HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
BOARD OF DIRECTORS MEETING
1002 North School Street, Building A Boardroom
Honolulu, Hawaii 96817
Thursday, April 15, 2021
9:00 a.m.

AGENDA

THEMEETING WILL BE HELD VIA TELECONFERENCE CALL OR OTHER
ALTERNATIVE MEANS OF COMMUNICATION ONLY INCLUDING BOARD
MEMBERS, STAFF, DEPUTY ATTORNEYS GENERAL, AND THE PUBLIC.

The Governor's Eighteenth Supplementary Proclamation dated February 12, 2021,
suspended Chapter 92, HRS, Part I. Meetings, to the extent necessary to enable
Boards to conduct meetings without any board members or members of the public
physically present in the same location. In consideration of the current COVID-19
situation, the HPHA’s offices are closed to the public. Individuals should submit written
testimony no later than 12:00 noon on Tuesday, April 13, 2021 which will be distributed
to Board members. You may submit written testimony via email to
jennifer.k.menor@hawaii.gov or by U.S. mail to PO Box 17907, Honolulu, HI 96817.

The public may participate in the Board meeting as it happens via Zoom app at:
https://zoom.us/j/96217124176?pwd=Unh2ZVQ0NWiHSnNPdXE4UjEyDWo0Zz09.
When prompted, enter the Meeting ID: 962 1712 4176 and the Password: R9S9VG.

Alternatively, the public may also participate via telephone by calling: 1-669-900-6833.
When prompted, callers should enter the Meeting ID: 962 1712 4176 and the Password:
292162. We request that meeting participants change the display on their device to
show their first and last name to expedite rollcall. Please keep in mind that many
devices will display your cellphone number if not changed.

The Board will consider public testimony on any item relevant to this 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.

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, March 18, 2021

IV. DISCUSSION AND/OR DECISION MAKING

A. To Adopt Resolution No. 21-02 Statement of Non-Discrimination Policy Reaffirming the HPHA’s Commitment to Prohibiting Discrimination or Discriminatory Practices in its Operations, Procedures, Programs, and Services

B. To Approve the Hawaii Public Housing Authority’s Annual Public Housing Agency Plan for the Fiscal Year Beginning July 1, 2021 to June 30, 2022, and to Authorize the Executive Director to Take Required Actions to Submit the Approved Plan to the U.S. Department of Housing and Urban Development

C. To Approve Property Specific Utility Allowance Rates Provided by National Facility Consultants for the Fiscal Year July 1, 2021 to June 30, 2022, for the Federal Low-Income Public Housing Program and to Authorize the Executive Director to Take All Actions Necessary, Including Accepting Resident Comments, to Implement the Utility Allowance Rates Effective July 1, 2021

D. To Authorize the Executive Director to Request an Eligibility Determination from the U.S. Department of Housing and Urban Development for the Moving To Work (MTW) Demonstration Program Expansion and to Take All Actions Necessary to Prepare an Application for the Hawaii Public Housing Authority’s Participation in the MTW Demonstration, if Determined Eligible

V. REPORTS

A. Board Development Task Force Report

B. Executive Director’s Report: Monthly reports are included in the Board packet. No formal report is planned.

- Financial Report for the Month of February 2021; Request for Establishment of a Financial Task Force to Review the HPHA’s 2021-2022 Operating Budget
- Report on Contracts Executed During March 2021 and Planned Solicitations for April 2021
- Update on Redevelopment Projects: Affordable Senior Housing at School Street and Kuhio Park Terrace/Kuhio Homes
- Redevelopment Tracker
• Public Housing Occupancy/Vacancy Report; Federal Public Housing; for the Month of March 2021
• 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.

The Board agenda for this meeting is available for inspection on the HPHA’s website: http://www.hpha.hawaii.gov/boardinfo/packets.htm.
The Board of Directors of the Hawaii Public Housing Authority held their Regular Board Meeting at 1002 North School Street, on Thursday, April 15, 2021. Pursuant to the Governor’s Eighteenth Supplementary Proclamation dated February 12, 2021, suspending Chapter 92, HRS, Part I Meetings, to the extent necessary to enable Boards to conduct meetings without any board members or members of the public physically present in the same location, the Hawaii Public Housing Authority conducted the Board meeting by use of teleconference call or other alternative means of communication only without a physical quorum present in the boardroom at 1002 N. School Street, Honolulu, HI 96817.

