HAWAII PUBLIC HOUSING AUTHORITY
MINUTES OF THE REGULAR MEETING
HELD AT 1002 NORTH SCHOOL STREET, BUILDING E,
HONOLULU, HAWAII 96817
ON THURSDAY, APRIL 19, 2012
IN THE COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the Hawaii Public Housing Authority met for their Regular Board Meeting at 1002 North School Street, on Thursday, April 19, 2012 at 9:00 a.m.

The meeting was called to order by Chairperson David Gierlach and on roll call, those present were as follows:

PRESENT:
Director David Gierlach, Chairperson
Director Matilda Yoshioka, Vice-Chair
Director Jason Espero, Secretary
Director Desiree Kihano
Director Debbie Shimizu
Designee Wilfredo Tungol
Director Trevor Tokishi
Director George Yokoyama

Executive Director, Hakim Ouansafi
Deputy Attorney General, Jennifer Sugita

EXCUSED:
Director Roger Godfrey
Director Travis Thompson

STAFF PRESENT:
Barbara Arashiro, Executive Assistant
Clarence Allen, Acting Chief Financial Management Advisor
Nicholas Birck, Chief Planner
Becky Choi, State Housing Development Administrator
Stephanie Fo, Property Management & Maintenance Services Branch Chief, Acting Section 8 Chief
Joanna Renken, Acting Public Housing Supervisor
Rick Sogawa, Contracts and Procurement Officer
Taryn Chikamori, Secretary to the Board

OTHERS:
Gloria Castro, Mayor Wright Homes Resident
Hua Cheung, Punchbowl Homes Resident
Renee Espiau, City and County of Honolulu
Jacquelyn Fairchild, Punchbowl Homes Resident
Malia Fetu, Mayor Wright Homes Resident

Yolanda Frejo, Punchbowl Homes Resident
Maile Kanemaru, Weed and Seed
Fetu Kolio, Mayor Wright Homes Resident
Diana Lenta, Mayor Wright Homes Resident
Paulo Louts, Mayor Wright Homes
Bob Loren, HPHA Public Housing Resident
Marilyn Mi, Punchbowl Homes Resident
Haruko Moberg, Punchbowl Homes Resident
Monique Ocampo, Nanakuli Homes Resident
Marie Powell, Punchbowl Homes Resident
Ken Schroeder, Punchbowl Homes Resident
Nancy Schroeder, Punchbowl Homes Resident
Kathy Sokugawa, City and County of Honolulu
Cornelius Stone, Punchbowl Homes Resident
Matthew Taufetee, Peacemakers
Kathleen Walsh, Punchbowl Homes Resident
Terrance Ware, City and County of Honolulu
Jun Yang, Faith Action for Community Equity

Proceedings:

Chairperson Gierlach declared a quorum present.

The business of the Board proceeded with approval of the Regular Meeting Minutes of March 15, 2012.

Director Espero moved to approve the minutes.

The minutes were unanimously approved.

Public Testimony

Marie Powell, Punchbowl Homes Resident, stated that she has concerns with the tenant association. She believes there should be a third party representative and that everyone should be notified of the election. She stated there is a sign posted but, feels a mail out should go to all the tenants. She also stated that Nancy Schroeder wants to run for president but was disqualified as a nominee. Ms. Schroeder should not be disqualified. She also stated tenants should not have to submit 16 medical forms to get a live-in-aide.

Ken Schroeder, Punchbowl Homes Resident, asked that the Punchbowl Homes manager stop harassing his wife, Nancy Schroeder. He also asked that the Hawaii Public Housing Authority (HPHA) allow his wife to be a nominee for president.

Nancy Schroeder, Punchbowl Homes Resident, stated that management is harassing her and violating her rights. She stated that she has never had a violation in 16 years. She stated she had a confrontation with Todd Cornellison. Mr. Cornellison made a complaint to management and

management sent her a letter requiring her to attend a mandatory meeting. She responded with a letter and did not attend the meeting. Management then disqualified her from running for tenant association president. She stated that disagreements with other tenants are not a violation of the lease and she should not be disqualified to run for office.

Bob Loren, Punchbowl Homes Resident, thanked the Executive Director and staff for the maintenance improvements at Punchbowl Homes. He stated when he moved in he accepted a one bedroom unit instead of a two bedroom unit because the waiting list was two years. He has since put in a reasonable accommodation for a two bedroom unit and the HPHA has been harassing him with paperwork. The harassment stopped under the direction of Denise Wise but since her departure, management has started harassing him again.

