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, January 16, 2020
Executive Session Minutes, December 19, 2019 (not for public distribution)
Executive Session Minutes, January 16, 2020 (not for public distribution)

IV. FOR ACTION/INFORMATION

A. Election of a Board Secretary for the Hawaii Public Housing Authority Board of Directors

B. To Adopt Landlord Incentive Program Rules under Act 215, Session Laws of Hawaii 2019, Without Regard to Chapter 91, Hawaii Revised Statutes, That Establishes a Program to Reimburse Landlords Who Participate in the Section 8 Housing Choice Voucher Program For Repair Costs of Tenant-Caused Property Damage When Repair Costs Exceed Tenant’s Security Deposit, and Sets Forth the Requirements for Landlord Eligibility, Submitting a Claim, Claim Review and Approval for Reimbursement; and to Authorize the Executive Director to Undertake All Other Actions Necessary to Implement the Rules Relating to the Landlord Incentive Program

C. To Authorize the Executive Director to Implement a Pilot Project at the Hawaii Public Housing Authority’s Kalaeloa Property TMK No. (1) 9-1-
Including: 1) Executing Agreements Necessary to Renovate Building 32 to be Used as a Communal Building; 2) Purchasing, Building or Accepting as a Gift Up to 39 Affordable Housing Units, also known as “Tiny Homes”; 3) Using the HPHA Unrestricted Funds Which Were Previously Set Aside for Affordable Housing Development; and 4) Undertaking All Actions Necessary to Successfully Implement the Pilot Program 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.)

D. Status on Legislative Bills and Report on Testimony by the Executive Director for the 2020 Legislative Session

V. BOARD TRAINING

A. Training by the U.S. Department of Housing and Urban Development, Mr. Jesse Wu, Director of the Office of Public Housing, Hawaii Field Office and Ms. Lora Han, Chief Counsel, Region IX

B. Training: Part II: Board Orientation on the Hawaii Public Housing Authority. Presentations by the HPHA staff
   - Hearings Office
   - 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 December 2019 is provided to the Board in the monthly packet.
   - Report on Contracts Executed During January 2020 and Planned Solicitations for February 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 January 2020.
• 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 February 18, 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.
The Board of Directors of the Hawaii Public Housing Authority held their Regular Board Meeting at 1002 North School Street, on Thursday, February 20, 2020. At approximately 9:08 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, Vice-Chairperson
- Director Lisa Darcy
- Director George De Mello
- Designee Daisy Hartsfield
- Director Roy Katsuda
- Director Susan Kunz
- Director Betty Lou Larson
- Director Kymberly Sparlin
- Deputy Attorney General Jennifer Sugita
- Deputy Attorney General Klemen Urbanc

**EXCUSED:**
- Director Todd Taniguchi

**STAFF PRESENT:**
- Hakim Ouansafi, Executive Director
- Barbara Arashiro, Executive Assistant
- Chong Gu, Chief Financial Officer
- Rick Sogawa, Contracts and Procurement Officer
- Sarah Beamer, Acting 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
- Gary Nakatsu, Program Specialist
- Jennifer Menor, Secretary to the Board

**OTHERS PRESENT (and signing in as):**
- Pastor Taavao Alualu, Solid Rock Fellowship
- Ben Edger, Michaels Development
- The Honorable Josh Green, Lieutenant Governor
- Lora Han, U.S. Department of Housing and Urban Development
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.

(Designee Hartsfield arrived at approximately 9:10 a.m.)

Lieutenant Governor Josh Green, expressed his gratitude to the Board for their consideration and support of the Kalaeloa Kauhale project and provided an update. A contract was signed between the Department of Humans Services and U.S.VETS. Lt. Governor Green discussed the significance of Building 32 which will serve as the main community building with showers, a kitchen and restrooms. Private partners will assist to decrease cost by using materials they already have and providing free labor. Lt. Governor Green reported that there are legislative proposals which formally establish the tiny homes program and provide funding, so agencies won’t have to rely on an Emergency Proclamation. An initial request was submitted for $20M to provide low-cost housing statewide, which will offer harm reduction and provide services. Lt. Governor Green’s physician non-profit group will establish a medical clinic at each Kauhale that is formed.

Director Darcy recognized the benefits of this project and encouraged Lt. Governor Green to continue requesting for what is needed to see this through.

Lt. Governor Green acknowledged the importance of getting tiny homes built expeditiously and expressed looking to the Board to assist with construction.

Chairperson Hall thanked Lt. Governor Green for his efforts.
Director Shim stated that there is a saying that “the rising tide lifts all ships”. However, he expressed that the rising tide will only lift the ships that can float and recognizes the need for the HPHA to help “lift the ships that can’t float”. He expressed his support of the project.

Senia To’o, Mayor Wright Homes tenant, testified that the children are allegedly abusing animals and chasing chickens around the property and throwing bottles of beer. Ms. To’o stated that complaints were filed with the property manager, the Property Management Branch and to the police. In addition, she reported that children are riding bikes and skateboarding on housing premises.

Chairperson Hall requested that Ms. To’o’s complaints be documented and followed-up on.

Executive Director Ouansafí confirmed that all complaints are documented and followed up on. Ms. To’o’s concerns have been addressed on several occasions.

Apeleamo To’o, Mayor Wright Homes tenant, testified regarding his concern with safety at the housing property, especially with all the incidents occurring through the media. He stated that children are allegedly approaching the back of his unit and looking through his windows. Mr. To’o also expressed concerns that the security isn’t patrolling regularly.

Director Darcy stated that, as a Board member and a renter, she is committed to every issue that comes forward and expressed her own concerns of hearing the challenges Mr. To’o has been experiencing. Unfortunately, similar issues exist everywhere and are not only specific to public housing. Director Darcy encouraged Mr. To’o to get involved with and find support within the community.

Pastor Taavao Alualu offered his support to better the community. He discussed how his parents were evicted from Mayor Wright Homes in 1986 due to his actions during his youth. Since then, he’s learned from his past and assisted Realty Laua with security at Kuhio Park Terrace for fifteen years. Although Pastor Alualu is no longer a housing tenant, his daughter and family still live in housing, and he recognizes the importance of HPHA and everyone working together.

Chairperson Hall thanked Pastor Alualu for his testimony and stated that he remembers evicting his family. He agreed that the solution is in the community, as it is difficult for government agencies to regulate behavior. Chairperson Hall commended Pastor Alualu for turning his life around. He is a true testament to the possibility of a better life after housing.

Director Katsuda agreed that everyone needs to come together and expressed his appreciation for Pastor Alualu’s support.
June Talia, Kuhio Homes tenant, expressed her concerns with the behaviors of the children at the housing property. She stated that problems/conflicts at KPT were minimal when Pastor Alualu was assisting with security and requested that he be utilized again. Ms. Talia expressed that she’d like to talk with Mr. Brandon Hegland from Michaels Management regarding children allegedly drinking and throwing things at the police cars (on Linapuni Street).

Andrew Nakoa, Sr., Mayor Wright Homes tenant, testified that children are staying out late at night and has a concern with the purse snatching incidents that have been occurring on Oahu. He proposed a curfew be established and enforced at all the housing properties, in addition to a letter to be sent to all tenants of consequences if violated (i.e. arrested or evicted). Mr. Nakoa continued to request for in-house security and the need to be stricter with violations and citations.

(Deputy Attorney General Sugita left the room at approximately 9:45 a.m. and returned at approximately 9:47 a.m.)