At approximately 9:07 a.m., Chairperson Hall called the meeting to order, held a roll call and declared a quorum present. Those present were as follows:

**PRESENT:**
Director Robert Hall, Chairperson  
Director Pono Shim, Vice-Chairperson  
Director Roy Katsuda, Secretary  
Designee Joseph Campos II  
Director George De Mello  
Director Susan Kunz  
Director Betty Lou Larson  
Director Leilani Pulmano  
Director Kymberly Sparlin  
Director Todd Taniguchi  
Deputy Attorney General Jennifer Sugita

**STAFF PRESENT:**
Hakim Ouansafi, Executive Director  
Barbara Arashiro, Executive Assistant  
Kevin Auger, Redevelopment Officer  
Bennett Liu, Acting Chief Financial Officer  
Rick Sogawa, Contracts and Procurement Officer  
Sarah Beamer, Acting Section 8 Subsidy Programs Branch Chief  
Benjamin Park, Chief Planner  
Stephanie Fo, Acting Property Management and Maintenance Services Branch Chief  
Gary Nakatsu, Acting Property Management Coordinator  
Jennifer Menor, Secretary to the Board
OTHERS PRESENT (via Zoom/teleconference):
Desiree Kihano, Palolo Valley Homes resident
Scott Jepsen, EJP
Connie Lu
Maggie Merrill
Jennifer Stolze, U.S. Department of Housing and Urban Development
Participant identified as “15044000672”
Participant identified as “Angie”

Public Testimony

In consideration of the current COVID-19 pandemic, the HPHA’s physical office locations are closed to the public. Individuals were allowed to submit written testimony no later than 12:00 noon on Tuesday, April 13, 2021 which would be distributed to the Board members. The public was instructed to submit written testimony via email to jennifer.k.menor@hawaii.gov or by U.S. mail to PO Box 17907, Honolulu, HI 96817. The public was also allowed to participate via Zoom app or teleconference.

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.

Executive Assistant Arashiro reported that written public testimony was received and provided to the Board. Although the written public testimony didn’t pertain to any action item on the agenda, as requested by Chairperson Hall, Executive Assistant Arashiro summarized it. Executive Assistant Arashiro stated that Tashiana Castillo from Kamehameha Homes had complaints about management issues and with cats defecating in her yard where she’s having to clean it up on a regular basis. Ms. Castillo also stated in her written public testimony not being able to trust housing staff who are discussing other tenant matters with other tenants.

Approval of Minutes

Director Shim moved,

To Approve the Regular Meeting Minutes of March 18, 2021

Director Sparlin referred to page 13 of the Board packet under the Board Development Task Force report. She indicated a typographical error and requested that the word “commence” be changed to “end” as the task force was established a while ago.
Director De Mello, Director Kunz and Director Pulmano abstained from the vote as they weren’t present at the meeting.

The minutes were approved as amended with three abstentions.

**Discussion and Decision Making**

Director Shim moved,

**To Adopt Resolution No. 21-02 Statement of Non-Discrimination Policy Reaffirming the HPHA’s Commitment to Prohibiting Discrimination or Discriminatory Practices in its Operations, Procedures, Programs, and Services**

Executive Director Ouansafi reported that every April, practitioners in the housing industry commemorate the passage of the Fair Housing Act of 1968, which reminds us that fair housing means that there should be equal opportunity in every community.

The HPHA currently operates under policies which prohibit discrimination and discriminatory practices including its Policy on Reasonable Accommodations and Modifications and the Language Access Policy.

In 2018, the HPHA reaffirmed its commitment to prohibiting discrimination or discriminatory practices in its operations, procedures, programs, and services through Board Resolution. Since then, the HPHA has and continues to provide regular training for new and existing staff on fair housing issues.

The HPHA remains committed to providing meaningful and equal access to its programs and to offering residents and applicants an equal opportunity to use and enjoy HPHA’s housing facilities.

The HPHA continues to provide education and outreach to applicants and residents of its programs to inform them of their right to receive HPHA benefits and services free from discrimination or discriminatory practices.

The motion was unanimously approved.

