenants with a utility allowance, and any amount that exceeds the established utility allowance, the tenant is responsible to pay.

- Chairperson Hall asked what the operational cost is per State housing unit.

Executive Director Ouansafi stated that the State housing programs fund at an approximately \$2M per year deficit.

Chairperson Hall understood that there's a large gap that's unsubsidized.

Executive Director Ouansafi added that HPHA requests approximately \$2M per year from the State to avoid raising the rents, which haven't been increased for the past eight years. HPHA hires a consultant to review the utility usage and HPHA will present a utility allowance to the Board every year to adopt.

- Chairperson Hall asked if the State program has minimum rent.

Executive Director Ouansafi stated that the State program has a minimum rent of \$50.

- Director Larson referred to slide 60 and sought for more information on the community service requirements and asked if HPHA has had any issues with managing tenants to perform the required community service.

Executive Director Ouansafi reported that the federal intent is ideal, however, there is no system formed that enforces and verifies that the community service requirement is achieved accordingly. He explained that the community service (volunteer work) can be completed anywhere, not limited to the housing site.

(Director Shim left the room at approximately 12:09 p.m. and returned at approximately 12:15 p.m.)

Chairperson Hall asked if HPHA has the authority to enforce the community service requirement and if HPHA verifies the required hours have been achieved.

Executive Director Ouansafi reported that the federal law only requires public housing residents to perform 8-hours monthly of community service of their choosing. HPHA staff discovered that most community service is carried out at churches. Executive Director Ouansafi stated that HPHA inquiries about the required community service during the annual re-certification process.

Chairperson Hall expressed a concern that the Community Service Requirement may not be fulfilled by the tenants.

Executive Director Ouansafi clarified that documentation is obtained at the time of the annual re-certification.

Director Larson asked if the requirement is per family and if there are any exemptions.

Executive Assistant Arashiro and Executive Director Ouansafi reported that every eligible adult housed in public housing is required to complete the community service requirement. Executive Assistant Arashiro further clarified that the community service requirement allows for certain exemptions; for example, if the resident is caring for a family member, or is elderly or disabled, they would be exempt from the requirement.

Executive Director Ouansafi confirmed that HPHA will only renew the tenant lease agreement if proper documentation of the required community service is received.

Director Larson asked if HPHA has evicted families for not completing this federal requirement.

Executive Director Ouansafi stated that he does not recall that HPHA has evicted anyone for this.

Executive Assistant Arashiro provided a description of public housing properties on each island.

- Director Larson asked if there's a basis to the Capital and operating funds or if it's based on a need.

Executive Assistant Arashiro stated that the federal Capital funds are allocated to the HPHA on a formula basis and based on number of units.

Director Larson asked if the formula is the same nationwide.

Executive Director Ouansafi explained the formula is calculated by taking the appropriation established by the United States Congress divided by what's based on needs.

- Director Larson asked for clarification on HUD's deconcentration requirement and whether it applies to entire developments or whether it is by building.

Executive Director Ouansafi stated that projects, especially those that are federal, are required to go through demolition disposition with HUD's review, and HUD wants the properties to be mixed income.

- Chairperson Hall asked if the Kauai public housing properties are under contract management.

Executive Assistant Arashiro stated that Kauai is currently under one Asset Management Program (AMP) managed by the State.

Executive Director Ouansafi added based on civil service law the properties that had public servants managing the property remained public servants. There is a constant challenge of hiring employees at all public housing sites.

Chairperson Hall expressed a concern that possibly Kauai tenants are not receiving proper services due to the distance from each property.

Executive Assistant Arashiro stated based on HUD's model of Asset Management, the way funding is earned by housing authorities has changed. Rather than receiving a lump sum, funding is appropriated by AMP and each AMP needs to earn their operating subsidy based on the number of units that are occupied.

Chairperson Hall asked if HPHA manages placement at properties based on their income to offset the budget needs.

Executive Assistant Arashiro responded that placement is based on available units. Executive Director Ouansafi stated that HPHA serves the public, as long as they are within the qualification guidelines. He expressed that the challenge is that housing authorities earn based on occupied units, so no funding is earned if not occupied.

Chairperson Hall asked about the possibility of RAD conversion for the HPHA's properties on Kauai.

Executive Director Ouansafi confirmed that RAD conversion is an option, if deemed appropriate. Unlike Texas where properties are in close proximity by land, HPHA faces challenges of the vast distance of properties and difficulties of acquiring adequate staffing needed.

Chairperson Hall stated that a few Board members need to leave the meeting and asked for suggestions on whether to continue the Board orientation or defer to a future meeting.

Executive Director Ouansafi and Executive Assistant Arashiro suggested adjourning the HPHA Regular meeting and conducting the HHA Wilikina meeting to avoid another dismissal of the HHA Wilikina meeting and its elections.

Chairperson Hall deferred the remaining of the Board orientation to a future Board meeting.

