MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BLDG. E
ON THURSDAY, FEBRUARY 19, 2009,
IN THE CITY AND COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority met for their Regular Meeting at 1002 N. School Street, on Thursday, February 19, 2009 at 9:00 a.m.

The meeting was called to order by Chairperson Travis Thompson and, on roll call, those present and absent were as follows: ORDER/ ROLL CALL

PRESENT:
Chairperson Travis Thompson
Designee Henry Oliva
Director Carol Ignacio
Director Clarissa Hosino
Director Kaulana Park
Director Matilda Yoshioka
Director Rene Berthiaume
Director Sam Aiona
Director Sherrilee Dodson

Executive Director, Chad Taniguchi
Deputy Attorney General, Krislen Chun

EXCUSED:
Director Eric Beaver
Director Linda Smith

STAFF PRESENT:
Barbara Arashiro, Executive Assistant
Alan Sarhan, Chief Planner
Gary Marushige, Chief Financial Management Advisor
Stephanie Fo, Property Management and Maintenance Services Branch Chief
Rick Sogawa, Acting Contracts & Procurement Officer
Michael Hee, Contracts Administration Section Chief
Sandra Miyoshi, Homeless Program Administrator
Vanessa Lau, Fiscal Officer
Taryn Chikamori, Secretary to the Board

OTHERS:
Jesse Ponce de Leon, Kalakaua Homes resident
John Cregor, Attorney General's Office
Tim Garry, Private resident
Roy Nakamura, Kalakaua Homes resident
Desiree Kihano, Palolo Valley Homes resident
Lowell Kalapa, Hawaii Tax Foundation
Fetu Kolio, Mayor Wright Homes resident
Kim Aclan, Paoakalani Housing resident
Jean Peters Kalakaua Homes resident
Delphine Nisa, Palolo Valley Homes resident
Holly Holowach, Holomua Na Ohana
Sisan Suda, Micronesians United
Merki Route, Micronesians United
Kent Anderson, Family Promise of Hawaii
Wilcox Choy, KMH LLP
Duong Thompson

Chairperson Thompson declared a quorum present. QUORUM

APPROVAL OF MINUTES REGULAR MEETING 02/19/09

Director Ignacio moved, Designee Oliva seconded,

> That the minutes of the Regular Meeting held on February 19, 2009 be approved as circulated.

The minutes were unanimously approved.

PUBLIC TESTIMONY

Tim Garry, private resident, stated that he feels the Board should allow the Hawaii Public Housing Authority (HPHA) to issue a Request for Proposal (RFP) for mixed income use. Mr. Garry stated he is in full support of the proposal made by Urban Housing Development but feels the financing needs to be looked at closer. Mr. Garry stated he hopes the Board is responsible in spending the federal stimulus money that is given to HPHA. Mr. Garry stated that he approves of the use of correctional industries but feel the prisoners need to be better supervised.

Roy Nakamura, Kalakaua Homes, stated Senator Sakamoto informed him that only the Board can remove managers. Mr. Nakamura asked if the Board can not remove the managers would U.S. Department of Housing and Urban Development (HUD) manage the project, because HUD contributes 80% of funds.

Chairperson Thompson informed Mr. Nakamura the Board sets policies and if his complaint is not resolved by Mr. Taniguchi, he can report it to the State's Ombudsman's office.

Desiree Kihano, Palolo Valley Homes resident, stated that the community volunteered to put bigger signs on the buildings and asked management for paint to do touch up. Management informed them that the paint may not match so they could not have paint. Ms. Kihano also expressed concerns regarding peeling paint, potholes and asbestos tiles. She commented that when floor tiles are brown, they are replaced with white tiles. Most recently the management informed residents they will need to go to Kalakaua Homes for re-exams.

Lowell Kalapa, Tax Hawaii Foundation, stated there was a question in the recent article in the newspaper regarding the mixed-use development presentation made at last month's Board meeting and wanted to clarify the issue. Mr. Kalapa stated the development fee ($22 million) is split in three ways: half goes to Morgan Stanley to guarantee the debt, one-fourth goes to the developer and one-fourth goes to the non-profit for social and supportive services.