Director Shim moved,

**To Approve the Hawaii Public Housing Authority’s Annual Public Housing Agency Plan for the Fiscal Year Beginning July 1, 2021 to June 30, 2022, and to Authorize the Executive Director to Take Required Actions to Submit the Approved Plan to the U.S. Department of Housing and Urban Development**
Executive Director Ouansafi reported that all public housing agencies administering federal public housing and Section 8 tenant-based Housing Choice Voucher (HCV) assistance programs must submit their plans to the U.S. Department of Housing and Urban Development (HUD) to be eligible to receive administrative, operating, Capital Fund Program, and Section 8 HCV assistance monies.

Public notice of hearings on the draft PHA Annual Plan was approved by the Board of Directors on January 21, 2021 and published in the Honolulu Star-Advertiser, The Garden Island (Kauai), The Maui News, West Hawaii Today (Kailua-Kona), and the Hawaii Tribune Herald (Hilo) on January 24, 2020. A notice of the public hearings was also sent to all public housing residents with the February 2021 rent bill.

On January 25, 2021, the HPHA Board of Directors voted to accept the HPHA draft PHA Annual Plan for FY 2021 – 2022 as published, subject to comments at the public hearing. Public hearings were held in each county and online on March 11, 2021.

Meetings with the Resident Advisory Board (RAB) on the draft PHA Annual Plan started in August 2020 and concluded in April 2021.

The HPHA must electronically submit the final proposed Annual Plan and required attachments in the HUD-specified format no later than April 17, 2021, for review and subsequent approval by the local Honolulu HUD Office.

The PHA Annual Plan has several new goals and objectives, as well as proposed changes to HPHA policies, which including some of the following:

1. To open and close the waitlist in 2021 for a limited time, if necessary, to ensure an adequate pool of applicants for the Housing Choice Voucher and low-income public housing programs. The HPHA is ready to assist as many low-income families attain permanent housing as possible during the COVID-19 pandemic.

2. Amend Housing Choice Voucher and public housing policies to allow for the virtual inspection of housing units using technological solutions, subject to the availability under HUD rules or waivers.

3. Adopt Administrative Rules to allow the HPHA to implement a lottery system for public housing applicants.

4. Continue the use of the landlord incentive program. This will incentivize landlords to participate in the Housing Choice Voucher program with a $500 gift card to remedy any non-life-threatening deficiencies in the rental unit to be made available for future Housing Choice Voucher participants, subject to the availability of funds.

Executive Director Ouansafi explained that the inclusion of the proposed policy changes in the PHA Annual Plan are not requirements. If the HPHA is unable or chooses to
delay implementation of a proposed policy change, it must report that in the following year’s PHA Plan.

Revisions and updates to the current housing situation in Hawaii included in the PHA Annual Plan are based on the results of the 2019 Census and the 2019 Hawaii Housing Planning Study. The study shows that the greatest share of the needed units is concentrated at the lowest HUD income levels. Most of the needed units are also concentrated in the rental market rather than the ownership market.

After thorough review of the comments received at the public hearing and the recommendations of the RAB, no changes were made to the draft plans.

Discussion will continue with the RAB on the details and implementation of changes included in the PHA Annual Plan once it is approved by the Board and HUD.

A summary of the testimony received at the hearings and a summary of the RAB’s final recommendations and HPHA’s responses were prepared and provided in the Board packet.

Director Larson commended the RAB for their insightful comments and questions, which she thought were answered well by HPHA. She referred to page 62 of the Board packet that discussed a public testimony and HPHA’s response regarding a conversion of public housing to project-based assistance under Rental Assistance Demonstration (RAD). Director Larson expressed a concern of rents increasing in the future and sought ways to keep HPHA projects affordable for life. She strongly stated that Hawaii will always have a housing crisis and encouraged her fellow Board members to monitor that all developments be affordable for life so that its affordability remains in place after 60 or more years. Director Larson added that she appreciated that there is a prohibition against rescreening, where tenants benefit from a right to return.

Executive Director Ouansafi confirmed that while the federal public housing unit rental rules remain the same, other affordable units are subject to tax credit requirements and what HUD publishes. HPHA negotiated with the developers for the School Street redevelopment that the affordability will remain, which was included in the agreement. Executive Director Ouansafi stated that the public housing replacement units will always remain affordable as they are income driven units where tenants will pay 30% of their income. While non-profit organizations are willing to keep developments affordable, others aren’t. Executive Director Ouansafi added that Master Development Agreements aren’t approved without board review and approval.