For Action/Information

Director Shim moved,

To Authorize the Executive Director to Implement a Pilot Project at the Hawaii Public Housing Authority’s Kalaeloa Property TMK No. (1) 9-1-013:053 Including: 1) Executing Agreements Necessary to Renovate Building 32 to be Used as a Communal Building; 2) Purchasing, Building or Accepting as a Gift Up to 39 Affordable Housing Units, also known as “Tiny Homes”; 3) Using the HPHA Unrestricted Funds Which Were Previously Set Aside for Affordable Housing Development; and 4) Undertaking All Actions Necessary to Successfully Implement the Pilot Program for the Purpose of Constructing and Operating Supportive Housing for Homeless Individuals and Families

Executive Director Ouansafi reported that a lease agreement was executed with U.S.VETS. He thanked the Department of Human Services (DHS) for assisting with funding to provide services. HomeAid Hawaii has committed to constructing 16-17 units at no cost to HPHA. A critical element to ensure the Kauhale’s success at the HPHA’s Kalaeloa property is the renovation of an existing building (Building 32), which will provide communal showers and a kitchen.

Executive Director Ouansafi requested that the Board authorize him to continue working on the project and to expend the necessary funds (anticipating no more than $2M as companies donate services and supplies) through the proper procurement process.

Director Larson asked if the said 39 units is the maximum that the property can hold or if there is opportunity for more units to be built.
Executive Director Ouansafi reported that based on the evaluation of professional architects and engineers, 39 units was recommended the ideal amount for the space that is provided. Of the 39 units, 16 units have already been donated by various developers through HomeAid Hawaii.

Director Larson asked for clarification on the procurement process for the remaining 23 units.

Executive Director Ouansafi stated that the total estimated cost to purchase one tiny home is approximately $20,000 or less. HPHA is also looking into a zero-dollar procurement, where other entities may be interested in gifting housing units.

Director Katsuda asked if there’s possibility to add more units later.

Executive Director Ouansafi clarified that 39 units is the maximum for this Kalaeloa site. Upon its success, HPHA may present to the Board further information if there’s opportunity to build additional tiny homes on other sites.

Director Larson asked if the $2M will affect other services, such as other renovations or other programs of the agency.

Executive Director Ouansafi stated that he only sees a positive impact. Through this pilot program, HPHA will be able to house 39 families under a less expensive program. Executive Director Ouansafi reported that the average cost to renovate a public housing unit is approximately $145,000, while the cost of a tiny home is approximately $20,000. Funds can always be used elsewhere, but the return of investment is much greater.

Director Larson asked if there’s a specific timeframe for the completion of the 39 units.

Executive Director Ouansafi stated that the goal is to expedite the process as much as possible. He added that environmental issues are ongoing. There is no exact projected date when the project will be open, but HPHA estimates that it will be years quicker than the usual development process.

Director Kunz asked if these units will be permanent housing.

Executive Director Ouansafi confirmed that the 39 units will be permanent supportive housing.

Director Darcy, recognizing the needs of the community, asked what types of data has HPHA gathered to certify the success of this pilot project.

Executive Director Ouansafi stated that this pilot project is consistent with the housing first model, which has demonstrated success throughout the nation.
Director Darcy asked who would be responsible to gather additional information on the project’s success and the internal costs, as the project continues.

Executive Director Ouansafi reported that HPHA’s primary role is that of the lease holder. Data can be requested from U.S.VETS (in collaboration and cooperation with other non-profit organizations) for the Board’s review.

Director Larson concurred with the significance of an evaluation of any new innovative project, like Housing First. She asked if each provider will be preparing an ongoing system to assess data for all the Kauhale to be developed.

Lt. Governor Green confirmed that U.S.VETS will assist with the data, as well as the other organizations that will be providing the health and social services. From the other models, data revealed that there was an 82% retention rate, drug consumption dropped 60%, alcohol consumption dropped 70%, and the average cost of care fell between 43-47% when shelter was supplied.

Executive Director Ouansafi clarified this will be implemented through a pilot program and anything in the future would require legislative authorization to establish a permanent program.

Chairperson Hall commented having an optimal timeframe.

Executive Director Ouansafi reported HPHA’s goal is four months.

Chairperson Hall requested that HPHA continue to update the Board on updates timely and to utilize best practice to supply housing efficiently and effectively.

Director Katsuda asked if any other language can be added to the motion to aid in moving this project forward expeditiously.

Executive Director Ouansafi expressed that the motion provided is appropriate as written to move forward while keeping the Board informed. If issues arise, HPHA will present them to the Board. HPHA’s goal is to have the project completed by Summer 2020.

Director Shim stated that there’s only one way to transform the economics of the region. Director Shim explained how offering that expertise will aid in transforming the economics of Hawaii and any other region. If we look at our community social-economically, it’s often looked at like fixing a leak in the plumbing. Director Shim acknowledged that housing is significant in plugging some of the social-economic leaks. However, there is substance to also turning off the faucet to the plumbing. Because of what he does and what has been brought to his attention, whether it be from meeting with Black Rock or Larry’s Money Manager or the lead negotiator for the State Disability Development’s goal for the Obama Administration to the Paris Accord, the world is searching for what is happening in this room right now. It’s not about collaboration; it’s
about cooperation. He highlighted that how we approach to house is significant. Everyone is seeking solutions on how to work with the community. Hawaii is starting to recognize the expertise in the community and people are preparing “projects”. Hawaii is not a project, but a home. Because we’re taking care of our home, we can accomplish more. Hawaii can help others realize where they live is not a project but a home.

The motion was unanimously approved.

Approval of Minutes

Director Katsuda moved,

To Approve the Regular Meeting Minutes of January 16, 2020

The minutes were unanimously approved as presented.

Director De Mello moved,

To Approve the Executive Session Minutes of December 19, 2019

The executive session minutes were unanimously approved as presented.

Chairperson Hall deferred consideration of the Executive Session Minutes of January 16, 2020 to a future meeting.

For Action/Information

Election of a Board Secretary for the Hawaii Public Housing Authority Board of Directors

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

Director Darcy asked for clarification on the term of office.

Executive Director Ouansafi and Chairperson Hall confirmed the term of the office of Secretary is until June 30, 2020.

Director Darcy moved,

To Elect Director George De Mello as Secretary for the Hawaii Public Housing Board of Directors
Director George De Mello accepted the nomination of Secretary. Nominations were closed.

**Director George De Mello was unanimously elected as Secretary.**

Chairperson Hall declared a recess at approximately 10:13 a.m. and the Board reconvened at approximately 10:27 a.m.

**Board Training**

**Training by the U.S. Department of Housing and Urban Development,**  
**Mr. Jesse Wu, Director of the Office of Public Housing, Hawaii Field Office and**  
**Ms. Lora Han, Chief Counsel, Region IX**

Mr. Jesse Wu briefly introduced himself and staff who accompanied him to the meeting, Ms. Lora Han and Ms. Sapna Talati.

Mr. Wu thanked the Board for their support in authorizing HPHA to enter into a Memorandum of Agreement to administer and issue Foster Youth to Independence (FYI) initiative vouchers in December 2019. He expressed the significance of these vouchers and its impact towards a vulnerable population. HPHA was able to issue a FYI voucher at the end of January 2020.

Ms. Han, Chief Counsel for U.S. Department of Housing and Urban Development (HUD) discussed the purpose and significance of this training. A copy of the training is attached.