Chairperson Hall declared a recess at approximately 12:38 p.m. and the Board reconvened at approximately 12:45 p.m.

Executive Director's Report

Executive Director Ouansafi reported the following:

- HPHA expended approximately 102% of eligible HUD funding in housing assistance payments (HAP) on behalf of 2,383 voucher holders.
- 189 Housing Quality Standards (HQS) inspections were conducted in December 2019 and 65% failed.
- The Family Self Sufficiency (FSS) Program currently has 69 active participants.
- Rent Supplement Program (RSP) made a payment of approximately \$137,000 on behalf of 333 families.

Director Sparlin recalled from December's Board meeting that Michaels Management stated that work orders were generated due to a pre-REAC inspection performed by U.S. Inspection Group. She asked if the completion of the work orders is on schedule to be completed by February, as planned, and if not, what issues have risen.

Executive Director Ouansafi stated that no new updates have been received, and HPHA will keep the Board informed if issues arise. The HPHA has observed Michaels making positive changes in staffing and operations.

Director Larson referred to page 197 of the Board packet and expressed that she was pleased with the collaboration between HPHA and the University of Hawaii and their efforts to address the housing crisis in Hawaii.

Executive Director Ouansafi reported that HPHA has entered into an agreement with the University of Hawaii for approximately one and a half years. The University of Hawaii was tasked with meeting with tenants to identify their issues (i.e. multi-generational issues) and what their needs are. A draft report is under review and when completed the University of Hawaii will be invited to present their results to the Board. Additional areas are being discussed, such as alternative architecture design elements, preliminary design for the HPHA's offices and implementation of a paperless processes.

Director Larson asked if disaster planning is also being considered at the housing properties. For example, if there are adequate elevators in the event everyone needs to evacuate the building or if there's opportunity for a safe zone.

Executive Director Ouansafi reported that HPHA has a disaster plan in place and staff have been trained. HPHA follows the State's emergency procedures under the Hawaii Emergency Management Agency and/or Federal Emergency Management Agency (FEMA), so the University of Hawaii was not engaged for a disaster plan.

Director Sparlin stated that she worked in an Emergency Response managing section, and she is concerned for the need of emergency shelters, especially for the HPHA's vulnerable population during disasters. She added that, for the past three years, she's been seeking ways for public housing to be a possible shelter during emergencies.

Executive Director Ouansafi stated that HPHA is able to inquire with the University of Hawaii to research this matter.

Director Larson suggested asking the University of Hawaii to research possible design features that would allow tenants to shelter in place.

(Director Shim left the meeting at approximately 12:54 p.m.)

Chairperson Hall asked if there is a program that manages disaster planning or a funding source that can assist with this.

Director Sparlin was curious how the funds from the weatherization assistance program is being utilized. Office of Community Services currently provides individual assistance and there is a possibility of using those funds towards establishing a shelter at public housing.

Chairperson Hall supported researching how those funds could be used to support the State elderly programs.

Director Sparlin explained the procurement process of the weatherization assistance program and asked whether there is interest in a presentation on the program. She suggested creating a task force to discuss funding resources.

Executive Director Ouansafi confirmed that HPHA has been working with the Office of Community Service in regards to utilizing monies for A/C units and some other items.

Director Sparlin expressed a concern on how HPHA can attain the appropriate power to maintain all housing properties in event of a natural disaster.

Director Larson would also be interested in a presentation on large scale projects where HPHA could help the State reach its goals of becoming more energy efficient.

Director Taniguchi commented on the need for a needs assessment, which would include determining whether the new buildings would be the place to do this work.

Executive Director Ouansafi stated that discussions regarding putting shelters in place can be added to future agendas for the Board to collaborate on.

Chairperson Hall stated that the topics could be on the agenda in future meetings. He recognized a lot of creative ideas from the Board and is encouraged to see what this Board and HPHA can accomplish.

Director Taniguchi recognized that the report mentioned the Aloha Homes Conference and asked what HPHA's engagement is with Legislative session on this project.

Executive Director Ouansafi stated that HPHA was a presenter at the Aloha Homes Conference. HPHA continues to meet and engage with the Legislature. Recent joint announcement made by the Legislature regarding affordable housing has been positive. There's concentration on the west-side with the University of Hawaii to build 99-year leases. HPHA is also in conversation with HHFDC. HPHA's main focus is on supplying housing for the low-income community and are willing to provide any support needed to accomplish affordable housing goals. Once bills are published, HPHA will research in further detail in regards to engagement opportunities, such as teacher housing. Of the expected 3,000 bills, HPHA anticipates over 100 bills related to housing.

Director Larson asked regarding Aloha Homes, since they're federal housing, if this area is a possibility since there's already federal housing present on the grounds.

Executive Director Ouansafi reported that there's opportunity for redevelopment, however it requires more time (due to requirements of NEPA, demolition disposition, etc.). The benefit of redeveloping a federal property is that it comes with federal subsidy.