Director Berthiaume asked if ten percent of total costs is the normal developer's fee. Mr. Kalapa stated that it is less than five percent, but it is negotiable depending on how much Morgan Stanley wants to cover the debt.

Fetu Kolio, Mayor Wright Homes resident, stated that he appreciates the HPHA staff. He feels that if public housing is going to be cleaned up, it needs to start with the residents. Mr. Kolio stated that the HPHA needs to establish a policy on impeaching tenant association board members. Many of the rule violators are members of the tenant association leadership or their family members.

Director Ignacio asked if the tenant association obtained a firework permit. Mr. Kolio clarified that the tenant association did not obtain a permit.

Kim Aclan, Paokalani Homes resident, reported that her unit was flooded for the third time. She thought the roof was being repaired. Maintenance staff informed her that they were not sure if it was from the roof or the sewer line. She made a claim for damages and is very upset at the loss of her possessions, including irreplaceable family heirlooms.

Chairperson Thompson stated the HPHA staff would look into the problem.

Director Ignacio asked Ms. Aclan if she reported any of the other prior incidents to

management. Ms. Aclan stated that she did not because the other incidents were minor, and she thought they were fixing the 17th floor".

Director Hosino asked what floor Ms. Aclan lives on. Ms. Aclan stated the 12th floor.

Jean Peters, Kalakaua Homes resident, asked that the tenant association members get trained. The Kalakaua tenant association feels that their responsibility is to provide community activities. Ms. Peters stated she wants to be able to talk to management, but feels she gets sarcastic responses. She wants managers to be more approachable.

Delphine Nisa, Palolo Valley Homes resident, stated effective February 9, 2009, management is no longer at Palolo Valley Homes. She surmised that it was because staff had quit and no one was able to be in the office. She requested that the HPHA fill the positions, so that there can be staff in the office. She clarified there is one office worker and one maintenance staff at Palolo Valley Homes.

Director Aiona arrived at 9:42 a.m.

Holly Holowach, Weinberg Village Waimainalo, stated that the homeless families have two years to stay at Weinberg Village Waimanalo. Ms. Holowach stated that the current HPHA rules don't allow people to apply for public housing if they have an outstanding balance. Ms. Holowach asked the HPHA to allow people to apply for public housing even if they owe the HPHA money as long as they have and keep up with the payment plan.

Suisan Suda, Micronesians United, stated the cell antennas on Kuhio Park Terrace (KPT) are causing the Micronesians at KPT to have cancer and defects in newborn babies. He would like the antennas taken down.

Merko Route, Micronesians United, asked that the antennas at KPT be taken down because it is causing miscarriages.

Director Ignacio asked if her concern was reported to KPT management. Ms. Route stated, "yes".

Chairperson Thompson stated the matters of the antennas are under investigation.

Jesse Ponce De Leon, Kalakaua Homes resident, stated when he asked Kamalani (Rodrigues) for paper work, she told him she will not give it to him because he already has it. Mr. Ponce De Leon asked why families are mixed with the elderly.

RECESS/ RECONVENED

Chairperson called a recess at 9:55 a.m. and reconvened at 10:05 a.m.

TO ACCEPT THE AUDITED FINANCIAL STATEMENTS OF HAWAII PUBLIC HOUSING AUTHORITY OF THE FISCAL YEAR ENDING JUNE 30, 2008.

Director Dodson moved, Director Ignacio seconded,

> To Accept the Audited Financial Statements of Hawaii Public Housing Authority of the Fiscal Year Ending June 30, 2008.

Wilcox Choy, KMH, LLP, stated that his company has been contracted to perform the HPHA's audit of the financial statements and a single audit of federal funds. Mr. Choy stated only the financial statements will be discussed today; the single audit will be completed by mid-March. Statement of Audit Standards (SAS) requires the auditor to communicate certain items to the Board. The first item is the "other post retirement employee benefits" that now must be recorded as actuarial unfunded liabilities. This adds about a $1.7 million in liability.

The next item is the restatement (a correction to an error in last year's financial statements). This error was made because of a lack of controls discussed from the last audit.

Director Park asked how errors were found. Mr. Choy stated the auditor found them while performing this year's audit.

