

**MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BUILDING E,
ON THURSDAY, FEBRUARY 17, 2011
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 17, 2011 at 9:00 a.m.

The meeting was called to order by Chairperson Travis Thompson and on roll call, those present and excused were as follows:

PRESENT: Chairperson Travis Thompson
Vice-Chair Eric Beaver
Director Sam Aiona
Director Rene Berthiaume
Director Sherrilee Dodson
Director Clarissa Hosino
Director Roger Godfrey
Director Carol Ignacio
Director Patricia McManaman
Director Matilda Yoshioka

Denise Wise	Executive Director
Sandra Ching	Deputy Attorney General

STAFF PRESENT:	Barbara Arashiro	Executive Assistant
	Clarence Allen	Fiscal Officer
	Shirley Befitel	Personnel Supervisor
	Becky Choi	Acting State Housing Development Administrator
	Rose Churma	Contract Administrator
	Stephanie Fo	Property Management and Maintenance Services Branch Chief
	Gianna Guitron	Resident Services Program Specialist
	Diane Johns	Property Management Specialist
	Janice Mizusawa	Public Housing Supervisor, Kalakaua Homes
	Phyllis Ono	Property Management Specialist
	Kamalani Rodrigues	Acting Deputy Manager, Kalakaua Homes
	Rick Sogawa	Contract and Procurement Officer
	Taryn Chikamori	Secretary to the Board

OTHERS:

Augafa Ene	Mayor Wright Homes
Robert Hanna	private resident
Fetu Kolio	Mayor Wright Homes resident
Lenord Lester	Kalakaua Homes resident
Roland Lum	Kalakaua Homes resident
Lois McKeon	Kalakaua Homes resident
David Moakley	Ameresco
Margaret Nakamura	Kalakaua Homes resident
Roy Nakamura	Kalakaua Homes resident
Martha Petteford	Kalakaua Homes resident
Roy Sasaki	Kalakaua Homes resident
June Talia	Kuhio Park Terrace resident
Yoshi Yamaguchi	Kalakaua Homes resident
Earl Yonemura	private resident

Proceedings:

Chairperson Thompson declared a quorum present.

The business of the Board proceeded with a motion entered by Director Dodson to approve the minutes of the Board of Directors Meeting Kuhio Park Terrace (KPT) Tour held on January 20, 2011 and it was seconded by Director Ignacio.

The minutes were unanimously approved.

The business of the Board proceeded with a motion entered by Director Dodson to approve the minutes of the regular Board of Directors Meeting held on January 20, 2011 and it was seconded by Director Ignacio.

The minutes were unanimously approved.

Public Testimony:

Mr. Fetu Kolio, Mayor Wright's Home resident, commented that he would like to work with the HPHA on Legislative actions and he further commented that all residents need to follow polices and they should be enforced by the HPHA staff .

Director Aiona arrived at 9:05 a.m.

Mr. Robert Hanna, private resident, stated there is friction between management and residents regarding the use of the multi-purpose room at Kalakaua Homes and offered his services.

Ms. Nora Oliphant, Kalakaua Homes resident, stated she has three concerns: 1) she has termites in her cabinets again; 2) the social hall is being used for religious purposes; and 3) not clear if there will be relocation due to renovations.

Mr. Roy Nakamura, Kalakaua Homes resident, stated he signed the rental agreement in April 2010 and did not get the copy from management back until February 2011. He also requested that the meal site be opened before 8:00 am

Earl Yonemura, private resident, asked who the Board works for.

June Talia, Kuhio Park Terrace Homes resident, stated that she attended the legislative hearing for SB 604, study on KPT, and it was deferred. She also stated that she met with Senator Kim regarding KPT and she believed the meeting went well.

Director McManaman and Director Beaver arrived at 9:28 a.m.

Chairperson Thompson called a recess at 9:28 a.m. and reconvened at 9:30 a.m.