Director Kunz asked what source of funds is being utilized to fund the landlord incentive program.

Executive Assistant Arashiro reported that HPHA received administrative funds under the CARES Act.
Director Larson commented that Partners in Care providers were in support of a bill to prohibit discrimination by source of income, where landlords would have to accept Section 8 tenants applicants. Although that bill didn’t pass, Director Larson was pleased that there are more landlord engagement and community awareness. She was glad that HPHA has incentives for landlords and thanked Executive Director Ouansafi for starting a program that has benefits already outlined.

Chairperson Hall mentioned hearing about discussions of an infrastructural bill that Congress is proposing that retention will be given to housing. As a result, he commented that there may be a need to update the plan. Chairperson Hall added to Director Larson’s comments that COVID-19 gave opportunity to landlords to reconsider Section 8 tenants, recognizing that steady money drives landlord decisions. He sought more details on HPHA’s progress of meeting their desired goals every year when re-evaluating the PHA Plan.

Executive Director Ouansafi reported that overall HPHA is able to meet all of their target goals. He added that HPHA was shocked with the unexpected overwhelming response but pleased with the participation they received from Section 8 landlords. Due to COVID-19, people are looking at matters differently.

**The motion was unanimously approved.**

Director Shim moved,

> To Approve Property Specific Utility Allowance Rates Provided by National Facility Consultants for the Fiscal Year July 1, 2021 to June 30, 2022, for the Federal Low-Income Public Housing Program and to Authorize the Executive Director to Take All Actions Necessary, Including Accepting Resident Comments, to Implement the Utility Allowance Rates Effective July 1, 2021

Executive Director Ouansafi reported that this motion is for the federal low-income public housing units. HPHA is mandated to establish allowances for PHA-furnished utilities. HPHA is also required to maintain records that documents the basis on which allowances and scheduled surcharges are established and revised.

Utility allowances are estimates of the expenses associated with different types of utilities and uses. Allowances are not provided for telephone services or cable per HUD rules.

HPHA contracted with National Facility Consultants (NFC) to provide up to two (2) annual updates for site-specific tenant purchased utilities in accordance with the requirements set forth in 24 CFR Part 965, Subpart E, Resident Allowances for Utilities. The newly established allowances for each property as established and studied by NFC reflect the actual reasonable utility consumption for an energy conservative household,
which may include energy saving lighting and fixtures and solar hot water with back-up gas heaters.

NFC worked with HPHA to obtain actual utility charges from the utility companies for each property to use in their calculations of the updated utility allowance rates. NFC determined the new utility allowance rate adjustment for each property.

Rates were collected for each applicable utility at each property. All rate schedules were verified and any adjustments to rates were collected for the year period January 1, 2020 through December 31, 2020. This is consistent with the approach utilized by the HPHA since 2003 where adjustments that fluctuate every month are averaged over the preceding year.

A table (by specific properties) was provided in the Board packet, which showed that allowances have decreased across the board due to lower utility rates. Each island varies, with some showing bigger differences to slight changes, but in general the average adjustments are down and relative to the utility rates for each County. One property had an increase due to completion of modernization and tenants are now responsible for all utilities, electric and gas, therefore the current annual update provided allowance for gas charges. Executive Director Ouansafi explained the method of calculating the tenant’s payment to HPHA.

The HPHA will provide notification of the proposed changes in utility allowances to the tenants through a letter, publication in the newspaper, and posted notices at the AMPs.

Residents will have an opportunity to submit written comments for not less than 30 days before the proposed effective date of the allowances and shall be informed of the availability of individual relief in cases of special need. For example, if a tenant’s household experiences higher than normal utility usage not within the control of the resident, the tenant may request individual relief from surcharges for excess consumption.

Chairperson Hall asked if there are any negative rents and how are they handled. He was curious how many HPHA properties are master metered, instead of individual metered.

Executive Director Ouansafi confirmed that there are a few with negative rents, which in that case, HPHA will send a check to the tenant. He estimated that approximately 65% of its properties are master metered.

Director Pulmano asked if HPHA is moving towards lower utility allowances by utilizing higher-efficiency appliances in the housing units.

Executive Director Ouansafi reported that HPHA started a program many years ago providing low-energy ranges and refrigerators. He added that HPHA was able to
reduce the utility cost when it instituted a requirement to replace all refrigerators to energy star refrigerators, while also switching from fluorescent lights to LED lights.

