HAWAII PUBLIC HOUSING AUTHORITY
NOTICE OF MEETING
BOARD OF DIRECTORS MEETING
1002 North School Street, Building A Boardroom
Honolulu, Hawaii 96817
Thursday, April 21, 2022
9:00 a.m.

AGENDA

THIS MEETING WILL BE HELD VIA ZOOM (INTERACTIVE AUDIO VISUAL
CONFERENCE TECHNOLOGY) OR TELECONFERENCE CALL (AUDIO-ONLY
COMMUNICATION) AND AT 1002 NORTH SCHOOL STREET, BUILDING A
BOARDROOM, HONOLULU, HI 96817

Viewing/Participating in the Meeting:

Zoom: The public may participate in the Board meeting as it happens via Zoom (a free
video conferencing service to hold virtual meetings online) by clicking on this link:
When prompted, enter the Meeting ID: 856 0415 8665 and the Password: 5VANR4.

Alternatively, the public may also participate via telephone by calling: 1-669-900-6833.
When prompted, callers should enter the Meeting ID: 856 0415 8665 and the Password:
092632. 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.

If the HPHA loses internet or Zoom connection during the meeting where audiovisual
communication cannot be maintained with all participating Board members and quorum
is lost, the meeting will automatically be recessed for 30 minutes to restore audiovisual
communication. Audio-Only Communication: If the attempt to restore audiovisual
communication is unsuccessful, all Board members, staff, the public may continue to
participate in the Board meeting via teleconference call by calling 1-862-799-9759,
whereby audio-only communication will be established for all participants and the
meeting will continue. When prompted, callers outside of the United States should
enter the Access Code: 8232649.

Physical Meeting Location: The public may also attend the meeting at 1002 North
School Street, Building A Boardroom, Honolulu, HI 96817, which will be connected via
Zoom to the remote meeting. No Board members are scheduled to be physically
present at this location.
Providing/Submitting Testimony – Written, Oral, Audiovisual:

The Board will consider written testimony on any item relevant to this agenda. Individuals should submit written testimony no later than 12:00 noon on Monday, April 18, 2022, which will be distributed to Board members. The public 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 Board will also consider public testimony given at the meeting 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.

Individuals may submit oral testimony during the meeting by sending an email request to jennifer.k.menor@hawaii.gov no later than Monday, April 18, 2022, or by using the “Raise Hand” feature in Zoom, or by simply announcing/identifying themselves and the item they want to testify about during the public testimony portion of the meeting. Individuals may also provide audiovisual oral testimony by using the “Raise Hand” feature in Zoom, clicking the “Unmute” icon to talk, and clicking the “Start Video” icon to turn camera on.

Executive Session:

If or when the Board of Directors enter executive session, all non-Board members will be moved to the virtual waiting room by the HPHA. Individuals are welcome to wait in the virtual waiting room and will be readmitted to the meeting at the end of the executive session.

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 29, 2022
IV. DISCUSSION AND/OR DECISION MAKING

A. To Reappoint Ms. Patrice Matsumoto to the Hawaii Public Housing Authority’s (HPHA) Federal Housing Eviction Board as a Board Member, for a Four-Year Term Retroactive as of February 1, 2022 and Ending January 31, 2026

B. To Approve Property Specific Utility Allowance Rates for the Fiscal Year July 1, 2022 to June 30, 2023, 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, 2022

C. Update on Legislative Bills and Report on Testimony by the Executive Director for the 2022 Legislative Session

V. REPORTS

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

- Financial Report for the Month of February 2022
- Report on Contracts Executed During March 2022 and Planned Solicitations for April 2022
- 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 2022
- 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.

If you need an auxiliary aid/service (e.g., large print, taped materials, sign language interpreter, etc.) or other accommodation due to a disability, please contact Ms. Jennifer Menor by telephone at (808) 832-4694 or by email at jennifer.k.menor@hawaii.gov by close of business three days prior to the meeting date. If a request is received after April 18, 2022, the HPHA will try to obtain the auxiliary aid/service or accommodation, but we cannot guarantee that the request will be fulfilled.

Upon request, this notice is available in alternate formats such as large print or electronic copy.
The Board of Directors of the Hawaii Public Housing Authority held their Regular Board Meeting at 1002 North School Street, on Thursday, April 21, 2022. The Board meeting was conducted by video conference (Zoom).

The public was able to participate in the meeting via Zoom or telephone by calling in. The meeting was also open to the public for in person participation at 1002 N. School Street, Building A, Honolulu, HI 96817. No Board members were scheduled to be physically present at this location. It was announced that if the HPHA lost internet or Zoom connection during the meeting, the meeting would be recessed and reconvened pursuant to instructions in the posted agenda.