Mr. Choy stated a big concern is the unrecorded State allotted appropriations. The auditors discovered 2007 appropriations that were not recorded.

Director Park asked whether the error is viewed as a material weakness. Mr. Choy stated, "yes".

Mr. Choy stated the auditors and staff discussed adjustments of journal entries. The audit of the financial statements was delayed and KMH was not able to complete the single audit. The single audit will contain findings covering two areas: 1) internal controls over financial reporting; and 2) findings related to compliance with the federal programs. The single audit will contain the material weaknesses and management will need to respond. This report will need to be filed to HUD.

Mr. Choy stated that Vanessa Lau, Fiscal Officer, has been key in the audit. He feels she will be a great asset to the HPHA.

Mr. Choy reported that the KMH's audit also reviewed for fraud KMH does not feel that there has been fraud at the HPHA. The HPHA's problem is not the disbursement of funds, but how it gets recorded.

Director Park asked because of the delays in the audit did the HPHA incur additional cost to KMH. Mr. Choy stated that KMH is contracted for three years but because when the outside consultant left the records not in auditable condition, KMH had to reconstruct the records and incurred additional cost of $45,000.

Mr. Choy stated when the HPHA hires consultants the responsibility and accountability for the financial statements are with management.

Chairperson Thompson stated that at first look he felt the HPHA has made progress. The assets have increased from $348 million to $378 million, the unrestricted funds had gone from $38 million to $52 million, and the liabilities had gone down. Then he saw that the State had allotted $35 million in capital improvement (CIP) funds and the HPHA spent $5 million.

Director Berthiaume asked whether the HPHA will lose the $30 million in capital funds that were not used. Gary Marushige, Chief Financial Management Advisor (CFMA), stated under state rules the HPHA has two years to encumber and two additional years to expend the funds, so the funds are being spent in the accordance with expected timetables and will not be lost.

The motion was unanimously carried.

Chad Taniguchi, Executive Director, stated that the problems regarding having auditable reports started in January 2006 before the split of Hawaii Housing Finance Development Corporation (HHFDC) and the HPHA. When the split occurred in July 2006, the HPHA operated with no senior management staff in the Fiscal Management Office (FMO) for one year. The HPHA finally was able to hire one management person (chief accountant) in August of 2007 but realized that FMO needed more management leadership for so a chief financial officer position was created. The HPHA tried, but could not recruit a qualified applicant for over one year. Mr. Taniguchi stated MD Strum provided valuable assistance in the interim by helping create a budget, restructuring FMO, reassigning FMO staff, and changing internal procedures.

Chairperson Thompson asked if MD Strum was returning to help the HPHA. Mr. Taniguchi stated they will be returning for an additional six months.

Chairperson Thompson stated the HPHA has been given notice to take responsibility for monitoring the work MD Strum does.

Director Yoshioka asked what will MD Strum be doing. Mr. Taniguchi stated they will be training Mr. Marushige, Ms. Lau and Mr. Itliong in the requirements HUD has for public housing authorities (PHAs).

Chairperson called a recess at 10:56 a.m. and reconvened at 11:03 a.m.

RECESS/ RECONVENED

Director Park moved, Designee Oliva seconded,

To Appoint Ms. Valerie A. Robertson to the Kona Eviction Board for a Two-Year Term Expiring on February 28, 2011.

The motion was unanimously carried.

TO APPOINT MS. VALERIE A. ROBERTSON TC THE KONA EVICTION BOARD FOR A TWO-YEAR TERM EXPIR-ING ON FEBRUARY 28, 2011.

Director Dodson moved, Director Yoshioka seconded,

To Approve the Extension of the Sprint Nextel Non-Exclusive Rental Agreement for Five Years with an Option for an Additional Five Year Period.

TO APPROVE THE EXTEN-SION OF THE SPRINT NEXTEI NON-EXCLU-SIVE RENTAL AGREEMENT FOR FIVE YEARS WITH AN OPTION FOR AN ADD-ITIONAL FIVE YEAR PERIOD

In response to questions from the Board, Mr. Taniguchi reported that each antenna generated approximately $1,339 per month. He clarified that "non-exclusive" means the HPHA can add more antennas to a site. The HPHA has not received complaints from residents at the Laiola site, but intends to meet with the community prior to extending the contract.