Director Katsuda asked if there is an effort to individualize meters and sought more details on the utility payment process.

Executive Director Ouansafi confirmed that HPHA is working towards individualizing meters and have already started that effort; however, it is costly to make the transition. He explained that HPHA provides each tenant a utility allowance and the tenant’s contract is directly with the electric company.

The motion was unanimously approved.

Director Shim moved,

To Authorize the Executive Director to Request an Eligibility Determination from the U.S. Department of Housing and Urban Development for the Moving To Work (MTW) Demonstration Program Expansion and to Take All Actions Necessary to Prepare an Application for the Hawaii Public Housing Authority’s Participation in the MTW Demonstration, if Determined Eligible

Executive Director Ouansafi stated that he’s been researching this program since he began with HPHA. The Moving To Work (MTW) Demonstration Program was established by HUD to provide Public Housing Authorities (PHAs) the opportunity to design and test innovative, locally designed strategies that 1) use Federal dollars more efficiently, 2) help residents find employment and become self-sufficient, and 3) increase housing choices for low-income families. PHAs with an MTW designation are exempt from many existing public housing (PH) and housing choice voucher (HCV) rules and have flexibility with how they use their Federal funds. The MTW Designation lasts for 20 years.

MTW agencies do not receive additional money from HUD, but they can use the money they receive in more flexible ways and fund different activities than they might have not been able to before. As of 2015, 39 agencies were participating under the original MTW Demonstration Program.

In 2016, Congress authorized HUD to expand the MTW Demonstration Program by an additional 100 PHAs over seven years. There are also size limitations for the 100 PHAs. The one that applies to HPHA is that only up to 3 PHAs of the 100 in the expansion will be selected, which will be designated by a lottery system.

HUD is currently soliciting applications from PHAs for two cohorts: Cohort #3 – Work Requirements and Cohort #4 – Landlord Incentives.
PHAs selected for Cohort #3 will test work requirements that aim to increase the self-sufficiency of PHA residents and participants. PHAs will design a local work requirement policy informed by conditions that are unique to that PHA but must require at least 10 hours of work activity per week per eligible individual (or at least 15 hours per week per eligible household). It is expected to take up to 18 months to implement the program before the work requirement would take effect. The local work requirement policy can apply to the PH program, the HCV program, or both. Exemptions include elderly and disabled households, along with other types of households as defined by HUD and within the PHA’s discretion.

HUD’s evaluation will assess whether eligible households subject to the local work requirement policy (treatment group) earned more income than eligible households not subject to the local work requirement policy (control group), as well as other outcomes between the groups. In the PH program, PHAs can randomly assign specific properties to each group, so that all eligible households in a certain property are subject to the same requirements. The evaluation period for the work requirement policy is 5 years.

PHAs selected for Cohort #4 will implement MTW activities that aim to increase landlord participation in the HCV program by providing incentives. Activities include increasing payment standards, compensation for vacancy loss or damage claims, participation payments, and alternative inspection schedules.

The deadline for submission of the MTW Plan and Application Packages to HUD is August 8, 2021 at 11:59 pm EST for both Cohort #3 and Cohort #4. HUD will then assess all eligible MTW Plan and Application Packages for completeness in accordance with the applicable Notice. HUD will hold a lottery of all eligible and complete MTW Plan and Application Packages to determine which PHAs will be selected and offered an MTW designation under each cohort.

During the planning process, HPHA will assess the HPHA’s readiness and capability to submit an application and evaluate the benefits of participation in order to prepare an application(s) to HUD. Management will provide status reports and keep the Board apprised of its findings and recommendations prior to finalizing a draft application.

Director Pulmano asked what specific types of flexibility and exemptions are HPHA seeking with this MTW Demonstration Program and sought information on how many tenants are currently working in regards to cohort #3.

Executive Director Ouansafi stated that the MTW Demonstration Program mandates the 10 hours of work activity. Similar to creating a PHA Plan, there will be a MTW Plan that will have its own goals and will provide self-sufficiency to the tenants. HPHA will be evaluating within the next few weeks what can be implemented, what services and trainings could be provided and who would be exempt. Executive Director Ouansafi discussed a variety of opportunities that the MTW Demonstration Program would provide, such as funding flexibility. He added that the MTW Demonstration Program will allow HPHA to think creatively and that all options don’t have to implemented at one
time. Executive Director Ouansafi confirmed that HPHA has data on who works and will provide a percentage to the Board at a later time once information is gathered.