During the training, several questions were asked and comments were made:

- From Slide 16, Director Larson asked if the PHA employee, officer or agent is able to recuse oneself if there’s a conflict of interest, while being able to listen to the discussion.

  Ms. Han stated that this will be covered later in the presentation. She added the importance of disclosing potential conflicts of interest to Mr. Jesse Wu at HUD, especially when in doubt.

- At Slide 25, Executive Assistant Arashiro explained the process of a conflict of interest. The Board member would declare that a conflict exists. HPHA would present that statement to the Attorney General’s office and State Ethics Commission for their review. All documentation to be reported to HUD. The Board member would refrain from participating in the meeting discussion and voting specific to the subject.
Director Larson asked if it’s sufficient for a Board member to recuse oneself at the meeting if there’s a conflict of interest.

Director Sparlin commented that the Board member would have knowledge of the conflict ahead of time, as the agenda is presented a week prior to the Board meetings.

Ms. Han discussed the procurement process. She added that the Board member should reveal a conflict of interest as soon as it’s recognized, before the meeting.

Executive Assistant Arashiro reported that procurement authority has been delegated to the Executive Director. The Executive Director and his staff handle the procurement information. Any list of prospective bidders is held confidential specifically to the selection committee when a proposal is being considered, which is not available to the Board or anyone outside of the committee. The HPHA Procurement Officer is responsible for reviewing all proposals and potential conflicts. All proposals include the key supervisory staff, so HPHA would be able to determine ahead of time if there’s a conflict of interest. And as Director Sparlin stated, the Board is provided the Board agenda in advance giving the Board member time to inform HPHA, who will seek advisement from Deputy Attorney General Sugita and Deputy Attorney General Urbanc.

Ms. Han asked if HPHA’s procurement process require entities to disclose potential conflicts of interest.

Executive Assistant Arashiro stated that there’s no specific requirement for entities to disclose the information.

- Director Larson asked for further clarification on what’s considered a conflict of interest. For example, she asked if there’s a conflict if she works for Catholic Charities five months of a year and volunteers at other times, but isn’t a Board member for that organization.

Mr. Wu stated that being affiliated with the organization is considered a conflict of interest up until a year after employment.

Executive Director Ouansafi stated that if a specific entity is mentioned at the Board meeting, Board members have an opportunity to request to consult with their counsel who are always present.

- Chairperson Hall stated the possibility that decisions could be made without the knowledge of a conflict.

Ms. Han recognized potential situations where this could happen and explained the importance of disclosing a conflict as soon as a Board member recognizes one.
Chairperson Hall asked if a conflict is presented at time of voting, would that mean the vote is invalid.

Ms. Han stated that it would be up to the Board, their counsel and the agency to determine the correct action to take. Every situation is different.

Executive Director Ouansafi reported that HPHA has a procurement selection committee, which the Board is not involved in. He explained an experience when he first was employed with HPHA and made sure to consult with the Deputy Attorney Generals.

Director Sparlin recognized the community span of Hawaii, where eventually someone will be related to someone.

Deputy Attorney General Sugita explained the unlikelihood of a major issue due to the procurement policy that HPHA has in place. She clarified that the Board members don’t participate in the selection, award or administration. By procurement policy, delegated authority has been given to Executive Director Ouansafi, and Executive Director Ouansafi has delegated certain functions to Procurement Officer Rick Sogawa due to a Corrective Action Order.

Ms. Han asked if this process was changed recently.

Deputy Attorney General Sugita stated that the process has been in place for some time but couldn’t identify the exact year. She discussed how incidents of conflicts were dealt with in the past. The Board only sees the big projects, where many times the Board is unaware of the subcontractor of subcontractor. For the entities that are presented to the Board, a conflict would be identifiable in advance since the agenda is provided prior to the meetings.

Ms. Han explained the significance of disclosing any potential conflict and having each situation reviewed by HUD. Although the Board doesn’t participate in the selection and award, Ms. Han asked if voting on a motion would be considered an administration of a contract.

Mr. Wu discussed his understanding of HPHA’s selection process, where all proposals are evaluated by a committee and proper documentation is noted on their reasons of their selection.

Deputy Attorney General Urbanc clarified that even with the procurement delegation as it is, the request for a waiver of conflict would still need to be presented to the Board. He discussed a situation that occurred approximately a year ago where he tried to obtain a waiver of conflict in a potential employee-relative situation and the Board had approved a request for waiver. HUD found it a pre-mature request since a waiver of conflict should only be requested at a time that the proposed contractor
has provided a bid and it was only at the selection stage. HUD chose not to engage in the waiver. Discussions took place with HUD and Washington counsel.

Ms. Han recognized that each situation is different and each counsel may vary in response. All in all, she expressed the importance of asking if unsure.

Executive Director Ouansafi explained the effectiveness of the procurement process.

- At Slide 30, Deputy Attorney General Sugita asked if administrative actions are also excluded.

Ms. Han confirmed that litigation reporting also excludes administrative actions.

- At Slide 34, Director Darcy asked who to contact if a Board member has inquiries regarding the Hatch Act.

Ms. Han directed the Board members to contact their Deputy Attorney Generals.

Deputy Attorney General Sugita added that the Hatch Act applies to everyone (all HPHA staff, the Board of Directors and the Deputy Attorney Generals).

- At Slide 35, Deputy Attorney General Sugita asked for clarification on a Hatch Act violation when using one’s personal social media account.

Ms. Han reported that commenting, “retweeting”, “liking” or using emoji’s in reference to anything political is considered a Hatch Act violation if using one’s personal account when carried out during work hours and in the workplace.

- Executive Director Ouansafi asked if a Board member or Executive Director are allowed to attend a political function and contribute.

Ms. Han confirmed that attending a political function and contributing isn’t a violation of the Hatch Act. She advised that it’s best to refrain from any political discussion in the workplace.

- At Slide 36, Director Shim stated that he is unfamiliar with the content and commented on the importance of drawing awareness and asking when unsure.

- Director Darcy asked for examples of the extreme consequences if a Hatch Act violation occurs.

Ms. Han explained that being a Board member, it’d affect the Board panel, the housing authority and possibly federal funding. In terms of a criminal or civil penalty, she’s unaware of its extent.
Ms. Han reported that Mr. Wu and herself are available when questions arise in the future.

**For Action/Information**

**Director Shim moved,**

To Adopt Landlord Incentive Program Rules under Act 215, Session Laws of Hawaii (SLH) 2019, Without Regard to Chapter 91, Hawaii Revised Statutes (HRS), That Establishes a Program to Reimburse Landlords Who Participate in the Section 8 Housing Choice Voucher Program For Repair Costs of Tenant-Caused Property Damage When Repair Costs Exceed Tenant’s Security Deposit, and Sets Forth the Requirements for Landlord Eligibility, Submitting a Claim, Claim Review and Approval for Reimbursement; and to Authorize the Executive Director to Undertake All Other Actions Necessary to Implement the Rules Relating to the Landlord Incentive Program

Executive Director Ouansafi reported the difficulties that arise when recruiting Section 8 landlords. Currently, HPHA has issued 60 vouchers to families who are still seeking a home.

The Governor of the State of Hawaii signed into law (Act 215), which established a Landlord Incentive Program to provide reimbursement for costs to repair tenant-cause property damage. By adopting the rules provided, HPHA hopes that more landlords would be incentivized to accept Section 8 tenants.

Director Larson asked how HPHA will be informing landlords of this provision without adding to the negative connotation towards Section 8 tenants.