Director Ignacio asked whether the antennas have anything to do with the Micronesians at Kuhio Park Terrace getting sick. Mr. Taniguchi stated the antennas at Laiola employ the same technology as the antennas at Kuhio Park Terrace.

Director Park asked if there are any medical studies done on the effects of the antennas. Mr. Michael Hee, Contracts Administration Section Chief, reported there have been studies done, which are inconclusive regarding the effects of antennas.

Director Park asked where the profit goes. Mr. Hee stated the funds will go into each Asset Management Project (AMP).

Director Hosino stated she is concerned with damage to the HPHA's buildings and the rate that the HPHA is being paid.

Chairperson Thompson stated the rate the cellular companies are paying is the going market rate for all buildings.

Chairperson Thompson asked if the HPHA is covered for roof damage from the cellular antennas. Mr. Hee stated confirmed that the State requires indemnification by the celluar company for property damage.

Director Ignacio requested a copy of the contract with the cellular company.

Director Dodson suggested the action should be a general policy to allow or not allow antennas on all of public housing.

Chairperson Thompson recommended the action be deferred to the next month. Director Dodson moved, Director Hosino seconded,

To Ratify the Hawaii Public Housing Authority's Revised Fiscal Plan for the Remainder of Fiscal Year Ending June 30, 2009.

TO RATIFY THE HAWAII PUBLIC HOUSING AUTHORITY'S REVISED FISCAL PLAN FOR THE REMAINDER OF FISCAL YEAR ENDING JUNE 30, 2009

Mr. Taniguchi stated that the HPHA is currently showing a deficit of $1.6 million. The State family and State elderly programs are the projects with deficits. To help address the deficit, the HPHA is checking to align where possible State funds to be used for the State projects, and federal funds for the federal projects.

Chairperson Thompson requested that the improved fiscal projections be reported to Budget and Finance (B & F) and Department of Human Services (DHS).

Director Dodson did not feel that the Board needed to approve the amended budget. The HPHA needs to report the budget variance to the Board, rather than the Board approving an amendment.

Chairperson Thompson stated the motion would be deferred indefinitely.

Director Hosino moved, Designee Oliva seconded,

To Hold Public Hearings on the Hawaii Public Housing Authority's Draft Five Year and Annual Public Housing Agency Plan for the Period July 1, 2009 – June 30, 2014.

TO HOLD PUBLIC HEARINGS ON THE HAWAII PUBLIC HOUSING AUTHORITY'S DRAFT FIVE YEAR AND ANNUAL PUBLIC HOUSING AGENCY PLAN FOR THE PERIOD JULY 1, 2009– JUNE 30, 2014

Mr. Taniguchi informed the Board that the Public Housing Agency (PHA) Plan needs to be submitted every year. Before the HPHA submits the plan to HUD, HPHA must hold public hearings.

Mr. Taniguchi summarized the updates as follows: 1) to add working families as a housing preference; 2) assess a fee for late rent and bounced checks; 3) investigate the possibility of a public/private partnership for mixed-use redevelopment of one or more sites; and 4) assess the feasibility of designated elderly housing.

Designee Oliva asked for information regarding adding working families as a housing preference. Stephanie Fo, Property Management and Maintenance Services Branch Chief, reported that the current preferences are the homeless, domestic violence, and displaced families. Creating this preference would bring the families that have been on the waiting list for a long time to the top of the list.

Designee Oliva asked what percentage of people on the list are working families. Ms. Fo stated she does not have the exact number.

Director Dodson stated that this will put them in the same pool as the homeless, so if the homeless family was on the list first they will get a unit first. This adds income to the tenant pool.

Director Yoshioka was concerned that if this becomes a preference, then only the handicap people are left without a preference.

Director Park asked for the definition of a "working family". Ms. Fo stated that at least one family member is working at least 20 hours a week."

Director Hosino stated that there are 18 components, in the PHA Plan and the Resident Advisory Board (RAB) made recommendations on 9 of the components.

Mr. Taniguchi clarified that the RAB makes recommendations but the HPHA is not required to incorporate the recommendations into the PHA plan.

Director Hosino stated that one of the recommendations was increasing the

minimum rent to $50.