Director Larson stated inquiring about the for sale condos.

Executive Director Ouansafi confirmed that the for sale condos are more efficient for the State land.

Director Larson asked for information on the Puuwai Momi property.

Executive Director Ouansafi reported that the Puuwai Momi property is federal housing. He explained the importance of having a master plan which includes the stadium and the nearby public housing.

Director Katsuda offered his assistance on Maui in regards to the governmental relations. He would be happy to attend meetings as necessary.

Executive Director Ouansafi thanked Director Katsuda for his support.

Director Katsuda moved,

To Adjourn the Meeting

The motion was unanimously approved.

The meeting adjourned at 1:10 p.m.

MINUTES CERTIFICATION:

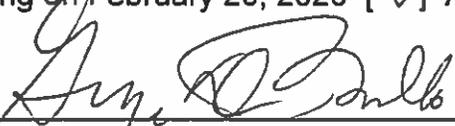
Minutes Prepared by:



Jennifer K. Menor
Secretary to the Board

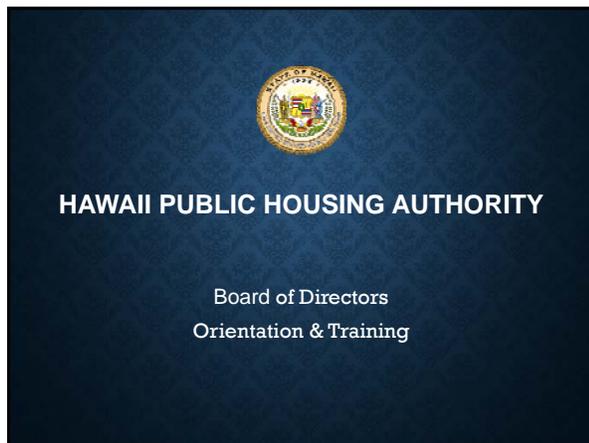
FEB 20 2020
Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on February 20, 2020 [] As Presented [] As Amended



George De Mello
Board Secretary

FEB 20 2020
Date



- ### ORIENTATION & TRAINING TOPICS
- I. HPHA Resources
 - II. HPHA Purpose, Mission, Structure, History, etc.
 - III. Roles of the Board & Executive Director
 - IV. State and Federal Public Housing
 - V. Housing Choice Voucher - Section 8
 - VI. Construction Management
 - VII. Program Management
 - VIII. Financial Management
 - IX. Procurement & Contracting Requirements
 - X. Ethics
 - XI. Ongoing Programs, Projects & Challenges

I. HPHA Resource Information

- ### Resource & References
- 
- **Legal Resources** – Hawaii Revised Statutes (HRS), Hawaii Administrative Rules (HAR), By-laws, Sunshine Law, Ethics, Robert's Rules of Order, and Annual Contributions Contract (ACC).
 - **HPHA Policies** – Administration, Board and Personnel.
 - **HPHA Governance** – Organization Charts, Goals and Objectives, Plans, Reports, Audits and Projects.
 - **HPHA Branches** – Functional Statements, Inventory, Assessments and Budgets.

U.S. Housing Act of 1937



- Allowed for the creation of municipal housing organizations/corporations (*aka* Public Housing Authorities) to undertake federal housing programs and apply for federal funds.
- The goal of the housing act was to provide decent and affordable housing for all low-income families.



Source: HUD PowerPoint

U.S. Housing Act of 1937



- Allowed for the creation of municipal housing organizations/corporations (*aka* Public Housing Authorities) to undertake federal housing programs and apply for federal funds.
- The goal of the housing act was to provide decent and affordable housing for all low-income families.
- Creation of the Public and Indian Housing program.

These programs now provide affordable housing to over 2.9 million households nationwide. The average yearly income for HPHA's public housing tenants in FY 2018 is \$16,147.67.

Source: HUD PowerPoint

What Is a Public Housing Agency (PHA)?

- Any State, county, municipality, or other legally created governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the U.S. Housing Act of 1937.
- Subject to State and local laws governing open meetings and records. A PHA must also protect information obtained and covered under the federal Privacy Act.



Source: HUD PowerPoint

Other PHA Housing Programs

PHAs may undertake other housing related programs:

- Financing, planning, undertaking, constructing or operating a housing project(s);
- Homeownership programs;
- Property management;
- Security and crime prevention programs;
- Supportive service and tenant opportunities; and
- Economic and self-sufficiency programs

PHAs may also form partnerships with governmental agencies, non-profits, and private organizations to mutually achieve goals.

Source: HUD PowerPoint

HPHA Establishment

HRS §356D-2:

There is established the Hawaii Public Housing Authority to be placed within the Department of Human Services for administrative purposes only. The authority shall be a public body and a body corporate and politic.