Jacquelyn Fairchild, Punchbowl Homes Resident, stated that Mrs. Schroeder should be allowed to run for president because Ms. Schroeder has lived in public housing for 16 years and knows how things work. Her qualities and knowledge make her a valuable candidate.

Haruko Moberg, Punchbowl Homes Resident, stated that the trash chute is broken and on weekends and holidays tenants need to walk their trash to the first floor. Having to walk the trash to the first floor is a burden on the elderly and handicapped and should not be happening.

Yolanda Frejo, Punchbowl Homes Resident, stated that Mr. and Mrs. Schroeder are good tenants and Mrs. Schroeder should be allowed to run for president of the tenant association. She also requested a resident manager.

Paulo Louts, Mayor Wright Homes, stated that the construction of fences is good but the sidewalks are popping up causing difficulty for the handicapped. He requested that HPHA widen the sidewalks. Mr. Louts also stated that the major problem with the Mayor Wright Homes (MWH) tenant association is the president, Fetu Kolio. He stated that he understands there are legal issues with Mr. Kolio and some residents would like Mr. Kolio to step down.

Monique Ocampo, Nanakuli Homes Resident, stated that she commends Mr. Ouansafi for serving the tenants. She stated that she opposes SB2 prohiting smoking in public housing because if a tenant is given three violations, the tenant will be evicted, and believes that HPHA should do its own study and make its own rules. She also opposes HB755 which allows teleconferencing for eviction hearings. She stated that barbequing should be allowed in designated areas.

Fetu Kolio, Mayor Wright Homes Resident, stated that confidential information and serious allegations about him were sent to another resident, and he believes that this was done intentionally. He also stated his lease renewal was six months late, renewals should be dealt with in a timely manner, and he feels that he is being harassed.

Malia Fetu, Mayor Wright Homes Resident, stated that Mr. Ouansafi held a meeting with the residents and informed them of the changes at MWH. She stated that the tenants would like more information and have a say in the decisions that are made by the HPHA. She stated that there are many things happening between management and Mr. Kolio and the tenants have no

idea what is going on at MWH. She feels like a prisoner at MWH. She also stated that tenants are misinformed or there is no communication between the HPHA and the tenants.

For Action:

Director Espero moved,

> **To Adopt Revisions to the Admissions and Continued Occupancy Policy (ACOP) Regarding Relocation and Transfer of Residents to Modernized Units.**

Mr. Ouansafi reported that the language that previously requested by the Board was added to the proposed ACOP amendments, to provide as follows:

> The resident's unit is being modernized, renovated, rehabilitated, or significantly remodeled (collectively, "Rehabilitation"). In such cases the ~~family~~ resident may ~~only~~ be offered temporary relocation. The resident will be ~~and may be~~ allowed to return to ~~their~~ same unit or location once ~~r~~Rehabilitation is complete if consistent with a relocation plan that has been reviewed and approved by the Compliance Office and the Office of the Executive Director to minimize the displacement of persons under 24 C.F.R. § 968.108. If the PHA cannot return the temporarily relocated tenant to the same unit or location, then the PHA must offer and pay for "permanent relocation assistance."

Chairperson Gierlach asked staff to explain 24 C.F.R. § 968.108. Chief Planner Nick Birck responded that 24 C.F.R. § 968.108 governs situations for relocation pursuit to modernization, and includes definitions and rules, provides for an appeal process, and establishes what a public housing authority (PHA) must pay for if a tenant is required to move.

Director Yoshioka asked for an example of "an administrative reason determined by the PHA" listed under the rank order of transfer list in Chapter 8 of the ACOP. PMMSB Branch Chief Stephanie Fo responded that an administrative reason would include situations where a handicapped tenant needs a wheelchair accessible unit, and another tenant currently lives in but does not need such an unit. The PHA would then request that the tenant move from the wheelchair accessible unit to a regular housing unit so that the PHA could provide the accessible unit to the handicapped tenant.

Director Kihano asked why the Compliance Office would need to approve the relocation plan. Mr. Ouansafi replied that the Compliance Office would conduct the cost analysis of the plan.

Director Kihano stated that Hawaii Administrative Rules (HAR) already provide for and address the relocation of tenants. Director Kihano noted that the only difference between the HAR and ACOP is that the ACOP needs Board approval, whereas the HAR requires public hearings and testimony. Mr. Birck explained the application of statutes, rules, policies, and contracts by noting that legislation is broad, and the HAR is more specific than the statute but do not address the day-to-day operations of HPHA. The ACOP is more specific than legislation or HAR, while

the lease is the most specific. He stated that these laws and documents all work in conjunction with each other.