Executive Director Ouansafi reported that a Landlord Liaison has been established to contact landlords and provide information.

Designee Hartsfield stated that $450,000 were appropriated through June 30, 2020 and asked how much of those funds does HPHA anticipate on expending by the due date. Designee Hartsfield also asked if the same amount of funds would be requested in regards to SB 2647.

Executive Director Ouansafi reported that HPHA doesn’t anticipate expending any of those funds by the said date, as we don’t expect any issues to occur. In regards to SB 2647, Executive Director Ouansafi stated that HPHA is requesting approximately $500,000.

Chairperson Hall recognized the struggle to have adequate staffing and asked how that will impact this motion. He acknowledged a Landlord Liaison will be assisting with the
success of Section 8 and asked if anything else could be beneficial with the implementation of the motion.

Executive Director Ouansafi reported that HPHA is operating with fewer staff than needed. Recognizing the significance of obtaining adequate staffing, HPHA has lowered the entry level by downgrading the PHS II position to PHS I and will provide the necessary training to have new staffing reach an optimal level.

The motion was unanimously approved.

For Information:

Status on Legislative Bills and Report on Testimony by the Executive Director for the 2020 Legislative Session

Executive Director Ouansafi reported that HPHA is continuously reviewing bills that may affect housing. Many bills passed with amendments. He briefly discussed SB 2255 relating to teacher rental housing. He also reported on bills regarding rent supplement, which HPHA is monitoring. HPHA testified in support or submitted comments on various bills.

Director Sparlin commented on SB 62, which was revived from last year, requiring boards and commission to livestream their meetings. She expressed her concerns regarding this bill due to technical capabilities and financial issues. She understood the reasons for it, but brought up matters of having remote testimony and issues arising if the internet is down at the time of meetings.

Chairperson Hall asked if the State still has the video conferencing facilities (at the Kalanimoku building).

Executive Assistant Arashiro confirmed that the video conferencing facilities are still available.

Director Darcy expressed the significance of public meetings for the community, especially for those on the neighbor islands.

Director Sparlin agreed with the need for civil engagement. Her concern was having the appropriate equipment available for the process to work.

Chairperson Hall found it ironic that Legislature will publicize certain bills and hearings but not all.

Director Darcy stated that there are various methods to communicate effectively and encouraged Hawaii to recognize the need and significance.
Director Larson asked for clarification on SB 2042 relating to public housing rent-to-own pilot program and asked if this program already exists in Section 8. She also asked if the entire building is required to be rent-to-own in order for a tenant to participate.

Executive Director Ouansafi reported that the rent-to-own pilot program is different from Section 8. He stated that SB 2042 applies to new state public housing projects, which are being built. Executive Director Ouansafi explained that nothing has been established yet in regards to the requirements as it would depend on the administrative rules.

Director Larson expressed her concern with the ability of a project to maintain long-term affordability under a rent-to-own model.

Executive Director Ouansafi reported that HPHA is uncertain what the specific intent is for SB 2042; however, HPHA is watching the bill closely. If the bill becomes a law, HPHA will engage the community to evaluate how to move forward.

Chairperson Hall asked for an approximate amount of administrative bills that are present and if there are any adverse bills that could impact HPHA.

Executive Director Ouansafi reported that HPHA has zero administrative bills. There are no adverse bills that would impact HPHA. Some bills had potential of being a concern but amendments were made so they no longer pose an issue. Executive Director Ouansafi stated that HPHA supported a sister agency with SB 3113 to convey a parcel, but the parcel is not owned by HPHA.

Chairperson Hall recognized the extent of the Legislative bill process and sought more information on what HPHA is tracking.

Executive Director Ouansafi explained that there was potential of controversial bills that could have affected HPHA; however, they no longer pose a concern because amendments were made. He stated that the language for SB 2010 has been amended, so there isn’t an issue for HPHA.

Chairperson Hall declared a recess at approximately 11:56 a.m. and the Board reconvened at approximately 12:25 p.m.

**Board Training**

**Training: Part II: Board Orientation on the Hawaii Public Housing Authority.**

Presentations by the HPHA staff
- Hearings Office
- Housing Choice Voucher - Section 8
- Construction Management
- Program Management
• Financial Management
• Procurement & Contracting Requirements
• Ethics
• Ongoing Programs, Projects & Challenges

As part of the orientation, the Branch Chiefs briefly introduced themselves and presented their specific area or function. A copy of the Board orientation is attached.

During the orientation, several questions were asked:

Hearings Office

• Director Darcy asked what has contributed to the decline in the number of families that have been evicted from public housing.

Hearings Officer Renee Blondin-Nip stated that tenant education, enforcement of the rental agreement and community involvement has aided in the decline. As tenants get evicted, others begin to realize that they must pay rent and comply with the terms of the rental agreement or face eviction.

Executive Director Ouansafi added that proper training in health and safety for the staff and tenants has contributed to the reduction.

• Designee Hartsfield asked for the most common reasons for eviction.

Hearings Officer Renee Blondin-Nip reported the two most common reasons for evictions are non-payment of rent and drug/criminal activity. HPHA staff work diligently with the tenants, and if families refuse to correct the matter, other processes are carried out.

Executive Director Ouansafi stated that criminal and health safety are evaluated on expedited bases.

• Director Larson recalled that 200 cases were referred for eviction and 47 families were evicted (in FY 2018-2019). She asked what became of the remaining cases.

Hearings Officer Renee Blondin-Nip reported on a variety of reasons, where some cases were dismissed, withdrawn, families were put on conditions or families were placed on a payment plan. The eviction rate is below 1%.

• Chairperson Hall recognized the effectiveness of the Hearings process. He asked what could assist with the timeframe between the community input (i.e. testimonies of concerned tenants about threats of other tenants who should be evicted) to being reviewed by the Hearings office.
Hearings Officer Renee Blondin-Nip discussed the significance of management enforcement and documenting violations regularly while getting the community to support the document.

Executive Assistant Arashiro explained that often times testimony provided to the Board during public testimony is one-sided.

Executive Director Ouansafi added that HPHA’s main concern is confidentiality and protecting families. Tenants aren’t aware of what occurs behind the scene and don’t understand the extent of the eviction process. HPHA is mindful of all the cases that are presented and handle each accordingly. Some issues are out of HPHA’s control. However, in serious situations like when disagreements occur amongst two families, both are called to the office separately or law enforcement handles the conflict.

Hearings Officer Renee Blondin-Nip stated that another matter which affects the timing of the evictions process is when Legal Aid Society of Hawaii is involved. When Legal Aid gets involved in the process there are delays when they request time for review of the facts, before moving forward with the eviction process.

Executive Director Ouansafi assured the Board that all complaints are investigated in a timely manner.

Director Darcy asked what the Board’s responsibility is when tenants continue to testify at the meetings.

Director De Mello acknowledged that the eviction process takes approximately a year and noticed that the children’s actions are getting their parents in trouble.

- Executive Assistant Arashiro explained the eviction process for federal public housing, which goes from an informal meeting to a grievance hearing and then to eviction.

Director Larson asked who the Grievance Hearing Officer is.

Executive Assistant Arashiro reported that the Property Management staff will preside over the grievance and confirmed that the property manager doesn’t participate in the grievance hearing.

Executive Director Ouansafi added that some cases get resolved and don’t need to be reviewed by the Hearings Office.

Section 8
• Director Larson asked for clarification on the initial 40% that families may have to pay up to. She expressed her concern that voucher holders may not be able to pay more than 30%.