At approximately 9:14 a.m., Chairperson Hall called the meeting to order, held a roll call and declared a quorum present. Those present were as follows:

**PRESENT:**

(Via Zoom)
- Director Robert Hall, Chairperson
- Director Roy Katsuda, Secretary
- Director Betty Lou Larson
- Director Sabrina Nasir
- Director Leilani Pulmano
- Director Todd Taniguchi
- Deputy Attorney General Jennifer Sugita
- Deputy Attorney General Klemen Urbanc

**EXCUSED:**
- Designee Joseph Campos II
- Director George De Mello
- Director Susan Kunz

**STAFF PRESENT:**

(Via Zoom)
- Hakim Ouansafi, Executive Director
- Barbara Arashiro, Executive Assistant
- Kevin Auger, Redevelopment Officer
- Bennett Liu, Chief Financial Officer
- Rick Sogawa, Contracts and Procurement Officer
- Benjamin Park, Chief Planner
- Stephanie Fo, Acting Property Management and Maintenance Services Branch Chief
- Dylan Gen Fujitani, Hearings Officer
- Shirley Befitel, Human Resources Supervisor

HAWAII PUBLIC HOUSING AUTHORITY
MINUTES OF THE REGULAR MEETING
HELD AT 1002 NORTH SCHOOL STREET, BUILDING A
HONOLULU, HAWAII 96817
ON THURSDAY, APRIL 21, 2022
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII
Executive Director Ouansafi memorialized former Chairperson and Director, the late Pono Shim, who recently passed away. He acknowledged Director Shim’s value as a person who will be remembered for his counsel, guidance, and friendship. Executive Director Ouansafi shared that Director Shim told him, “A true leader works to bridge the members of the community giving dignity to whom they are and what they have to offer. I believe that Aloha is the practical application of respect and the reciprocity needed to restore personal and professional help and drive entrepreneurship and professionalism forward”. Executive Director Ouansafi expressed his condolences to Director Shim’s family and called for a moment of silence.

Chairperson Hall briefly introduced Ms. Christyl Nagao, who will soon be joining the HPHA Board of Directors pending final confirmation from the Senate.

Public Testimony

Individuals were allowed to submit written testimony no later than 12:00 noon on Monday, April 18, 2022, 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 P.O. Box 17907, Honolulu, HI 96817. The public was also allowed to participate via Zoom or teleconference by using the “Raise Hand” feature in Zoom, or by simply announcing/identifying themselves and the item they want to testify about during the public testimony portion of the meeting. Individuals were also allowed to provide audiovisual oral testimony by using the “Raise Hand” feature in Zoom, clicking the “Unmute” icon to talk, and clicking the “Start Video” icon to turn the camera on.

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.

Fetu Kolio, Mayor Wright Homes tenant, offered his condolences and stated that Director Pono Shim, “Mr. Aloha”, was a great man. Mr. Kolio testified on the noise disturbance and alleged illegal aerial fireworks being stored at the housing property. He
briefly read the firework laws as defined in the State of Hawaii, Section 132-14.5. Mr. Kolio added that these aerial fireworks could be a potential safety issue if they are to ignite in a unit. Every year, he stated that he and other tenants voice their concerns about the illegal fireworks and noise disturbance to management. Mr. Kolio understood that 10 p.m. is quiet time and doesn’t understand why these regulations are ignored during this season.

**Approval of Minutes**

Director Larson moved,

**To Approve the Regular Meeting Minutes of March 29, 2022**

The minutes were approved as presented.

**Discussion and Decision Making**

Director Katsuda moved,

**To Reappoint Ms. Patrice Matsumoto to the Hawaii Public Housing Authority’s (HPHA) Federal Housing Eviction Board as a Board Member, for a Four-Year Term Retroactive as of February 1, 2022 and Ending January 31, 2026**

Executive Director Ouansafi reported that the eviction board members are made up of volunteers from the community, in both the public and private sector with work experiences in law, real estate, accounting and teaching. Eviction hearings are conducted on a weekly basis and require board members to commit to 1 to 4 hours per hearing scheduled date.

Prior to hearing an eviction case, the board members receive training on their roles and responsibilities to provide a fair and impartial hearing for the tenants. They are also trained on the roles and responsibilities of the tenant and the HPHA and its managing agents.

Ms. Patrice Matsumoto is the Vice President and Branch Manager of the Kahului Branch at Central Pacific Bank. She has 48 years of banking experience and is a firm believer in cross training her staff to fulfill Central Pacific Bank’s business and community goals. She has received many business awards and is currently a member of the Maui Civil Service Commission.

Executive Director Ouansafi was pleased that Ms. Matsumoto agreed to serve for another term.
Chairperson Hall thanked Ms. Matsumoto for her past service to the eviction board and her willingness to continue to serve.