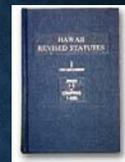


Source: HRS

HPHA Powers

HRS §356D-4:

- (a) The authority may:
- (1) Sue and be sued;
 - (2) Have a seal and alter the same at pleasure;
 - (3) Make and execute contracts and other instruments necessary or convenient to the exercise of its powers;
 - (4) Adopt bylaws and rules in accordance with chapter 91 for its organization, internal management, and to carry into effect its purposes, powers, and programs;



Source: HRS

(5) Sell, lease, rent, hold, maintain, use, and operate any property, real, personal, or mixed, tangible or intangible, in support of its purposes, powers, and programs; provided that the sale of real property shall be subject to legislative approval;

(6) Receive by gift, grant, devise, bequest, or otherwise from any source, any property, real, personal, or mixed, intangible or tangible, absolutely or in trust, to be used and disposed of, either the principal or the income thereof, for the benefit only of the residents assisted by its programs; provided that no gift to the authority that has an estimated value of \$1,000 or more shall be accepted unless approved or confirmed by the board; and

(7) Engage the services of volunteers as deemed appropriate by the authority without regard to chapter 76, 89, 90, 103, or 103D.

Source: HRS

HPHA Powers

HRS §356D-11:

- (a) The authority, in its own behalf or on behalf of any government, may:
- (1) Clear, improve, and rehabilitate property; and
 - (2) Plan, develop, construct, and finance public housing projects.
- (b) The authority may develop public land in an agricultural district...
- (c) The authority may develop or assist in the development of federal lands with the approval of appropriate federal authorities.
- (d) The authority shall not develop any public land where the development may endanger the receipt of any federal grant...

Source: HRS

HPHA MISSION



HPHA's mission is to promote adequate and affordable housing, economic opportunity and a suitable living environment, for low-income families and individuals, free from discrimination.

Presently, this mission is accomplished through administration of the following:

- ✓ State Family Public Housing
- ✓ State Elderly Public Housing
- ✓ Federal Public Housing
- ✓ Section 8 Housing Choice Voucher
- ✓ Veteran's Administration Supportive Housing Vouchers
- ✓ Performance Based Contract Administration
- ✓ State Rent Supplement Program
- ✓ Resident Self Sufficiency Programs

Source: HPHA

HPHA HISTORY



1930's

1935 Hawaii Housing Authority (HHA) is created by the Territorial Legislature to provide safe and sanitary housing for low income residents.

1960's

1960 The Government Reorganization Act of 1959 creates the Department of Social Services where HHA is placed for administrative purposes only.

1980's

1988 HHA developed 10,132 units. Housing Finance and Development Corporation (HFDC) is created to streamline financing of affordable housing.

Source: HPHA

HPHA HISTORY

1998

1998 HHA and HFDC are consolidated into the Housing and Community Development Corporation of Hawaii (HCDCH).



HPHA HISTORY

2006

2006 HCDCH is split into 2 agencies - HPHA and HHFDC.



HPHA HISTORY



2010

2010 Homeless Programs Section is transferred from HPHA to DHS based on the advisement of the U.S. Department of Housing and Urban Development (HUD) that PHAs as special purpose entities cannot directly implement certain federal grants for the homeless, such as the Emergency Shelter grant. HUD encouraged the State to transfer the Homeless Branch from HPHA as soon as possible to ensure the State's continued ability to receive Federal HUD funding.

Source: HUD

HPHA HISTORY - HUD CORRECTIVE ACTION ORDER (2002)

- Pursuant to Title 24 CFR §968.335, HUD issued a Corrective Action Order (CAO) to the Housing and Community Development Corporation of Hawaii (HCDCH) (predecessor to HPHA) on September 10, 2002.
- The HCDCH and HUD entered into a Memorandum of Agreement and established a 23-page action plan.
- Failure by the HCDCH to achieve the performance targets under the MOA would have resulted in "HUD's imposition of such sanctions as the imposition of management budget controls by HUD; declaration of substantial default; and referral to HUD's Department Enforcement Center (DEC) for judicial appointment of a receiver, or other actions deemed appropriate by the DEC."

Source: HUD

HPHA HISTORY – HUD CORRECTIVE ACTION ORDER (2002)

- HCDCH's inability to obligate Federal Capital funds on a timely basis as demonstrated through two consecutive years of HUD extensions to obligation deadlines.
- Violation of conflict of interest provisions by the Executive Director.
- Intervention in procurement matters by members of the Board of Directors.
- Award of sole source contract by the Board of Directors in noncompliance with federal procurement rules at part 85.
- Frequent interference by the Board of Directors in day-to-day operations.