Acting Section 8 Subsidy Program Branch Chief Sarah Beamer reported that there’s a rent reasonableness that is applied for each zip code.

Executive Director Ouansafi explained the process. HPHA is able to go up to 110% fair market. It’s a program violation to pay additional rent or make any side payment. Based on the zip code, if the rent is fair and reasonable, HPHA will pay the difference. Ultimately, voucher holders have the choice on where they choose to live.

Acting Section 8 Subsidy Program Branch Chief Sarah Beamer clarified that voucher holders can pay between 30-40% of their income initially for rent and utility combined. If the landlord increases the rent, HPHA will perform another rent reasonable, and if it’s still considered reasonable for that zip code, the voucher holder is responsible to pay the difference if the family chooses to remain at that household. She explained that it’s considered a federal violation if the landlord is collecting extra payment from the voucher holder and is considered a violation of tenant obligations.

(Director Shim left the room at approximately 12:53 p.m. and returned at approximately 12:55 p.m.)

• Director Larson asked for clarification on families being eligible to receive a tenant-based voucher after living in the Project Based building for one year. She also asked if there’s potential to increase the project-based and put vouchers into other buildings.

Acting Section 8 Subsidy Program Branch Chief Sarah Beamer confirmed that if a family is in a project-based unit, at KPT or Palolo, for a minimum of a year, they are able to request a tenant-based voucher.

Executive Director Ouansafi reported that there is a federal cap on the number of project-based vouchers a PHA can have. The cap is not to exceed 20% of the HPHA’s tenant based voucher authority. The remaining project-based vouchers are likely targeted for development. Executive Director Ouansafi added that the Housing Choice Voucher (HCV) Program is HPHA’s largest program, which receives approximately $34M.

• Chairperson Hall asked if the State is allowed to be a landlord, referencing when DHHL opens up rental housing and using potential vouchers. He expressed that this would be something to research.
Executive Director Ouansafi reported that rental housing that is owned by the State, they’d need to consult with HUD to seek approval, unless it’s project-based.

- Director Larson asked if tenant-based families are able to move into a RAD project.

Executive Director Ouansafi clarified that they are separate from one another. Section 8 voucher has a distinct budget and waitlist, separate from public housing. RAD conversion is separate and has its own value, which is traditionally less. There’s a process to follow to transfer from one to the other, with an exception to being displaced as a result of a development.

Construction Management

- Chairperson Hall asked to what extent security cameras are used by HPHA and if there’s a guideline that’s followed, so that security cameras are not infringing on people’s rights.

Construction Management Branch Chief Becky Choi clarified that security cameras are utilized based on the AMP staff and the need for them. For example, security cameras assist in documenting hot spots and other areas with criminal activity. Tenants are informed that security cameras are in use.

Executive Director Ouansafi reported that the security cameras will always appear to infringe on the community. However, the HPHA only installs them in situations of great need such as an increase in criminal activity, drug use, unauthorized guests, etc. HPHA ensures that proper signage is displayed and tenants are informed of the use of cameras. Safety is of utmost concern so HPHA expends approximately $10,000/day on security. Kalakaua Homes was approved to have security cameras at their corridors due to suspected drug activity and unauthorized guests harassing tenants.

Construction Management Branch Chief Becky Choi added that the security cameras would never be used in a unit and are never aimed into a tenant unit.

- Designee Hartsfield asked what measures are being done to fill position vacancies in the Construction Management Branch.

Construction Management Branch Chief Becky Choi stated that HPHA is in constant recruitment. She acknowledged the difficulty of filling positions, especially since the private sectors are able to offer higher salaries. Recently, there have been some promising applicants, so Construction Management Branch Chief Becky Choi expressed being hopeful that she’ll be able to fill positions.

Executive Director Ouansafi recognized the huge concern and stated that HPHA has engaged in an agreement with the University of Hawaii (UH) to conduct a salary
study. Many former staff have gone to other agencies due to the opportunity of a higher salary.

Chairperson Hall asked if HPHA offers an internship program to allow UH to work with HPHA staff to alleviate some of the workload.

Executive Director Ouansafi confirmed that HPHA does reach out to UH seeking internships; however, hasn’t had any success.

Human Resources Supervisor Shirley Befitel explained that HPHA participates at job fairs at UH. Many times, HPHA found that students weren’t interested due to their time restraints (class schedule) and the internship is volunteer based. Students also don’t have resumes available.

Construction Management Branch Chief Becky Choi added that HPHA also has reached out to professional organizations.

Director Darcy acknowledged how one’s salary plays a significant role when choosing a place of work.

Executive Director Ouansafi stated that HPHA has adequate funding for staffing; however, needing to follow certain guidelines.

Director Larson asked if HPHA also communicates the vision of the agency and ability to help people.

Executive Director Ouansafi explained some of the challenges that are faced despite what they can accomplished at HPHA.

Director Shim thanked HPHA staff on their commitment and efforts. He offered to organize a meeting with his colleague who is the Dean at the University of Hawaii of Engineering, Brennon Morioka, who could assist with the concept of one being a public servant.

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

**Executive Director’s Report**

Executive Director Ouansafi stated that HPHA welcomes outside help. He reported having discussions with Pastor Alualu. However, there were procurement issues to be resolved.

Designee Hartsfield referred to Page 22 of the Executive Director’s Report (Page 185 of the Board packet) and asked for clarification on the dates regarding Hearings for the
fiscal year of 2020. Also, of the 20 federal cases that were referred, (3 families could remain in housing and 9 families were evicted), she asked what happened to the remaining 8 families.

Executive Director Ouansafi clarified that the fiscal year 2020 started from July 1, 2019. The remaining 8 cases that aren't noted are still pending and working through the process.

Designee Hartsfield moved,

To Adjourn the Meeting

The motion was unanimously approved.

The meeting adjourned at 1:30 p.m.

MINUTES CERTIFICATION:

Minutes Prepared by:

Jennifer K. Menor
Secretary to the Board

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on April 16, 2020 [✓] As Presented [ ] As Amended

George De Mello
Board Secretary
PUBLIC HOUSING BOARD OF COMMISSIONERS TRAINING

Hawaii Public Housing Authority
Board of Commissioners Training
February 2020

BACK TO THE BASICS

- **U.S. Housing Act of 1937** = creation of Public and Indian Housing (PIH) program
- PIH program provides affordable housing to over 2.9 million households
- Goal of program is to provide decent and affordable housing for ALL citizens
- Allows for creation of municipal housing organizations/corporations – Public Housing Authorities (PHA) – to administer federal programs and receive federal funds
- U.S. Housing Act of 1937 amended 1968 to reform public housing
- Housing and Community Development Act of 1974 and 1987 followed, establishing CDBG Block Grants
- Landmark Quality Housing and Work Responsibility Act of 1998 (QWHRA) legislation. Under QWHRA:
  - Community service required for some public housing residents
  - Flat rent option in public housing
  - Screening and eligibility criteria related to criminal background
  - Five year and Annual Plan required, including Resident Advisory Board
  - Requirement for resident appointment to governing board of PHAs

WHAT IS A PHA?