Chairperson Thompson was concerned that the For Action did not contain a complete list of changes to the PHA plan and requested additional information be presented during the March Board meeting.

The motion was unanimously carried.

Chairperson Thompson called a recess at 11:52 p.m. and reconvened at 12:03 p.m.

RECESS/ RECONVENED

Director Berthiaume moved, Director Aiona seconded,

EXECUTIVE SESSION

> To go into Executive Session at 12:12 p.m. pursuant to Hawaii Revised Statutes sections 92-4 and 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 as related to *Faletogo et al. v. Hawaii Public Housing Authority* (Civil No. 08-1-2608-12) and *McMillon et al. v. Hawaii* Public Housing Authority (Civil No. CV08-00578).

The motion was unanimously carried.

The Board reconvened from Executive Session at 1:09 p.m.

RECONVENED

Director Aiona moved, Director Berthiaume seconded,

TO AUTHORIZE THE EXECU-TIVE DIRECTOR TO IMPLEMENT MANAGEMENT, AND PERSON-NEL ACTIONS NECESSARY TO EXPEDITE THE EXPENDITURE OF ADDITIONAL FEDERAL PUB-LIC HOUSING CAPITAL FUNDS PROVIDED IN THE PRESI-DENT'S ECONOMIC STIMULUS PACKAGE

> To Authorize the Executive Director to Implement Management, and Personnel Actions Necessary to Expedite the Expenditure of Additional Federal Public Housing Capital Funds Provided in the President's Economic Stimulus Package.

Barbara Arashiro, Executive Assistant, stated the HPHA is asking the Board to use the Federal stimulus funds to fund construction projects.

Director Berthiaume asked if the re-roofing of Mayor Wright Homes will cost $100,000. Ms. Arashiro stated this is re-roofing of three building.

Chairperson Thompson asked what the timeframe of getting the funds is. Ms. Arashiro stated at this time HUD has not made that clear, but HPHA expects communication providing all the details.

Chairperson Thompson stated he spoke to Michael Flores of HUD and given the HPHA's performance in managing the CIP funds, the HPHA may not get the funds.

Ms. Arashiro stated that is not true because $3 billion is being allocated to PHAs on a formula basis, and HPHA will get its share. Another $1 billion will be issued on a competitive basis for energy conservation and vacant units.

Designee Oliva asked if any of the projects are on the Governor's 1.8 billion strike force list. Mr. Hee stated there are three projects but the HPHA is going to move the projects to the federal funds.

Director Berthiaume asking whether the HPHA is going to compete for the $1 billion. Ms. Arashiro that HUD has not issued details on the competitive funds.

Ms. Arashiro stated there is total of about $94 million in federal and state capital

funds.

Designee Oliva asked if the staff position are civil service positions and federally funded. Ms. Arashiro stated the four positions are exempt, limited term positions, which are already established but currently vacant and are federally funded.

Ms. Arashiro stated the staff would be overseeing the contractors. The hiring of the four staff is only for Construction Management Section (CMS), but she feels that there will be more work for other sections. Ms. Arashiro stated the HPHA was discussing with State Procurement Office (SPO) regarding relaxing the procurement requirements for the federal stimulus funds, but at this time there have been no changes.

Chairperson Thompson asked what the current staffing is for CMS. Marcel Audant, Acting Construction Management Services Chief, stated there are six project engineers and five inspectors.

The motion was unanimously carried.

Director Berthiaume moved, Director Yoshioka seconded,

To Authorize the Executive Director to Issue a Request for Proposals for a Developer/Partner for a Mixed Income/Mixed Finance Redevelopment Project at Kuhio Park Terrace and Kuhio Homes.

TO AUTHORIZE THE EXECUTIVE DIRECTOR TO ISSUE A REQUEST FOR PROPOSALS FOR A DEVELOPER/PARTNER FOR A MIXED INCOME/MIXED FINANCE REDEVELOPMENT PROJECT AT KUHIO PARK TERRACE AND KUHIO HOMES

Chairperson Thompson stated there was a meeting with Director Smith, Director Beaver, the head of the State Procurement Office (SPO), the head of Department of Accounting and General Services (DAGS), Ms. Arashiro, Mr. Taniguchi, Darren Ueki, and himself. The discussion covered the procurement process to be used for mixed finance development. There are several options the HPHA can use and one was to hire a consultant to help with the process.