Director Larson asked if this MTW Demonstration Program will allow HPHA to partner with unions for apprenticeship and allow children who become of adult age to be eligible while targeting jobs that pay well so that families can move on from public housing.

Executive Director Ouansafi stated that those possibilities could be articulated in the MTW Plan that HUD will review for approval.

Director Pulmano asked how successful this program has been for those agencies that participated under the original MTW Demonstration Program. She was curious if cohort #4 has a control group and how it would work.

Executive Director Ouansafi reported that majority were extremely successful. The current program will be more controlled, where HUD will evaluate the data for four years to measure its success. Executive Director Ouansafi discussed reviewing Santa Clara County Housing Authority and their annual plans for the past 2-3 years, where their inventory consistently increased in ideal areas. Those that deviated from the spirit of the program weren’t as successful. Executive Director Ouansafi confirmed that, like cohort #3, cohort #4 will also have a control group. By merely applying for cohort #4, all PHAs are required to submit data for the next four years committing to participate in the evaluation whether or not they are selected to receive the MTW designation.

Chairperson Hall asked if HPHA has an adequate amount of staff to gather all the required information or will HPHA need to contract an outside source. He then asked for an estimated cost to hire a consultant.

Executive Director Ouansafi stated that HPHA plans to procure for a specialized consultant to assist with this task as it will entail a lot of work.

Executive Assistant Arashiro reported that the independent cost estimate is considered confidential prior to any procurement.

Executive Director Ouansafi reassured that it will be cost effective. HPHA meets all the requirements, such as being a “High Performer”, so HPHA is hopeful that they qualify.

The motion was unanimously approved.

Chairperson Hall relayed that HPHA will be preparing its annual budget for fiscal year 2021-2022 and recommended a task force to assist in this effort. He suggested that the Finance Task Force include Director Pulmano, Director De Mello, and Chairperson Hall.

Executive Director Ouansafi added that the budget will be ready for review by the Finance Task Force within the next few weeks, in anticipation for the Finance Task
Force Report to be added to the agenda at the next Board meeting in May 2021 with the final determination approved by the Board in June 2021.

Director De Mello and Director Pulmano agreed to participate in the Finance Task Force.

**Board Development Task Force Report**

Director Taniguchi referred to the end of the draft report and pointed out that the Development Task Force (DTF) is recommending that HPHA develop an action plan for the bigger plan and researching resources for asset repositioning and redevelopment. Much of this effort will be focused on smaller redevelopments, individual property or a group cluster of properties, which will require some significant study by HPHA and review by the Board. The DTF requested that the initial plan be developed by May 2021 and be presented to the Board no later than June 2021 for review.

Chairperson Hall thanked the DTF for their collective efforts and clear guidance to HPHA.

The DTF acknowledged seeing efforts already occurring with developing other HPHA assets and encourages HPHA to progress more at a larger scale.

Director Taniguchi added that DTF developed this report in hopes to be a reference document to be used as a baseline for future Board members.

The DTF is looking forward to board training on financing in order to understand the details better when it is relevant.

Director Larson asked if this report would be an appropriate place to include the intent of having all units be affordable in perpetuity.

Chairperson Hall verified that this portion of today’s meeting was that of the DTF presenting a draft report to the Board. No vote or decisions were taken at that time.

Deputy Attorney General Sugita clarified the process, where today’s objective was a report given by DTF to the Board. Any changes, recommendations or acceptance of the DTF’s finding and recommendations will then be fulfilled at the next Board meeting. Deputy Attorney General Sugita recommended keeping the DTF open and dissolving it at the conclusion of the final report.

Director Pulmano recalled discussions in the Maui County regarding perpetuity language and financing requirements or criteria. She was concerned about whether the HPHA is restricting themselves with financing by including perpetuity language.
Executive Director Ouansafi stated that such language could limit the interest of some development companies, as well as obtaining lenders to provide a loan. HPHA will always strive and negotiate for affordability in perpetuity but not all developers will agree to it. Depending on the location, complexity and source of funding, mandating to keep developments affordable in perpetuity could pose some issues.