Any State, county, municipality, or other 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 1937 Act.
**PHA RESPONSIBILITIES**

- The PHA is a legally created governmental entity = PHA may sue and be sued
- Board must assure PHA operates legally and within the established requirements, and with integrity in its daily operations
- To foster greater economy and efficiencies, PHAs are encouraged to enter into state and local intergovernmental agreements for procurement of common goods/services (i.e. form partnerships with non-profits, private organizations, etc. to mutually achieve goals
- Use of HUD funds has limitations

---

**The Board’s Role in PHA**

- Provide for proper **management** and **oversight** of PHA operations
- Securing management and staff for the PHA
- Authorize new contracts, budgets, payments, and Applications for Funding
- Develop the PHA’s Mission, Goals, and Plan
- Establish local discretionary policy
The Executive Director’s Role in PHA

- Hire, train, supervise, terminate PHA staff
- Procure goods/services and oversee contracted work
- Prepare PHA budgets, cash management
- Enforce Leases
- Monitor operations for fraud and abuse
- Maintain overall compliance with laws and board adopted policies/procedures
- Keep Board informed!

Lead The Way: Board Training

www.hudexchange.info/public-housing

WHAT IS LEAD THE WAY?

In July 2015, HUD’s Office of Public and Indian Housing launched Lead the Way: PHA Governance and Financial Management. This informational resource for PHA Board members and staff is designed to help them fulfill PHA roles and responsibilities, and integrates video stories from five PHAs across the country.

The first three sections cover PHA Foundations:
- Fundamentals of Oversight presents the history and context of public housing.
- Roles and Responsibilities addresses PHA board and staff functions.
- Public Housing Basics outlines key components of public housing.

Lead the Way then helps enhance skills in six key aspects of PHA governance and financial management:
- Asset Management
- Housing Choice Voucher Program
- Budgets
- Ethics
- Assessing Your PHA
- Know Your PHA

HOW DOES IT WORK?

Lead the Way can be accessed anytime, day or night, individually or with other board members or staff. Lead the Way is easy to navigate so users can easily return to any section to find the information they need; and the curriculum keeps track of what they’ve completed. Features include:
- Video vignettes from real PHAs
- Audio case studies that offer opportunities to apply new knowledge and skills
- Text slides with in-depth information that allow users to focus on what is most important
- Quizzes to assess and reinforce learning
- Interactive worksheets

Check the HUD Exchange for information about upcoming virtual and live training opportunities.

LEARN MORE:
Find Lead the Way at www.hudexchange.info/public-housing.
Comparing Board of Commissioners and Executive Directors Roles/Responsibilities

<table>
<thead>
<tr>
<th>Board of Commissioners</th>
<th>Executive Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management/Oversight</td>
<td>Day to day Operations</td>
</tr>
<tr>
<td>Authorize and Approve Contracts</td>
<td>Ensure that Contractual Obligations are Met (Terms of Contract being fulfilled)</td>
</tr>
<tr>
<td>Authorize/Approve Budget</td>
<td>Run PHA with APPROVED Budget – procure services/goods, hire employees</td>
</tr>
<tr>
<td>Establish Mission/Goals/Plans/Policy</td>
<td>Manage PHA in accordance with Mission/Goals/Plans Policy set by Board</td>
</tr>
<tr>
<td>Ensure Ethical, Legal, and Effective Work Performance by PHA</td>
<td>Keep Board Informed and Seek Board Approval</td>
</tr>
</tbody>
</table>

Board Meetings

- It’s a business meeting – most PHAs use parliamentary procedures
- Meetings should be productive (exchanging ideas, deliberation and taking action) and not used for gathering information
- Meetings are open to the public but, the public does not have a right to speak, however they do have the right to be there and see and hear (give copy of agenda). Understand your State open meetings law. HRS Chapter 92.
- Notice of board meetings, agendas, board minutes, and resolutions are official records of the board’s proceedings
Board Meetings

- Voting on resolutions or other actions is only permitted when a quorum (majority of board members) is established.
- Meeting packets should be provided in advance to allow review prior to the meeting (i.e., Director’s report, agenda financial, committee reports, etc.).
- Majority vote is required to pass a resolution.
- Review the Bylaws to know meeting parameters
- Board Chair approves final agenda, runs meetings

Board Minutes

- Date/Time
- Type of meeting (regular, special, annual)
- Identify members present & absent; who’s presiding over meeting
- Executive Director’s report (the issues, background information and recommendations)
- Motions and their disposition
- Notations (references to supporting materials in packet)
- General Notes
  - Minutes from previous meeting
  - Financials & financial notes (statistics, explanation of budget variances, other information as appropriate)
  - Committee reports (brief report, with recommendation to full board)
Annual Contributions Contract

- Written contract between HUD and PHA
- HUD agrees to make payments to the PHA, over a specified term, for housing assistance payments to owners and for the PHA administrative fee
- Provides terms/conditions including Civil Rights Requirements, Conflicts of Interest (Public Housing = Section 19 ACC, Section 8 = 24 CFR 982.161)
- Public Housing = Forms HUD-53012A and 53012B
- Section 8 = Forms HUD-52520 and 52520A

Conflict of Interest Sources of Authority:

<table>
<thead>
<tr>
<th>Program/Activity</th>
<th>Topic</th>
<th>Citation/Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement</td>
<td>Conflicts of Interest in Contracts</td>
<td>2 C.F.R. § 200, Handbook 7460.8 Rev. 2 (3/07)</td>
</tr>
<tr>
<td>Public Housing</td>
<td>Conflicts of Interest in Contracts</td>
<td>Section 19(A) of Annual Contributions Contract (ACC)</td>
</tr>
<tr>
<td>Section 8</td>
<td>Conflicts of Interest in Contracts</td>
<td>24 C.F.R. § 982.161, Section 13 of the Housing Assistance Payments Contract</td>
</tr>
</tbody>
</table>
2 CFR 200 – Procurement Conflicts:

“No [PHA] employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest or a tangible personal benefit from a firm considered for a contract.”

What does 2 CFR 200 say?

- PHA employee, officer or agent may not participate in the selection, award or administration of a contract supported by Federal funds if:
  - The employee, officer or agent,
  - Any member of his immediate family = spouse, children, mother or father, brothers or sisters, “half” or “step” relatives included
  - His partner;
  - Or an organization which employs him

has a financial interest or other interest in the firm selected for the award.
Section 19(a) of the ACC:

Neither the housing authority nor any of its contractors or subcontractors may enter into any contract or arrangement in connection with a project under this ACC in which any of the following classes of persons has an interest, direct or indirect, during his or her tenure or for one year thereafter:

- Any member or officer of the governing body of the housing authority or any member of their immediate family (except a tenant commissioner)
- Any employee of the housing authority who formulates policy or who influences decisions with respect to the project or any member of their immediate family
- Any public official or local government body member who exercises functions or responsibilities with respect to the project or any member of their immediate family

Section 19(b) of the ACC (Nepotism):

The Housing Authority may not hire a person in connection with a project if the prospective employee is the immediate family member belonging to one of the following classes:

- Present or former member or officer of governing body of HA (former tenant commissioner – some exceptions)
- Employee of HA who makes policy or influences decisions with respect to projects
- Public official, member of local governing body, or State or local legislator, who exercises functions or responsibilities with respect to projects or HA
A Closer Look at ACC Conflict Provision:

PHA, its contractors and subs, may not enter into a contract in connection with a project under the ACC if the following persons have an interest in the contract:

1. Present or former members or officers of the HA or their immediate families.

2. Employees of the HA, their immediate families or partners who:
   Formulate policy or who influence decisions regarding the project(s) and/or applicable HUD program(s)

3. Public officials, members of the local government body, or state or local legislators, or their immediate families who:
   Exercise functions or responsibilities regarding the project(s) or the HA.