Source: HUD

HPHA HISTORY – CAO CLOSURE (FROM 2013 – PRESENT)

- In May 2013, the HUD Miami Field Office and HUD Hawaii Field Office conducted a week long audit/assessment of the HPHA's operations, and the HPHA passed with flying colors.
- As a result of the HUD assessment, on June 28, 2013, HUD terminated the Corrective Action Order with the Hawaii Public Housing Authority.
- Subsequently on April 29, 2015, the HUD Hawaii Field Office removed the requirement that HPHA obtain HUD approval prior to executing procurement actions and contracts.
- 2017 and 2018 Independent Financial and Compliance Audit recorded no findings.

Source: HUD

QUESTIONS ON HPHA'S HISTORY?

HPHA Laws and Rules



- **Hawaii Revised Statutes (HRS)** Chapter 356D.
- **Hawaii Administrative Rules (HAR)** Chapters 15-185 to 15-193 and 17-2000 to 17-2038.
- **By-Laws** of the Hawaii Public Housing Authority.
- Public Housing - **Chapter IX of Title 24 Code of Federal Regulations (CFR)** OFFICE OF ASSISTANT SECRETARY FOR PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.
- Housing Choice Voucher - **24 CFR Part 5.**

Source: HPHA

HPHA Policies and Procedures Federal Requirements



The following plans and policies outline HPHA programs:

- *Admissions and Continued Occupancy Policy (ACOP)*
- *Section 8 Administrative Plan*
- *Five Year and Annual Public Housing Agency Plan (PHA Plan)*
- *Additional policies including capitalization, financial management and internal controls, maintenance, personnel, etc.*

This information is located on the HPHA's website under reference information: <http://www.hpha.hawaii.gov/referenceinformation/index.htm>

Source: HUD

Fair Housing Act



- HPHA is dedicated to providing quality affordable housing free from discrimination. The Compliance Office performs activities to ensure that HPHA manages and operates programs in accordance with Federal and State requirements, corporate policies and directives.
- In April 2018, the HPHA's Board of Directors adopted Resolution No. 18-01 Reaffirming the HPHA's Commitment to Providing Decent, Safe, and Sanitary Housing in a Manner Free from Discrimination, Harassment, and Retaliation.
- In April 2019, Governor David Ige declared it Fair Housing Awareness Month in the State of Hawaii.
- In October 2019, the Board approved the draft Transition Plan for public hearing

Source: HPHA

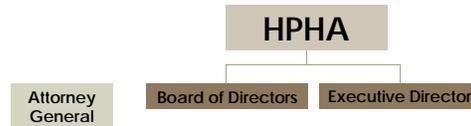
Language Access & Reasonable Accommodations

- Some tenants have limited English language skills or physical or mental disabilities that may preclude their access to important housing information or impair their physical use of their unit or property.
- HPHA has spent tens of thousands of dollars in providing language access services free of charge; establishing a language access policy; requiring mandatory training for staff; and updating and streamlining guidance for tenants regarding reasonable accommodations.
- Over the past few years, HPHA has approved approximately 1,300 reasonable accommodations, such as ADA accessibility and language access services in 22 different languages.



Source: HPHA

HPHA Organizational Structure



Source: HPHA

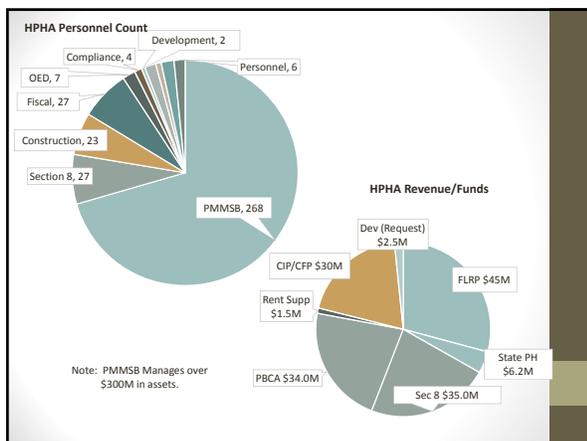
HPHA Organizational Structure



Source: HPHA

HPHA Organizational Structure

- Bargaining Units 01
United Public Workers
- Bargaining Unit 03, 02, 13
Hawaii Government Employees Association



HPHA Functional Statement



Under the policy and executive direction of the Board of Directors, the Office of the Executive Director is the focal point for the execution of the statutory provisions relating to housing management services and the delivery of housing and housing services to the State of Hawaii. The HPHA implements programs to meet goals and objectives in consonance with applicable plans and guidelines; establishes policies and procedures to guide program operations, and provides the focal point for program and personnel evaluation and development.

Source: HPHA

III. Board of Directors & Executive Director

Board Members



- **Eleven (11) total members**, nine (9) appointed by the Governor and confirmed by the Senate, two (2) are ex-officio members.
- Members are **selected from each of the counties** of Honolulu, Hawaii, Maui, and Kauai.
- One member must be an **advocate for low-income or homeless persons**.
- One member must be a **person with a disability or an advocate for persons with disabilities**.
- At least one member shall be a person who is **directly assisted by the Authority** under the federal low-rent public housing or federal Section 8 tenant-based housing assistance payment program while serving on the Board.
- The DHS Director and the Governor's designee are the ex-officio members and cannot serve as chairperson.