Director Larson expressed uncertainty on the appropriate wording and recognized that more discussion is needed. With 70% of funding being government and the remaining 30% being the rents, she felt that the risk is relatively low. Director Larson discussed a concern that Hawaii’s housing crisis will continue. Rather than mandating it, she proposed the possibility of including language provides a recommendation to reflect the Board’s intent.

Deputy Attorney General Sugita stated that under the Sunshine Law, today’s meeting is only meant for the DTF to present its report and anything that requires discussion and changes to be done at the next Board meeting.

Director Sparlin sought clarity if discussion and changes can’t take place because it’s not an action item on the agenda.

Deputy Attorney General Sugita confirmed that while it is not an action item, as required under the Sunshine Law, the Board also needs to follow a specific process. She re-verified that what was discussed at today’s meeting and any other comments could be discussed at a future meeting. Deputy Attorney General Sugita clarified that no changes are to be made to the DTF report.

Director Larson asked if one board member could speak to one other board member on possible language to incorporate.

Deputy Attorney General Sugita stated that one board member could speak to one other board member; however, to be careful so as not to engage in serial conversations.

**Executive Director’s Report**

Executive Director Ouansafi reported on the following:

- In response to an earlier inquiry, there are 1,322 units that have master meters.
- The HPHA is working with the State Department of Health, State Executive Office on Aging, City and County of Honolulu Department of Community Services Elderly Affairs Division, American Association of Retired Persons (AARP), Hawaii Public Health Institute, Project Vision, Hawaii Pacific Health Medical Group, Kaiser Permanente, Queens Medical Center, 5 Minute Pharmacy, Pharmacare, Times Pharmacy, Papa Ola Lokahi, Kamehameha Schools, and other non-profit groups to conduct COVID-19 vaccination clinics at their public housing properties.
The elderly and disabled tenants have all been offered the COVID-19 vaccination and HPHA is now coordinating with family properties starting next week.

Director Katsuda sought information on the amount of HPHA elderly tenants that have been vaccinated.

Executive Director Ouansafi reported that approximately 20% weren’t vaccinated.

- The HPHA has been working with the Legislature, Broadband Hui, He‘e Coalition, Kamehameha Schools, and other broadband advocates in developing a multi-phased plan to find free/grant funded and sustainable broadband internet access solutions to all of their public housing communities statewide. HPHA hopes to make an announcement next month that their public housing tenants will have free internet access for the next five years. Executive Director Ouansafi acknowledged and thanked the administration, the Legislative, advocates and non-profits for their support and efforts.

Chairperson Hall asked if HPHA also reached out for congressional help.

Executive Director Ouansafi confirmed working with the Congress. With the direction of the Governor, some of the funds through the Department of Transportation are expected to be used to upgrade infrastructure and provide services for approximately 2,000 units.

Director Sparlin recognized a digital divide that was created and the impacts of the pandemic. Administration thanked Executive Director Ouansafi and his team for their efforts. Director Sparlin expressed her excitement that such opportunities are being presented as education and telehealth are significant.

Executive Director Ouansafi continued to reported on the following:

KPT Low-rises and Homes Phase II Redevelopment

- A sewer connection request that was submitted to the City & County of Honolulu Department of Environmental Services to determine sewer capacity for the project received an approval connection for 554 units on March 4, 2021.

- RAD conversion is moving forward; however, HPHA continues to respond to multiple requests received from HUD.

School Street Administrative Offices Redevelopment

- The Consolidated Application package was submitted to Hawaii Housing Finance and Development Corporation for Low Income Housing Tax Credit and Hula Mae Multi-Family Revenue Bond Program Financing. The project team continues to work
diligently to complete Design Development Drawings, DECAB review, permitting, site logistic plans, subdivision, environmental studies and utility plans.

**Mayor Wright Homes**

- HPHA continues to work with their architect Lowney Architects to complete the existing master plan and community engagement work for the Mayor Wrights Homes Redevelopment based on guidance it has received from the Development Task Force and HPHA Board. The HPHA and Lowney Architects are currently negotiating a proposal.

- It has been approximately nine months since the approval of the Termination of the MDA with Hunt for convenience. Although HPHA was informed a few weeks ago that Hunt is working on providing expense invoices that may be eligible for possible reimbursement that are properly supported by appropriate documentation, nothing has been received yet. HPHA was told that Hunt has hired a CPA to help them with the requested invoices and supporting documentation.