Restriction applies during the person’s tenure and for one year thereafter.

Interest can be direct or indirect

24 CFR 982.161 (for Housing Choice Voucher conflicts):

Housing Authority, its contractors and subs may not enter into a contract in connection with a project under the ACC if the following persons have an interest in the contract:

1. Present or former members or officers of the HA or their immediate families.

2. Employees of the HA, their immediate families or partners who: Formulate policy or who influence decisions regarding the project(s) and/or applicable HUD program(s)

3. Public officials, members of the local government body, or state or local legislators, or their immediate families who: Exercise functions or responsibilities regarding the project(s) or the HA.

Restriction applies during the person’s tenure and for one year thereafter.
How a conflict is established:

1. You must disclose your interest or prospective interest to the housing authority.
2. The housing authority may either refrain from entering into the conflict or submit a conflict waiver request to the HUD Honolulu Office.
3. HUD may waive a conflict of interest if there is good cause and if permitted under state and local law.

Waiver of conflicts:

HUD may waive a conflict if – (1) it is permitted under state/local ethics laws and (2) there is good cause.

- Compliance with state/local law: Submit an attorney’s opinion which cites the applicable state and local ethics laws and attests that there is no violation.
- Good cause: Good cause is a difficult standard to meet. The PHA must submit an opinion with accompanying backup documentation showing that good cause exists; for example: that otherwise, a HUD program goal would be very difficult to meet, that there are no other potential providers of the service, or that none of the non-conflicted parties were as qualified.
Submission of waiver requests to HUD:

Submit request and backup documentation to the Office of Public Housing in HUD’s Honolulu Field Office. The Office of Public Housing submits the request to the Office of General Counsel in Los Angeles, as appropriate, with a memorandum stating whether it believes there is a conflict, and if so, whether it should be waived. The Honolulu Field Office then submits its recommendation to Headquarters. The Headquarters Office of Assisted Housing and Office of General Counsel make a final determination.

Practical tips for working with HUD:

- Detail adequately why there is good cause. Provide backup documentation to support every proposition you make.
  - For example, do not simply state that the selected party was the most qualified, but provide documentation showing why non-conflicted parties were not as qualified (i.e. job descriptions, bid submissions, list of parties considered).
- Always follow the procurement process as mandated by HUD and the housing authority’s procurement process.
- Remember that there are alternatives to choosing a conflicted party. Saying “no” is always an option!
Practice question #1:

- Someone elected to the PHA Board also serves on the board of non-profit A, which provides adult reading services. In a contract involving a community project, the PHA wants to hire non-profit A to run an adult literacy class as part of its educational initiative. Is there a conflict?
- Is there good cause, if the board member recused herself and followed all state and local ethics laws?

Practice question #2:

- The PHA wants to hire the sister of the PHA’s Executive Director as a clerk typist. Is there a conflict?
- The PHA now wants to hire a sister of one of its public housing account specialists for a clerk typist position. Is there still a conflict?
Practice question #3:

- A newly appointed City Director of Housing and Community Development owns a Section 8 property, which he has been renting out for the past five years to a low income family using Housing Choice Vouchers. The Director wishes to continue renting the property to Section 8 tenants. Is there a conflict?
- But is this still permissible?

Practice question #4:

- The PHA wants to hire an individual who is a section 8 landlord as a maintenance mechanic for the PHA. Is there a conflict?
Practice question #5:

- The PHA wants to procure a construction company to install floor tiles in one of its public housing developments. A PHA board member mentions that his brother works for a company which does floor tile installations, including non-slip tiles which are suitable for elderly and younger residents. The company is willing to install them cheaply, so the PHA enters into an MOU (Memorandum of Understanding) with the company. Is there a conflict?

LITIGATION REPORTING REQUIREMENTS

- PHA must notify HUD if PHA is involved in, or threatened with, any litigation involving:
  - Construction or application of: a Federal or state constitution, statute, or regulation, HUD assistance, contract, or cooperation agreement AND/OR
  - If an adverse judgment would be satisfied from HUD funds
- Excludes routine eviction actions and HCV program litigation
• Must obtain HUD Regional Counsel’s written concurrence prior to the following:
  -Initiation of litigation by the Housing Authority
  -An appeal from an adverse judgment
  -A settlement arising out of litigation
  -Procurement of private legal services expected to exceed $100,000
• If you’re unsure – report it.
• HUD Regional Counsel: Mike.Propst@hud.gov

---

**Hatch Act**

What is the Hatch Act?

• Federal legislation that restricts political activity of certain government employees
• It ensures the federal workforce is free from partisan political influence or coercion
• Although federal law, Hatch Act also applies to individuals employed by state, county, and municipal executive agencies in connection with programs that include federal funds
Hatch Act and Public Housing Authority

- Public Housing Board of Commissioners perform duties in connection with programs financed by federal monies
- Doesn’t matter that you are not a federal employee
- Violations of Hatch Act may result in penalties such as loss of federal funding and removal from your position
- Hatch Act applies at all times, not just when conducting Board business

Hatch Act Dos and Don’ts

<table>
<thead>
<tr>
<th>You MAY:</th>
<th>You MAY NOT:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Be a candidate in a Non-Partisan Election</td>
<td>Be a candidate in a Partisan Election</td>
</tr>
<tr>
<td>May register and vote as you choose</td>
<td>Use official position influence to interfere in election</td>
</tr>
<tr>
<td>Contribute money and campaign in partisan elections</td>
<td>Coerce political contributions from subordinates in support of political party or candidate</td>
</tr>
<tr>
<td>Hold office in political parties</td>
<td>Accept political contributions or engage in political activity while in workplace or in official capacity</td>
</tr>
</tbody>
</table>
Hatch Act and Social Media

Hatch Act - FAQs

- Is it okay for a Housing Authority Employee to run for a school board?
  
  **Need to understand/confirm Non-Partisan status**

- Can a Housing Authority Employee be a delegate to the Republic National Convention?

- Can a Housing Authority Employee sponsor a candidate for Democratic State Senator?

- Can I support my spouse who’s running for office and participate in her campaign activities?
Thank You!
HAWAII PUBLIC HOUSING AUTHORITY

Board of Directors
Orientation & Training

Hearings Office
Hearings Office

• The Hearings Office is responsible for the administration of HRS §356D-62 and HRS §356D-93 as it relates to the lease termination proceedings of tenants of state and federal public housing projects, and for preparing the record on appeal, settlement agreements on eviction matters and contested cases. The contested case hearing is a full and fair hearing pursuant to HRS, Chapter 91.

• On average the Hearings Office receives 200 cases a year for the nonpayment of rent, drug or other criminal activities and/or other lease violations.

• The Hearings Office oversees the 7 evictions boards for federal cases, 3 for Oahu and 4 for the Neighbor Islands and 1 eviction board for state cases.

Eviction Board

• Where the Authority proposes to terminate a lease or rental agreement and evict a tenant, a hearing is held to determine whether cause exists for the action.

• Hearings are conducted by an Eviction Board, who are appointed by the HPHA Board of Directors.