Source: HRS §356D-3

Board of Directors' role

Direction & Oversight



- Hold legal and financial responsibility for the PHA.
- Provide governance and financial management of the PHA.
- Establish the PHA's mission, vision, and strategic plan.
- Provide oversight ensuring ethical, legal and effective organizational performance and transparency.
- Establish, adopt and revise by-laws, resolutions, and policies affecting the operation of the PHA and its programs.
- Monitor the performance of the PHA.
- Approve the PHA's budget, five year and annual plans.
- Act in the best interests of the PHA.

Source: HUD PowerPoint

Board of Directors' Role

Provision of PHA Management



- Oversee and evaluate the efficient operation of the PHA through hiring, contract for management, intergovernmental agency agreement, etc.
- Select a qualified Director. Understand the skills, qualifications, duties to be performed, compensation to be provided, and other terms and conditions.
- Monitor and evaluate performance.

Source: HUD PowerPoint

Executive Director's Role

Day-to-Day Management of PHA Programs



- Hire, train and supervise PHA staff.
- Procure goods and services and oversee contract work.
- Develop, implement, and oversee the operating budgets, supervise cash management and bank reconciliation.
- Monitor operations for fraud and abuse.
- Maintain overall compliance with Federal, State and local laws, and Board-adopted policies and create procedures.
- Develop and manage resident programs.
- Advise the Board of issues or concerns, e.g., audits, legal, resident, financial, and laws.

Source: HUD PowerPoint

Board of Directors' Meetings



- Subject to state **Sunshine Law**, open to the public, and should promote an atmosphere respectful of tenants and the public.
- Requires a **quorum** for voting on resolutions and actions. Quorum for HPHA is 6 members.
- Governed by **PHA Bylaws**.
- Conducted in a **businesslike**, productive manner, and *not* used for info gathering.

Source: HUD PowerPoint

Board of Directors' Meetings

Chairperson's Role

- Approves agenda.
- **Manages the meeting** by calling to order, following the agenda, allowing opportunity for each Director's input, and adjourning.
- Establishes whether a **quorum** is met.
- **Recognizes visitors**/welcomes them, including allowing public comment on agenda items.

Source: HUD PowerPoint



HAWAII PUBLIC HOUSING AUTHORITY

BOARD OF DIRECTORS ORIENTATION & TRAINING PART II

IV. State & Federal Public Housing



State Public Housing

HRS §356D-44 Administration of state low-income public housing projects and programs. (a) The authority shall construct, develop, and administer property of housing for the purpose of state low-income public housing projects and programs.

The HPHA manages a total of **864 State units: 288 family**

| | |
|---------------|--|
| Oahu: | Puahala Homes (128 units), Hauiki (46 units) |
| Hawaii: | Lokahi (30 units), Ke Kumu Elua (26 units) |
| Kauai: | Kawaiehewa (26 units) |
| Maui/Mokolai: | Ka Hale Mua (32 units) |

Oahu: Hale Poai (206), Halia Hale (41), Laiola (108), Kamalu (109), Hoolulu (112) = **576 elderly**

Source: HRS & HPHA





State Public Housing Funding



- Under **HRS §356D-45**, monies received by the HPHA, including refunds, reimbursements, rentals, fees, and charges received from tenants shall be deposited in the **State Low-Income Housing Revolving Fund**. The HPHA may expend monies from the Fund toward expenses of management, operation, and maintenance of state low-income housing projects.
- Under **HRS §356D-72**, the HPHA shall deposit monies into the **Housing for Elders Revolving Fund**. Revenues from the fund may be used to pay the expenses of management, operation, and maintenance of housing projects for elders.

Source: HRS

State Public Housing Eligibility and Admissions



- Under **HAR §15-193-3**, the income limit for admission to a housing project is based on the applicant's annual household income which shall not exceed the **very low-income limits**.
- HPHA conducts required **verification of eligibility, income limits, and Hawaii state residency**.
- Participants are required to comply with **occupancy standards and continued eligibility requirements**.
- Applicants may not have a record of conduct detrimental to the project, tenants, or employees.
- Applicants shall not have been previously evicted from public housing and shall not have an outstanding debt owed to any of the HPHA's programs.

Source: HAR

State Public Housing Family Housing Project Preferences



Under **the current administrative rules**, applicants for admission into state public housing projects are given preference for placement in the following order:

- 1) The elderly;
- 2) The displaced;
- 3) Disabled veterans with service connected disabilities;
- 4) Families of deceased veterans whose death was determined to be service connected;
- 5) Other veterans;
- 6) Families residing in a transitional shelter for the homeless and who have successfully completed a social service plan; and
- 7) Other families determined by the staff.