Director Espero asked if "medical hardship" on the rank order of transfer list includes mental health issues. Mr. Ouansafi responded that it includes physical and mental health issues.

Director Espero asked if a doctor's certification is needed or if a certification from a clinical social worker would suffice. Mr. Ouansafi responded that under the request for reasonable accommodation (RAR) rules, the HPHA would accept certifications from either a doctor or licensed clinical social worker.

Director Yoshioka asked if it is true that there is a lot of paperwork for a RAR. Mr. Ouansafi responded that he does not believe there is a lot of paperwork but, HPHA has been adjusting its procedures based on new legal requirements and its consultant's recommendations.

Deputy Attorney General Jennifer Sugita commented that the Attorney General's (AG) office reviewed the prior version of the proposed amendments to Chapter 8 regarding the transfer and relocation of tenants. Ms. Sugita noted that the AG's office approved the proposed amendment language, but is recommending additional changes to the chapter, such as the current rank order of transfer list. The AG's office recommends that the Board revise the rank order of transfer list, but such revisions are policy decisions.

Ms. Arashiro asked if the AG's office is recommending that the HPHA change the list of priorities even though the ACOP in its entirety at some point in time was adopted by the Board. Ms. Sugita responded that the ACOP was approved in 2000 by Hawaii Community Development Corporation of Hawaii (HCDCH) and not the HPHA. Mr. Ouansafi stated that he was informed that other items need to be changed and the HPHA will be working on these changes.

Director Kihano moved at 9:54 a.m.,

> **To go into Executive Session pursuant to Hawaii Revised Statutes (HRS) sections 92-4 and 92-5(a)(4) to consult with the Board's attorneys on questions and issues pertaining to the changes to the ACOP and motion before the Board.**

The motion was unanimously carried.

The Board reconvened from Executive Session at 10:25 a.m.

Ms. Sugita clarified for the record that the AG's office approves of the HPHA's proposed amendments to Chapter 8 of the ACOP. Ms. Sugita stated that her prior statement that the Board should revise other provisions in Chapter 8 does not mean that there are problems or issues with the proposed amendment currently before the Board. Ms. Sugita stated that she wanted the Board to know that the AG's office was advising that the Board make other revisions to this chapter in the future.

Director Shimizu asked for a timeline on working with the tenants on the relocation. Chairperson Gierlach responded that the timeline is stated in 24 C.F.R. § 968.108.

The motion was unanimously carried.

Mr. Ouansafi asked if the Board could go into executive session as Deputy Attorney General John Cregor was present to provide the Board with an update on *Kolio, et al. v. State of Hawaii, Hawaii Public Housing Authority, et al.* litigation.

Motion: **To go into Executive Session 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 *Kolio, et al v. State of Hawaii; Hawaii Public Housing Authority; Denise Wise In Her Official Capacity As Executive Director (Civil Case No. CV11-00266 and Civil No. 11-1-0795).***

Director Yoshioka moved at 10:28 a.m.

The motion was unanimously carried.

The Board reconvened from Executive Session at 10:41 a.m.

Chairperson Gierlach reported that the Board received a litigation update from its attorney.

For Action:

Director Espero moved,

To Certify the Hawaii Public Housing Authority's Application for a Choice Neighborhoods Planning Grant and to Authorize the Executive Director to Take All Actions Necessary to Prepare and Submit an Application to the U.S. Department of Housing and Urban Development (HUD).

Mr. Ouansafi reported that the HPHA is applying for a grant with Michaels Development Company (Michaels) as the lead applicant and HPHA as the co-applicant, so that the HPHA will receive more points from HUD, and increase the HPHA's chances of getting the grant.

Director Shimizu asked if the HPHA is already using EJP Consulting and Michaels. Mr. Ouansafi reported that the HPHA has a consultant and he spoke to Hawaii Housing Finance and Development Corporation (HHFDC) and other agencies to determine which entity to partner with so that the HPHA can garner the most points to qualify for the grant.

Director Yoshioka asked if the grant is for Kuhio Park Terrace (KPT) and about Michaels's role in this matter. Mr. Ouansafi responded that the grant is for KPT and Michaels will be the lead applicant because if the HPHA is the lead applicant, the HPHA would not qualify for the grant since it does not have the experience in redevelopment and rehabilitation of neighborhoods.