• The Eviction Board shall consist of not less than one (two for state) and no more than three members, of which one member shall be a tenant.

  number of families evicted from federal public housing by fiscal year.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Families Evicted</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 15-16</td>
<td>89 families</td>
</tr>
<tr>
<td>FY 16-17</td>
<td>63 families</td>
</tr>
<tr>
<td>FY 17-18</td>
<td>85 families</td>
</tr>
<tr>
<td>FY 18-19</td>
<td>47 families</td>
</tr>
</tbody>
</table>

Source: HRS §356D-93
Grievance Hearing

- “Grievance” means any dispute which a tenant may have with respect to the HPHA’s action or failure to act in accordance with the individual tenant’s rental agreement or the authority’s rules which adversely affect the individual tenant’s rights, duties, welfare, or status.

- A tenant of HPHA Federal public housing projects may submit a request for a grievance hearing specifying the reasons for the grievance and the action or relief sought.

- A complainant shall be afforded a fair, informal hearing conducted by a hearing officer pursuant to HAR, Chapter 17-2021.

Source: HAR Chapter 17-2021

Grievance Hearing

- A grievance hearings officer will determine whether there is a violation of the lease or other rules.

- The HPHA holds a meeting with the family before a tenant is allowed to request a grievance. This allows both management and the tenant to work things out on an informal basis.

Source: HAR Chapter 17-2021
V. Housing Choice Voucher “Section 8” Program

Housing Choice Voucher “Section 8” (HCV):

Source: HPHA
Background and Purpose

- Created by Congress in the mid-1970s as an alternative to traditional public housing “projects” allowing low-income families to rent from private landlords
- Originally called “Section 8” but has been renamed “Housing Choice Voucher Program” (HCV)
- A low-income family pays 30-40% of their income toward rent and utilities and the government pays the remainder of the rent to the landlord
- The goal is to give low-income families more choices and autonomy in housing themselves, hopefully leading to a de-concentration of poverty and economic/housing stability
- Helps landlords keep their properties in good shape as a result of annual inspections

Basic Program Information

- The family is eligible for rental assistance.
- They choose their housing.
- They have 60 days to use the voucher.
- The rental unit must be approved by HPHA.
- Must sign a one year lease.
- If the family chooses a unit that is smaller than their voucher size, the amount they can spend for rent and utilities will decrease
- The family can choose a unit that is larger than the voucher size if it is in their price range
• **Types of Vouchers/programs manage by HCV**
  - Tenant-Based Voucher
  - Project-Based Voucher (e.g., Palolo Homes, KPT, and Cloudbreak)
  - Performance Based Contract Administration (PBCA) – Special Purpose Voucher - HUD-Veterans Affairs Supportive Housing (VASH)
  - Designated Voucher - Non-elderly Disabled Vouchers (NED)
  - Family Self-Sufficiency Program (FSS)
  - State Rent Supplement (RSP)

• HPHA has a budget authority for 3785 vouchers. Manages and administers approximately 2,469 vouchers on the island of Oahu

---

**Roles & Responsibilities**

- **Hawaii Public Housing Authority**
  - Issues the Voucher
  - Inspects rental unit
  - Reviews lease
  - Contracts with the owner
  - Pays rental assistance

- **Family**
  - Follows program rules
  - Is a good tenant
  - Pays rent
  - Comply with the lease

- **Landlord**
  - Screens family
  - Enforces lease
  - Maintains unit
  - Contracts with the Housing Authority

- **Voucher**

- **Lease**

- **HAP Contract**
Multi-tiered Payment Standard

How Payments Work

- The family pay at least 30% of their income for rent and utilities
- HPHA uses utility averages
- HPHA pays landlord monthly
- The family pays the landlord monthly
- The family pay utility providers directly, in most cases
- It is a program violation to pay addition rent
Waiting List

- On August 16, 2016 through August 19, 2016 the waiting list was opened.
- Preferences: 1) Homeless; 2) Victims of domestic violence; or 3) involuntarily displaced.
- Over 10,000 people were added to the waitlist. We currently have approximately 5,400

Family Self-Sufficiency Program

- The Family Self-Sufficiency (FSS) program is a voluntary employment and savings incentive program for low-income families that have a housing choice voucher or live in public housing.
- Case management services
- Escrow savings account
- Upon successful graduation from the 5-year program, the families will receive these funds to use towards their long term goals.

Source: HPHA & HUD
FSS Success Stories

- Mr. Darius Lewis
- Graduation Date: 4/30/2019
- Mr. Lewis received $33,512.46 in escrow after successfully graduating from the 5 year FSS program through financial literacy programs like the “Money Smarts” which stresses monthly budgets and saving money for the future.

Rent Supplement Program (RSP)

- HPHA Board of Directors adopted “Special Rent Supplement Program Emergency Rules” on June 16, 2016.
- HPHA contracted with Catholic Charities of Hawaii
- HPHA was able to assist a total of 87 homeless families in attaining housing
- As of April 2019, this program assists a total of 376 families
Section 8 Voucher Future

- Update the Hawaii Administrative Rules and Housing Choice Voucher Administrative Plan accordance to Code of Federal Regulations.
- Continue to investigate/research opportunities to secure additional vouchers for the State of Hawaii, including Rental Assistance Demonstration Program (RAD), Veteran’s Supportive Housing (VASH), Family/Youth Unification (FUP), and Mainstream
- Continue to investigate/research opportunities to increase voucher utilization from 2,400 to 3,000 vouchers.
- Increase participation in Family Self-Sufficiency (FSS) program
- Continue to increase lease up under the State Rent Supplement Program depending on the funding available.
- Fill the Landlord Liaison position recently provided by the 2019 Legislature.
- Implement Landlord Incentive Program

Source: HPHA

VI. Construction Management
CONSTRUCTION MANAGEMENT

• The Primary Function of the Construction Management Branch is to provide overall administration of all capital improvement projects including ensuring timely encumbrance/obligation and expenditure of program funds.
• This office administers design and construction contracts for all major non-routine repairs and renovations statewide of existing structures and redevelopment of those that have reached the end of their useful life.

CONSTRUCTION MANAGEMENT

• With 6,270 units spanning 85 properties on 5 major islands, HPHA has significant interest and investment in the upkeep, renovation and modernization of its housing portfolio.
CONSTRUCTION MANAGEMENT

• Capital Expenditure Priorities:
  1. Health and Safety
     • HazMat Abatement – Lead-Based paint, Asbestos Containing Materials, Contaminated Soils, UXO, etc.
     • Sewer, septic and plumbing systems
     • Emergency and Hazards Mitigation/Prevention such as rockfall mitigation, fire alarms, sprinklers, smoke detectors and call-for-aid systems, etc.
     • Security Measures – Site Lighting, fences, security cameras, defensible landscaping, etc.
  2. Accessibility
  3. Energy Saving Measures

CONSTRUCTION MANAGEMENT

• HPHA is on track and working diligently to meet all Federal CFP and State CIP deadlines. HPHA is managing over $200 million in capital funds
  • The Federal obligation deadline is May 22, 2020 for the 2018 CFP
  • The Federal expenditure deadline is August 12, 2020 for the 2016 CFP grant.
  • The State encumbrance deadline is June 30, 2020 for the State BY 2017-2019 CIP funds.

Source: HPHA
CONSTRUCTION MANAGEMENT

- Physical Needs Assessment and Energy Audit and Environmental Reviews must be conducted every 5 years.

- In order to request release of the Federal CFP funds,
  - The Governor must agree to be the Responsible Entity on the Environmental Reviews;
  - Public notice in all major newspapers statewide identifying the projects and scope of work; and
  - Environmental Review documents must be available for the public review.

Source: HPHA

CFP/CIP Report

Source: HPHA

CFP/CIP Report

Source: HPHA

CFP/CIP Report

Source: HPHA