**Hawaii County**

The HPHA has reached out to the Department of Budget & Finance for delegation of the $550,000 master planning and environmental review grant awarded to the HPHA and the County of Hawai‘i for the Lanakila housing project. The HPHA organized a meeting that was held on April 12, 2021 with the County of Hawaii and Office of Planning to discuss the next steps for selection/procurement of key consultants.

**Kalaeloa Project**

- This project is substantially completed, where some landscaping remains. HPHA anticipates moving in tenants within the next couple of months. The contract with U.S.VETS has been extended and the Department of Humans Services managed to find ways to ensure funding.

- Executive Director Ouansafi added that Chief Planner Benjamin Park was currently on site to ensure that some materials are cleared away.

- Although the project was under budgeted, the S&S is ready. There are a total of 37 units. 36 units will be occupied by homeless residents, while 1 unit will be occupied by a resident manager.

**Public Housing**

- In the month of March, HPHA moved 52 families into public housing units.

- Beginning April 16, 2021 through April 20, 2021, HPHA will open the following waiting lists:
• Maui Federal Family: 3 and-4 bedroom units
• Molokai Federal Family: 3-bedroom units
• Molokai State Family: 2 and 3-bedroom units
• Oahu Honolulu Elderly: studios
• Oahu Honolulu Federal Family: 2-bedroom units
• Oahu Leeward Federal Family: 1, 2 and 3-bedroom units

• On April 23, 2021 through April 27, 2021, HPHA will open the following waiting lists:
  - Oahu Central Federal Elderly: studios
  - Oahu Central Federal Family: 2 and 3-bedroom units

Section 8
• HPHA expended a total of approximately $3.8M in housing assistance payments (HAP) to private landlords on behalf of 3,203 voucher holders.

• HPHA informed HUD that they anticipate a shortfall and has had conversations with the HUD local office. The landlord success rate was greater than anticipated and the voucher lease up percentage was higher creating a large unanticipated shortfall.

• In the month of March, 477 VASH families were assisted, where approximately $418,000 was paid in HAP. 11 veterans received VASH vouchers, 6 leased up and 58 veterans are in search of housing.

• 133 housing quality standards inspections were conducted for Section 8 units, and 56% of those inspections failed. HPHA will re-inspect as needed.

• Rent Supplement Program made payment of approximately $110,000 to the landlords on behalf of 261 families.

Human Resources
• HPHA was pleased that they were able to hire for the following positions: Housing Development Specialist, Public Housing Supervisor (Kauai), Housing Quality Standards Inspector (Section 8), Building Construction Inspector (CMB), Systems Analyst (ITO), Public Housing Specialist (AMP 32/33), Secretary (AMP 32/33, Painter (AMP 32/22), Building Maintenance Worker (AMP 38) and General Laborer (MU32/33).

• There are currently 42 positions on continuous recruitment and 34 vacancies to be in recruitment soon.

(Director Sparlin left the meeting at approximately 10:52 a.m.)

Director Pulmano recalled that Director Larson and Director De Mello had to step down from the DTF to join the School Street Schematic Task Force and asked if there was a conflict of her being on two subcommittees.
Deputy Attorney General Sugita confirmed that there is no conflict.

Director Larson asked for clarification that the School Street Schematic Task Force has ended.

Chairperson Hall confirmed that the School Street Schematic Task Force was terminated at the last Board meeting.

Director Larson sought information on the amount and timeframe of issuing the emergency Section 8 vouchers for homelessness from the December Act.

Executive Director Ouansafi reported that HPHA applied for all that was available. He added that President Biden’s budget increased by 15% for housing for HUD so HPHA is researching that, along with an additional $5 billion that HUD has. Executive Director Ouansafi stated that HPHA is always looking for opportunities to serve more families.

Executive Director Ouansafi reported that HPHA received approximately 1,000 applicants for the mainstream vouchers, where HPHA will be processing approximately 68 mainstream vouchers. He added that HPHA had applied for additional vouchers but haven’t received any information yet.

Director Katsuda moved,

    To Adjourn the Meeting

    The motion was unanimously approved.

The meeting adjourned at 10:57 a.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 May 20, 2021 [ ] As Presented [✓] As Amended

Director Roy Katsuda
Board Secretary

May 20, 2021

April 15, 2021, 9:00 a.m. – HPHA Regular Board Meeting