The motion was unanimously approved.

Director Pulmano moved,

To Approve Property Specific Utility Allowance Rates for the Fiscal Year July 1, 2022 to June 30, 2023, 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, 2022

Executive Director Ouansafi reported that the U.S. Department of Housing and Urban Development (HUD) has defined the total resident payment for “rent” to include both shelter and the costs for reasonable amounts of utilities. The amount that a Public Housing Agency (PHA) determines is necessary to cover the resident’s reasonable utility costs is the “utility allowance”.

HPHA is also required to annually review, establish allowances, and maintain records that document 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. The utilities for which allowances may be provided include electricity, natural gas, propane, fuel oil, wood, etc. Utility allowance is also provided for medical equipment.

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 the law (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.

NFC is a national professional firm providing consulting services in the areas of planning, operations, facilities, grants and energy to affordable housing providers. NFC assists the HPHA with the annual update of utility allowances for tenant-purchased utilities.

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, January 1, 2021 through December 31, 2021. This is consistent with the approach utilized by the HPHA since 2003 where adjustments that fluctuate every month are averaged over the preceding year.
The table provided in the Board packet (by specific properties) shows that allowances have increased across the board due to higher monthly adjustments to the utility rates. Each island varies, but in general the adjustments are up 5% to 8% and relative to the utility rates for each County. The gas allowances on Oahu increased from 15% to 20%, while the increase for neighbor islands was under 2%.

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.

Director Taniguchi recognized that the inflation has affected household costs such as for groceries and utilities. While costs have been increasing, he asked if there may be challenges for some tenants and how this utility allowance will aid with it.

Executive Director Ouansafi stated that rent certification is based on the tenant’s income. As utility costs increase, HPHA increases the utility allowance. This is where the study becomes significant. Inflation can affect other means like food, but the utility and rent are stable. There are other organizations available that can provide relief as needed. Executive Director Ouansafi added that reasonable accommodations are included in the utility allowance accordingly.

Director Katsuda asked when the study was completed and when the next study will be conducted.

Executive Director Ouansafi reported that the study was completed recently from data that was collected from January to December of 2021. He added that the next study doesn’t have to wait another year. Executive Director Ouansafi confirmed that HPHA monitors the rates and can adjust the utility allowance when needed if there’s an increase of 10%.

Director Pulmano asked if there was a time where the tenant’s utility allowance was higher than their rent payments.

Executive Director Ouansafi stated that there are instances where the utility allowance is more than tenant’s rent, which is called negative rent. At the end of every month, HPHA sends the tenant a check to cover their utilities. Executive Director Ouansafi added that for the past 7-8 years, HPHA has been installing Energy-Star appliances to reduce costs.

Director Larson asked if there are any tenants behind on making payments on their utilities and threatened with electricity being terminated. She sought clarification on who pays the bill, if there are any additional burdens based on the tenant’s usage and the effective date of the utility allowance if approved. Director Larson also asked if there’s an impact on overall budget.
Executive Director Ouansafi reported that although tenants are provided with a utility allowance, there are some who don’t pay their utilities. HPHA will be made aware when utilities are shut off. Tenants are responsible to paying and maintaining their services. Not maintaining their utilities is a violation of the lease agreement, and tenants are at risk of being evicted if they refuse to make payment for the utilities. Executive Director Ouansafi reported that the utility allowance rates will be effective July 1, 2022. He added that HUD subsidizes the amount so there’s no major impact to the overall agency budget.

The motion was unanimously approved.

For Information:

Update on Legislative Bills and Report on Testimony by the Executive Director for the 2022 Legislative Session

Executive Director Ouansafi reported that the Legislative session is moving along. HPHA has seen a Senate version of the budget, which seems favorable for the agency. The Governor ask included $500,000 for additional funds for the rent supplement program, $10M CIP, converting 15 FTEs from federal funded to revolving fund, and 1 position from temporary to permanent. In addition, the Senate version of the bill included $29.6M for operating budget, which is broken down as $1.5M for state rent supplement, $2.9M for women’s prison project housing vouchers and $25M to model and renovate vacant units. Also, there’s a $21.5M in Senate CIP budget, that include $500,000 appropriation for Hale Poai and $15M lump sum to develop 300 mixed-income units and 300 leasehold units at the Mayor Wright Homes property.

April 18 – 29, 2022 is the conference period, where House and Senate legislators work out compromises among themselves to craft the final language and logistics of bills.

Second Decking was on April 8, 2022. April 29, 2022 is the Final Decking when all fiscal bills need to be filed for final reading.

A bill tracking list was provided in the Board packet.