Source: HAR Section 15-193.1

State Public Housing Sample Rent Calculation



Monthly income from social security for a single elderly (age 62) household.

| | |
|--------------------------------------|-------------------------------|
| \$770/month x 12 months = \$9,240.00 | annual income |
| - 400.00 | allowable deduction |
| \$8,840.00 | adjusted annual paid to HPHA) |

| | | |
|------------------------------|--------------------------------------|-------------------------------------|
| Rent calculation | \$8,840 divided by 12 months x 30% = | \$221.00 |
| Applicable Utility Allowance | - 25.00 | |
| | | \$196.00 (rent paid to HPHA) |

State Public Housing Future



- Continue capital repairs and accessibility upgrades.
- Address the ongoing need for continued operating subsidy to operate and maintain State Public Housing, including revamping of the rent structure for flat rents.
- Update the Hawaii Administrative Rules related to State Family and State Elderly Housing.
- Continue to investigate/research opportunities to renovate and modernize the current aging inventory of the State inventory, such as mixed finance redevelopment through public private partnerships.
- Continue to investigate/research opportunities to increase the amount of low-income, affordable housing units.

Source: HPHA



Samoan Cong
Christi

Assembly of God



Old Palms St

N School St



94 Kau'olu Place

Kamalu-Ho'olulu in W

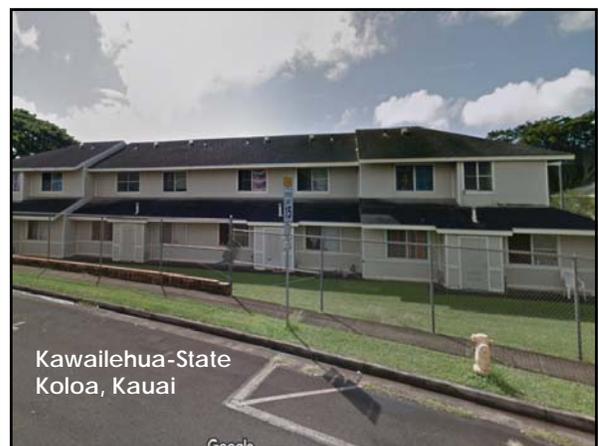
Waipahu United
Church of Christ



Ke Kumu Elua,
Waikoloa Hawaii



Kahale Mua
Maunaloa, Molokai



Kawailehua-State
Koloa, Kauai

FEDERAL PUBLIC HOUSING



- In 1937, the U.S. Housing Act established permanent public housing funded by the federal government. The following programs make up the backbone of public housing today:
 - Low Rent Housing – Asset Management Projects (AMPS)
 - Section 8 Housing Choice Voucher Program
 - Choice Neighborhoods Initiative
 - Rental Assistance Demonstration (RAD)

Source: HHS

FEDERAL PUBLIC HOUSING



- **HRS §356D-13** enables the HPHA to carry out federal public housing programs and necessary rules which include the establishment and collection of reasonable fees for administering the program.
- Under the Federal Low Rent Housing Program, HPHA rents HPHA-owned housing covered under an Annual Contributions Contract (ACC) with HUD to low-income families and individuals.
- HPHA operates the program through dwelling rent income, operating subsidy from HUD, and other income generated by HPHA or the property.
- HPHA operates 5,406 Federal Units across 17 Asset Management Projects (AMP).

Source: HHS

Federal Public Housing

Annual Contributions Contract (ACC)

The ACC is the mechanism through which the HPHA receives funding, defines the agency's obligations, and outlines remedies for breaches of contract with HUD. Should there be a breach of contract, HUD will pursue remedial actions.



Source: HUD

FEDERAL PUBLIC HOUSING



Annual Contributions Contract (ACC)

Obligations under the ACC include but are not limited to:

- Cooperation agreements
- Operating budgets
- Depository Agreements and General Fund
- Pooling of funds
- Books of account, records, and government access
- Notices, defaults, and remedies
- Conflict of interest
- Civil Right requirements

Source: HUD

Federal Public Housing



- As owner of the property, a PHA must ensure its assets are adequately protected through insurance, sound and quality business practices for managing, maintaining and modernizing its property, and by complying with regulatory requirements of the program, and applicable State or local requirements.
- The PHA's staff or agents manage the properties and act as the landlord for the PHA. The terms of the rental lease are subject to federal regulations at 24 CFR Part 966, the State Tenant/Landlord laws for residential leases, and other locally adopted rules or policies (i.e., Pets, Grievance, House rules, etc.) incorporated into the lease by reference.

Source: HUD

Federal Public Housing



The Federal **Quality Housing and Work Responsibility Act (QHWRA) of 1998** required the following of all PHAs:

- 8-hour Community Service and Self-Sufficiency Requirement by public housing residents;
- A flat rent option;
- Screening and eligibility criteria related to criminal background;
- Submission of Five-Year and Annual PHA Plans;
- Establishment of a Resident Advisory Board; and
- A resident appointment to the governing board of PHAs.