Mr. Taniguchi stated the HPHA needs to follow the stricter of the State and Federal procurement processes. HUD is comfortable with using a request for qualifications (RFQ), establish a qualified list and then request for technical submissions. Aaron Fujioka from SPO suggested using the State RFP process, which is similar to the Federal RFQ process.

Mr. Taniguchi reported that the task force met with Jesse Wu of Stanford Carr Development who has experience with mixed financial projects and he shared his knowledge of mixed income redevelopments and commented on the positives and negatives of the Urban Housing Communities (UHC) proposal. One the down sides is the proposal states no state resources are used, but HPHA would be tying up a portion of the federal capital funds the state receives for about 20 years. Mr. Flores of HUD who also attended the meeting stated this is true.

Director Beaver's handout states that he would prefer to have a study on which project should be used for mixed income redevelopment instead of deciding on Kuhio Park Terrace (KPT) just because an unsolicited developer's proposal named KPT.

Director Berthiaume stated he agrees with Director Beaver. He feels that the Board is leaning toward KPT because UHC made a proposal. There are many different issues in deciding which property is best suited for mixed income.

Director Ignacio asked if the HPHA has the staff with the knowledge to write the RFP. Mr. Taniguchi stated that someone like Mr. Wu has so much more knowledge on mixed income that HPHA must use someone like him to ensure the HPHA is getting the best deal and asking the right questions.

Director Aiona asked if Rick Sogawa, Acting Contracts and Procurement Officer,

feels that the HPHA staff can proceed with the RFP. Mr. Sogawa stated he feels that the staff can proceed with step one but he feels that the HPHA does not have the capacity to proceed with step two.

Ms. Arashiro stated that in anticipation of the action being passed the HPHA has a draft of step one and is almost ready to send it to the Attorney General's Office.

Director Berthiaume moved to amend the motion to remove KPT and Kuhio Homes. There was no second.

The (original) motion was unanimously carried.

Director Dodson moved, Director Ignacio seconded,

To Ratify the Hawaii Public Housing Authority's Participation in the City and County of Honolulu's YouthBuild Application as a Partner by Identifying Work Sites in Public Housing.

Designee Oliva asked what the union's position is. Mr. Taniguchi stated in the past the unions have not had a problem with this.

Designee Oliva asked Mr. Taniguchi to inform the union of this action. Mr. Taniguchi stated he will do so.

The motion was unanimously carried.

TO RATIFY THE HAWAII PUBLIC HOUSING AUTHORITY'S PARTICIPATION IN THE CITY AND COUNTY OF HONOLULU' YOUTHBUILD APPLICATION AS A PARTNER BY IDENTIFYIN WORK SITES IN PUBLIC HOUSIN

Director Ignacio moved, Director Dodson seconded

To Approve Application for Competitive Grants Under the Continuum of Care Notice of Funding Availability Which is an Annual Initiative of the U.S. Department of Housing and Urban Development.

Sandra Miyoshi, Homeless program Branch Chief, stated this is to get the Board's approval to apply for competitive grants. The HPHA represents all the counties and put one application for all the counties. Ms. Miyoshi stated the HPHA was informed today that the HPHA will be awarded $2.1 million for the three rural counties.

Director Ignacio asked if the counties submit an RFP for a share of the funds. Ms. Miyoshi stated that the counties get proposals from their providers and participate in the rankings of proposals and then one application is submitted to make up one award so sufficient population is represented to justify the grant award.

The motion was unanimously carried.

TO APPROVE APPLICATION FOR COMPETITIVE GRANTS UNDER THE CONTINUUM OF CARE NOTICE OF FUNDING AVAILABILITY WHICH IS AN ANNUAL INITIATIVE OF THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Director Berthiaume moved, Director Hosino seconded,

To Approve the Acceptance of Conveyance of Lots 269 (Map 60) and 65-B-3-B (Map 1150), TMK No.: (1) 9-4-17:Por. 58, From the Hawaii Housing Finance and Development Corporation for the Benefit of the Adjacent Kamalu and Ho`oulu Elderly Housing Projects and Authorize the Executive Director to Take All Actions Necessary to Effectuate the Conveyance.