Chairperson Hall stated that he participated in a reappointment hearing, where the Housing Committee voiced an urgency for housing agencies to provide more affordable housing in Hawaii. He felt that this year, the Legislature is providing more attention, focus and resources on affordable housing than he’s seen in the past. Chairperson Hall recognized the importance on the when and how and encouraged HPHA to do what can be done to be more effective and efficient.
Executive Director’s Report

Executive Director Ouansafi reported that during the month of March:

Public Housing

HPHA moved in 43 families and are in the middle of REAC inspections. HPHA completed approximately 400 annual reexaminations and 154 interim reexaminations.

Section 8

- HPHA expended a total of approximately $4.66M in housing assistance payments (HAP) to private landlords on behalf of 3,525 voucher holders.
- 485 VASH families were assisted and approximately $433,000 was paid in HAP. 5 veterans received VASH vouchers, 4 leased up, and 38 veterans are in search of housing.
- HPHA made payment of approximately $90,000 to the landlords for the Rent Supplement Program.
- HPHA continues to work in collaboration with Partners in Care to process and lease up new Emergency Housing Voucher (EHV) participants. Thirteen EHV vouchers were issued.

Kuhio Park Terrace/Kuhio Low-Rises and Homes

- The DPP has determined that Kuhio Park Terrace is 201H eligible and is eligible for waivers.
- State and Federal Environmental and Historic Preservation review work and related/required studies are underway and will continue.
- The project is currently in the middle of several studies, such as architectural, archeological, cultural, air quality study, noise impact analysis, economic justice, etc.

School Street Elderly Housing Redevelopment

- HPHA continues to work with RHF to move the project forward and have been participating in weekly meetings.
- RHF informed HPHA that they intend to seek an extension from HHFDC of the August 31, 2022 construction commencement deadline, which is required under the Act ADA to receive the full $40M. In October 2021, HHFDC awarded $40M to RHF,
subject to providing certain deliverables and meeting the August 31, 2022 construction commencement. RHF will not be meeting the said deadline.

- HPHA expressed their support of the extension, subject to receiving information on revised project timelines, justification for the extension, and a draft of the extension request to HHFDC. Nothing has been received yet from RHF.

- RHF has been informed that the HPHA Board of Directors must approve their extension request.

Director Pulmano stated that the Redevelopment Task Force recommended to do an assessment study of HPHA’s existing properties and sought an update on it.

Executive Director Ouansafi reported that HPHA has met with the consultant that will be handling this, along with the HUD local office and HUD headquarters with regards to funding. The consultant has begun an initial assessment, and HPHA anticipates that the study will be completed within approximately six months. Executive Director Ouansafi added that there’s a lot of new potential monies from HUD that HPHA is also researching.

Director Taniguchi recognized that while HPHA has a multi-year timeline, there’s an urgency for affordable housing. After the six-month study completion, multiple decisions will need to be made before direct action can take place, which will then result in housing. Director Taniguchi sought more information on HPHA’s efforts.

Executive Director Ouansafi confirmed that HPHA will continue moving forward, while the study is being completed. All existing redevelopment projects will generate additional housing. For School Street, HPHA continues to work with the developer to provide 800 elderly units. Executive Director Ouansafi added that from October 2021 to January 2022, HPHA was waiting for a bond cap, which HHFDC later informed HPHA that a bond cap won’t be given. For KPT, HPHA is working on providing 625 additional units. For Mayor Wright Homes (MWH), the RFQ has been finalized and is pending some matters before being presented to the Board for 400 additional units. MWH has been delayed due to awaiting appropriation of $15M in the Senate budget to build leasehold units. For Puuwai Momi, HPHA is working to provide 2,000 units. The RFQ for professional services to complete preliminary master planning has been drafted. For Hawaii County Lanakila Homes, HPHA is in the middle of negotiating with the preferred bidder a preliminary master planning study to build approximately 100 units. For Maui County Kahekili, the RFQ for professional services to complete preliminary master planning is being drafted for AG review. Recognizing the urgency, HPHA continues to move forward, which will include big asks from the Legislature. As for the tax credit properties, HPHA is coordinating with HHFDC.

Chairperson Hall acknowledged the challenges that HPHA has faced and stated that the Task Force was created intentionally to identify where the agency can move things along. With resources becoming available, he encouraged HPHA to take advantage of
the opportunities that will be presented. Once the Legislative session ends, there will be a clearer picture of how to proceed.

Director Pulmano moved,

To Adjourn the Meeting

The motion was unanimously approved.

The meeting adjourned at 10:02 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 Special Meeting on May 12, 2022 [✔] As Presented [    ] As Amended

Roy Katsuda
Director
Board Secretary

April 21, 2022, 9:00 a.m. – HPHA Regular Board Meeting