Designee Tungol asked if Michaels and the HPHA will be equal partners. The grant refers to the applicant as lead applicant and co-applicant. Mr. Ouansafi responded that if the HPHA receives the grant then Michaels and the HPHA will enter into a contract where the HPHA controls the funds, the flow, etc.

The motion was unanimously carried.

Reports:

Board Task Force Reports: none

Executive Director's Report:

Mr. Ouansafi stated that the media incorrectly reported that a stabbing happened at MWH. The HPHA notified the media of this error and clarified that the incident occurred near, and not on MWH property. Mr. Ouansafi stated that security did not allow the assailant on the property and also called and assisted the Honolulu Police Department with arrest of the assailant.

Mr. Ouansafi reported that the HPHA is 99% sure that Lanakila Homes will be not demolished and be renovated instead, and the paperwork is being prepared. The HPHA met with the Department of Accounting and General Services (DAGS) and DAGS has agreed to loan some of its staff to the HPHA. The HPHA has found a way to use $14 million in '07-'08 funds that were set to expire. The HPHA is in talks with the Corrections Department and Army Corp of Engineers to have them help the HPHA renovate its units.

Director Yokoyama asked how many units at Lanakila will be demolished. Mr. Ouansafi reported that 58 units will be renovated and 4 units will be demolished. Director Yokoyama asked if the HPHA could donate the lumber from the demolished units so that shacks could be built for low income people on the Big Island. Director Yokoyama stated that many of the low income people are living in caves, and do not have running water or electricity. Mr. Ouansafi responded that the lumber donation will be included in the Request for Proposal.

Chairperson Gierlach asked what HPHA is doing to inform the residents at MWH of the changes that are happening. Mr. Ouansafi reported that a meeting was held with the tenants prior to implementing any of the changes, and a follow up meeting was also done. The HPHA explained the upcoming changes at MWH, and also held a question and answer portion during the meetings. Mr. Ouansafi acknowledged that there are issues with the MWH tenant association, but the HPHA management does not interfere with the association's business as it is prohibited from doing so by law.

Director Tokishi asked what Ms. Fetu was talking about when she stated that a "big bomb dropped" on the MWH residents. Mr. Ouansafi responded she was talking about the new fencing and security even though the residents were apprised of these changes in advance.

Director Tokishi asked the HPHA to clarify the references to the HPHA putting up a sign during the public testimony. Mr. Ouansafi responded that the testifier was referring to the welcome

signs posted at the HPHA main office providing: "Welcome to HPHA. We are here to serve you." Mr. Ouansafi reported that the HPHA staff is required to answer the phones with the greeting: "Aloha HPHA, this is (insert name) how may I serve you." He also stated that a quote of the week is sent to staff to remind them of the value of serving people.

Director Yoshioka stated that the legislative session will over by the next Board meeting and asked for a legislative update. Mr. Ouansafi reported that the HPHA is optimistic that it will receive the requested funds because the Senate passed the bill, and the HPHA is still lobbying the House. He stated that the HPHA objected to the tobacco free bill, and has also met with the Department of Human Services and Tobacco Free Hawaii about educating residents.

Designee Tungol reported that the Chair of the Housing Committee Rida Cabanilla deferred HB 1884 Compensation for Executives, and that Chair Cabanilla sent a letter to Director McManaman explaining why the measure was deferred. Chairperson Gierlach asked about HPHA's position on this bill. Mr. Birck responded that the HPHA disagrees with Chair Cabanilla and the Senate seems to agree with the HPHA since the Senate moved the companion bill through their committee. The HPHA believes the bill is necessary to comply with the Public and Indian Housing (PIH) notice and the HPHA will continue to move forward.

Director Espero asked which bills are being tracked by the HPHA. Mr. Birck replied that the HPHA is tracking about 15 bills, including HB46 which bans smoking in public housing. The HPHA supported HB46 when it went through most of the session as banning smoking in the common areas as it was consistent with state law until the Committee on Judiciary and Labor amended the bill to be an entire inventory ban without notice to the HPHA. The HPHA is also tracking HB 755 which cleans up the statutory language in Hawaii Revised Statutes (HRS) §§ 356D-92 and -93. Mr. Ouansafi reported that staff will put a list together and email it to the Board members. Mr. Birck also reported that HRS § 356D-6 was amended to allow the Resident Advisory Board to submit no less than three and no more than five names for the Board's resident member seat to the Governor for appointment.