Mr. Hee stated these are parcels that were used for development of the several

projects. Now that the projects are completed Housing Finance and Development Corporation (HHFDC) is taking care of housekeeping by subdividing the parcels for a drive way and parking for two of the HPHA elderly projects.

The motion was unanimously carried.

TO APPROVE THE ACCEPTANCE OF CONVEYANCE OF LOTS 269 (MAP 60) AND 65-B-3-B (MAP 1150), TMK NO.: (1) 9-4-17:POR. 58, FROM THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION FOR THE BENEFIT OF THE ADJACENT KAMALU AND HO`OULU ELDERLY HOUSING PROJECTS AND AUTHORIZE THE EXECUTIVE DIRECTOR TO TAKE ALL ACTIONS NECESSARY TO EFFECTUATE THE CONVEYANCE

Director Hosino moved, Director Aiona seconded,

> To Ratify the Hawaii Public Housing Authority's Request to Rescind the Demolition of Six Units at Lanakila Homes, Hawaii.

Chairperson asked what about the rest of the vacant units. Mr. Taniguchi stated that if the HPHA can get these six units fixed with the help of volunteer organizations and State funds then the HPHA will ask for the other 56 units to be fixed.

The motion was unanimously carried.

TO RATIFY THE HAWAII PUBLIC HOUSING AUTHORITY'S REQUEST TO RESCIND THE DEMOLITION OF SIX UNITS AT LANAKILA HOMES, HAWAI

Director Berthiaume moved, Director Hosino seconded,

> To Approve the Use of Volunteers to Renovate Vacant Units at Lanakila Homes, Hawaii and Request a Waiver to the U.S. Department of Housing and Urban Development Regarding the Possible Conflict of Interest with the Office of Social Ministry.

Director Ignacio excused herself from the discussion.

Director Dodson moved, Director Hosino seconded,

> To go into Executive Session at 2:50 p.m. pursuant to Hawaii Revised Statutes sections 92-4 and 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 as related to the use of volunteers to renovate vacant units at Lanakila Homes, Hawaii.

The motion was unanimously carried.

TO APPROVE THE USE OF VOLUNTEERS TO RENOVATE VACANT UNITS AT LANAKILA HOMES, HAWAII AND REQUEST A WAIVER TO THE U.S. DEPARTMENT

The Board reconvened from Executive Session at 3:02 p.m.

Director Dodson moved, Director Aiona seconded,

To Approve the Use of Volunteers to Renovate Vacant Units at Lanakila Homes and if Needed Request a Waiver From the U.S. Department of Housing and Urban Development but that the Office of Social Ministry not be the Project Manager.

The amendment was unanimously carried. Director Ignacio did not vote.

The motion as amended was unanimously carried. Director Ignacio did not vote.

OF HOUSING AND URBAN DEVELOPMENT REGARDING THE POSSIBLE CONFLICT OF INTEREST WITH THE OFFICE OF SOCIAL MINISTRY.

TASK FORCE/ TENANT/ TENANT RELATIONS

Director Yoshioka stated Kauai's westside had their resident meeting and it went very well. The residents had praises for management. Director Yoshioka stated the facilitator Randy Francisco did a fantastic job.

Director Yoshioka's concern was that the HPHA did not inform the residents that the State may be taking over management. Mr. Taniguchi stated he did not inform the residents because a member of the Board wanted to defer the motion to approve state management. Mr. Taniguchi stated the HPHA will inform the residents now that the Board members have indicated support for the motion to have public employees manage the area. The motion will be brought at the March Board meeting.

Director Yoshioka stated there were residents interested in starting a tenant association and Director Hosino will be contacting them.

Director Aiona stated he attended the Kalakaua Homes resident meeting and wanted to remind staff that when they make decisions they need to keep the residents in mind.

Director Ignacio requested that the page numbers be put next to the agenda items.

ADJOURNMENT

Director Aiona moved, Director Yoshioka seconded,

That the meeting be adjourned at 3:22 p.m.

MATILDA YOSHIOKA
Secretary

Approved