For Action:

Motion: To Approve the Reappointment of Mr. Douglas Kaya to the Oahu Eviction Board, Mr. Melvin Kawahara to the Hilo Eviction Board, and Ms. Valerie Robertson to the Kona Eviction Board For a Two Year Terms Expiring on March 31, 2013, January 31, 2013, and February 28, 2013 respectively.

Director Beaver moved and Director Dodson seconded.

Staff reported that resumes are attached and the Eviction Board members have provided excellent service to the HPHA.

The motion was unanimously carried.

Motion: To Adopt Changes to the Proposed Sale of Banyan Street Manor to Allow the Hawaii Public Housing Authority to Remain the Lessor of Said Property with the City and County of Honolulu, and to Authorize the Executive Director to Take All Actions Necessary and Related Actions.

Director Beaver moved and Director Ignacio seconded.

Upon reading of the motion staff reported that the "For Action" had been amended due to recently received changes from the City and County of Honolulu.

Director Beaver withdrew his motion and Director Ignacio withdrew her second to the motion.

Motion: To Amend Board Resolution Nos. 34, 35, and 36, Adopted November 18, 2010, to Authorize the Sale of Banyan Street Manor Apartments Improvements and the Sublease of the Land (Tax Map Key No. (1) 7-3-031-029) to Banyan Housing LP Pursuant to the Purchase Agreement and Escrow Instructions Dated January 28, 2010.

Director Beaver moved and Director Ignacio seconded.

Staff reported that resolution 34, 35, and 36 needed to be amended due to the City and County of Honolulu (C & C) requesting that the HPHA remain on the lease and sublease the property to Banyan Housing LP.

Motion: To go into executive session at 9:37 a.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 amendment to resolution nos. 34, 35, and 36.

Director Ignacio moved and Director Yoshioka seconded.

The motion was unanimously carried.

The Board reconvened from Executive Session at 9:47 a.m.

Chairperson Thompson reported that the Board discussed the legal ramifications of the amendments.

The motion was carried. Director McManaman abstained and Director Aiona was not present for the vote.

Motion: To Adopt Board Resolution No. 42, Authorizing the Executive Director to Establish Rents Over a Period of Three to Five Years That Will Bring the State Low-Income Housing Into Conformance with §356D-43, HRS Regarding Fiscal Self-Sufficiency and to Explore Whether Section 8 Vouchers are Available For State Housing.

Director Beaver moved and Director Dodson seconded.

Staff reported this "For Action" pertains to the six state family housing projects only. There is a House Bill 1303 that is requiring minimum rents be set. This "For Action" sets into motion a planning and phasing of setting minimum rents over a three to five year period

Chairperson Thompson reported that HRS 356D directs the HPHA fix rents to ensure the state units operate at breakeven or rents are sufficient to pay all expenses and costs so that the state low-income housing projects remain self-supporting..

Discussion ensued and the board posed several questions regarding current incomes and rent schedules of tenants. The board expressed concern that even with a phased in approach that tenants may not be able to afford the increases in rent without assistance of supportive services. There is concern, given the current economic times, that this may present an additional burden on low-income households.

Staff has taken preliminary steps to determine impact to tenants should minimum rents be set as the average minimum rent would be over \$500. Most tenants in the state low-income housing units are on fixed incomes. Staff will continue to develop analyses of rents and impacts to tenants and begin to link appropriate services.

It was further recommended that perhaps the HPHA should review HRS 356D for possible amendments.

The motion carried. Director McManaman abstained.

Chairperson Thompson called a recess at 10:10 a.m. and reconvened at 10:20 a.m.

Chairperson Thompson stated the "For Action" to authorize the executive director to submit a request to the legislature for operating subsidy for the state public housing and state elders program will be deferred.

Executive Director's Report:

Chairperson Thompson asked that the annual report be sent to all Board members.

Board questioned staff regarding the washing machines at Kauhale Ohana and the resolution. The HPHA had received a violation notice from DOH because tenants were draining the washing machine discharge water directly into the storm drains. Staff reported that that a request for bid (RFB) for service providers has been released.

There was question that there were reports that some of the washing machines had put back into service. Staff reported that there had been recent site visits and all washers has been collected to prevent that from happening. That they were being stored in the laundry room.