Designee Tungol asked the HPHA about the media's report of a church being on State property at KPT. Mr. Ouansafi reported that the matter is still being investigated. The preliminary report is that the church does not use the space exclusively and the space is being shared by others. The HPHA is working with the AG's office on an official response.

<u>For Information:</u>

Presentation on the Kalihi Neighborhood Transit-Oriented Development (TOD) Plan

Ms. Renee Espiau, Terrance Ware, and Kathy Sokugawa, all of whom work for the City and County of Honolulu (C&C), introduced themselves to the Board.

Ms. Espiau reported that the committee has been working on community visioning for about five years. Many of the HPHA's properties will be within a five minute walking distance from the rail stations. The rail will run 20 miles from East Kapolei to Ala Moana and will have

approximately 21 stations. Two stations will be under Hawaii Community Development Authority (HCDA) jurisdiction and 19 will be under the C &C's jurisdiction.

Ms. Espiau reported that TOD is proposing to build compact walking communities near transit stations. There are three major components to TOD: 1) density; 2) diversity; and 3) design. "Density" means within a five to ten minute walk to the transit stations. "Diversity" means different uses, retail, housing, and institutions, and also includes different housing types and sizes. "Design" focuses on being pedestrian friendly. TOD is "what is old is new again." She reported that nearly 60% of all HPHA's units are within a half mile or a ten minute walk of the transit stations. Ms. Espiau showed pictures of what the neighborhood could look like and the HPHA properties' proximity to the planned transit stations for the Waipahu, Aiea/Pearl City, Kalihi, and Downtown areas.

Mr. Ware stated he previously was the Director of Housing and Neighborhood Development of the City and County of Denver and a Commissioner on the Denver Housing Authority Board. He stated that Denver has five transit corridors and the Denver Housing Authority, the City of Lakewood, and City of Aurora initiated the development around the transit stations because the public housing properties were within a mile of the transit stations. He stated the TOD received a $2.5 million grant from HUD to study rail transportation and public housing.

Designee Tungol commented that many people believe that the development around the stations will be geared to middle and upper income classes.

Director Yokoyama asked about the number of seats in each rail car. Mr. Ware responded that the car has 69 seats, will hold between 150-180 passengers, and that a car will arrive every three minutes during peak hours.

Director Yokoyama asked how the rail can accommodate everyone. Mr. Ware responded that this is not the perfect or the only solution. There will still be buses, people driving, walking, and transit. All of these need to work together.

Executive Director's Report continued . . .

Director Shimizu asked about the kind of information and government records being requested under the Uniform Information Practice Act (UIPA). Mr. Ouansafi reported that the HPHA has been getting many UIPA requests from residents for meeting minutes, paragraphs from the ACOP, etc. Many of the UIPA requests are from tenants facing evictions, and they are preparing for their respective eviction hearings.

Director Shimizu asked if the HPHA is working with the Information and Communication Services Division (ICSD) with regards to the Emphasys Computer Solutions. Mr. Ouansafi reported that this is a software issue and the HPHA is working with Emphasys Computer Solutions to fix all the bugs in the software. Director Shimizu asked if this software is used only for the HPHA or if it is integrated within the State. Mr. Ouansafi reported this is only for HPHA.

Mr. Ouansafi reported the HPHA submitted the audit.

Director Kihano moved at 11:44 a.m.,

> **To go into Executive Session pursuant to HRS 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:**
>
> **(1) Approval of Executive Session Minutes of March 15, 2012; and**
>
> **(2) Kuhio Park Mixed Finance Development.**
>
> **To go into Executive Session pursuant to HRS sections 92-4 and 92-5(a)(2) where consideration as to matters involving privacy will be involved to discuss Personnel Actions.**

The motion was unanimously carried.

The Board reconvened from Executive Session at 12:33 p.m.

Chairperson Gierlach reported the Board discussed the personnel matters, KPT issues and approved the March 15, 2012 Executive Session minutes.

With no further business for the Board to conduct,

Director Yoshioka moved to adjourn,

The motion was unanimously carried.

The meeting adjourned at 12:35 p.m.

MINUTES CERTIFICATION

Minutes Prepared by:

Taryn S. Chikamori — MAY 17 2012

Taryn Chikamori
Secretary to the Board

Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on MAY 17 2012.

J Espero — MAY 17 2012

Jason Espero
Director/Board Secretary

Date