Source: HUD

Federal Public Housing



The Federal **Housing Opportunity Through Modernization Act of 2016** made additional changes for PHAs:

- *Section 402. Inclusion of Public Housing Agencies and Local Development Authorities in Emergency Solutions*

Other HOTMA provisions that require HUD rulemaking:

- Section 103 Limitation on public housing tenancy for over income families
- Section 104 Limitation on Eligibility Assistance Based on Assets
- Section 105 Units Owned by Public Housing Agencies
- Section 109 Public Housing Capital and Operating Funds

Source: HUD

Federal Public Housing Eligibility and Admissions

Under **HAR §17-2028-22**, the applicant and household members must meet the following requirements:

- Qualify as a family;
- Be income eligible as determined under section 17-2028-3;
- Not have an outstanding debt owed to the authority as a participant in any of its programs;
- Not have an outstanding liability for unpaid rent or damages incurred while previously participating in any section 8 rental subsidy program or any HUD rental assistance program;
- Provide a social security number for all family members or certify that the person does not have a social security number;

Source: HAR

Federal Public Housing Eligibility and Admissions – cont.

- Not have been evicted since March 1, 1985 from a public housing program administered by the authority or any of its predecessors, the housing and community development corporation of Hawaii or Hawaii housing authority with the exception of evictions solely due to failure to pay rent, in which case, the applicant can be admitted upon payment in full of the unpaid amounts due to the agency;
- Not have been evicted from assisted housing by reason of drug-related criminal activity for a three-year period beginning on the date of the eviction unless the evicted tenant successfully completes a supervised drug rehabilitation program approved by the authority;

Source: HAR

Federal Public Housing Eligibility and Admissions – cont.

- Not have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal or state housing program;
- Not be currently engaging in illegal use of a drug or give the authority reasonable cause to believe that a household member's illegal use (or pattern of illegal use) of a drug or abuse (or pattern of abuse) of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other tenants. For the purposes of this section:
 - "Currently engaged in" means the person has engaged in the behavior recently enough to justify a reasonable belief that the behavior is current; and

Source: HAR

Federal Public Housing Eligibility and Admissions – cont.

- In determining whether to deny eligibility based on a pattern of illegal use of a drug or a pattern of abuse of alcohol by a household member, the authority may consider rehabilitation as provided for under 42 U.S.C. §13661 (b)(2)(A)-(C) as it existed on March 23, 2013.

Source: HAR §17-2028-22

Federal Public Housing Eligibility and Admissions – cont.

- Not currently or during a three year period preceding the date when the applicant household would otherwise be selected for admission be engaged in any drug-related criminal activity or violent criminal activity or other criminal activity involving assault, terroristic threatening, firearms, dangerous weapons, harassment, kidnapping, sexual assault, extortion, forgery, burglary, unauthorized entry into a dwelling, unauthorized entry into a motor vehicle, criminal property damage, criminal trespass on public housing property, disorderly conduct, child pornography, and consuming liquor on public housing property, which is considered as reasonably likely to adversely affect the health, safety, right to peaceful enjoyment of the premises by other tenants, the authority, or staff;

Source: HAR §17-2028-22

Federal Public Housing Eligibility and Admissions – cont.

- K. Not have been convicted of drug-related criminal activity for the manufacture, production, or distribution of methamphetamines;
- L. Not subject to lifetime registration requirements under any state sex offender's registration program; and
- M. Disclose tobacco use of all family members within the household.

Source: HAR §17-2028-22

Federal Public Housing Fifty Percent Preference

Under HRS §356D-31(a)(1), the HPHA may agree to conditions as to tenant eligibility or preference required by the federal government pursuant to federal law in any contract for financial assistance with the authority; provided that **not less than fifty per cent of available units shall be for applicants without preference** and up to fifty per cent of available units shall be for applicants with preference.

PHA must submit with its Annual Plan an admissions policy designed to provide for de-concentration of poverty and income-mixing by bringing higher income tenants into lower income developments and lower income tenants into higher income developments.

Source: HRS §356D-31(a)(1)

Federal Public Housing Preferences

Under HAR §17-2028-34, eligible applicants shall be given preference for admission in the program in the order of the dates of their applications if, at the time they are seeking housing assistance, they fall within the following preferences priority groups:

- **Involuntarily displaced;**
- **Victims of domestic violence** who are participating in a program with case management through a domestic violence shelter, program, or clearinghouse; or
- **Homeless persons** who are participating in a federally or state funded homeless transitional shelter or program, and who are in compliance with a social service plan.

Source: HAR §17-2028-34

HPHA PUBLIC HOUSING



Federal Low Income Public Housing Program

Properties on Oahu



HPHA PUBLIC HOUSING



Hawaii Public Housing Authority

State & Federal Low Income Public Housing Program

November 2019



Public Housing Sites by Island