Director Ignacio reported that during a legislative hearing it was reported that Michaels Development does not have a social services component in the contract. Ms. Wise reported that there is a social service component and Michaels Development has hired a social services coordinator.

Staff reported that the United Public Workers (UPW) union and the State has reached a settlement agreement to end furloughs for federally funded or special funded positions effective March 1, 2011 through June 3, 2011 for bargaining units 1 and 10. Additionally the employees shall receive 88 hours of compensatory time off. This affects the HPHA maintenance staff.

Staff reported that the HPHA is accessing options to deal with the elevator modification contracts. This affects 16 elevators in eight federal projects.

Chairperson Thompson asked the Goals and Objective Task Force to convene and conduct an evaluation of the Executive Director and the Executive Assistant and report back at the March meeting. The task force consists of Director Dodson, Director Yoshioka, and Director Ignacio.

The Board directed staff to plan a series of meetings at the AMPs and in particular the neighbor islands.

Staff reported that the HPHA needed to expend 60% of the American Recovery and Reinvestment Act (ARRA) by March 1, 2011 and the HPHA has expended 67% of the ARRA funds. Staff stated that the HPHA should expend all the ARRA funds six months ahead of schedule.

Staff reported that all the cesspools except for two have been closed. The HPHA has received an extension from the Environmental Protection Agency (EPA) on closing the two cesspools which were delayed because of rain. The extension is till June 1, 2011.

The Board reviewed the Contract and Procurement Office (CPO), Hearing Office (HRO), and Information and Technology office (ITO).

Chairperson Thompson called a recess at 11:25 a.m. and reconvened at 11:34 a.m.

The Board reviewed the Personnel reports.

Motion: To go into executive session at 11:35 a.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 personnel matters.

Director Dodson moved and Director Ignacio seconded.

The motion was unanimously carried.

The Board reconvened from Executive Session at 12:03 p.m.

Chairperson Thompson reported that the Board discussed personnel matters and received guidance, directions and clarification.

Chairperson Thompson called a recess at 12:04 p.m. and reconvened at 12:18 p.m.

Discussion:

Discussion: Update and Status of the Mixed Finance Redevelopment at Kuhio Park Terrace (KPT) and Kuhio Homes with the Michaels Development Company; and HPHA's Administrative Budget for the Redevelopment at Kuhio Park Terrace.

Staff reported that the U.S. Department of Housing and Urban Development (HUD) evidentiary has been submitted and HUD is reviewing the documents. The closing date is March 24, 2011.

The Board requested copies of the written testimony submitted by the HPHA for S.B. 604

Chairperson Thompson asked the Operations Task Force to convene regarding the Real Estate Assessment Center (REAC) scores and report back to the Board at the March board meeting. The task force consists of Director Beaver, Director Ignacio and Director Godfrey.

Director Aiona left at 12:28 p.m.

Motion: To go into executive session at 12:29 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) and to Procurement and Contract Actions

Director Beaver moved and Director Dodson seconded.

The motion was unanimously carried.

The Board reconvened from Executive Session at 1:15 p.m.

Chairperson Thompson reported that the Board discussed the KPT lawsuit, no action was taken. The Board also discussed procurement issues.

Director Beaver moved and Director Dodson seconded.

The motion was unanimously carried.

The Board reconvened from Executive Session at 1:16 p.m.

With no further business for the board to conduct Chairperson Thompson called for a motion to adjourn.

Director Dodson, moved to adjourn and Director Ignacio seconded.

The motion was unanimously carried.

The meeting adjourned at 1:16 p.m.

MINUTES CERTIFICATION

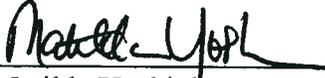
Minutes Prepared by:



Taryn T. Chikamori
Secretary to the Board/Recording Secretary

MAR 17 2011
Date

Approved by the HPHA Board of Directors at their Regular Meeting on
March 17, 2011



Matilda Yoshioka
Director/Board Secretary

MAR 17 2011
Date