HAWAII PUBLIC HOUSING AUTHORITY
MINUTES OF THE REGULAR MEETING
HELD AT 1002 NORTH SCHOOL STREET, BUILDING E
HONOLULU, HAWAII 96817
ON THURSDAY, JULY 18, 2013
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, July 18, 2013 at 9:45 a.m. Vice Chair Yoshioka called the meeting to order and declared that a quorum was present. Those present were as follows:

PRESENT: Director Matilda Yoshioka, Vice-Chair
Director Jason Espero, Secretary
Director Debbie Shimizu
Director Trevor Tokishi
Designee Barbara Yamashita
Director George Yokoyama

Deputy Attorney General, Jennifer Sugita

EXCUSED: Director David Gierlach, Chairperson

STAFF PRESENT: Hakim Ouansafi, Executive Director
Barbara Arashiro, Executive Assistant
Clarence Allen, Acting Chief Financial Management Advisor
Kiriko Oishi, Chief Compliance Officer
Benjamin Park, Housing Planner
Stephanie Fo, Section 8 Subsidy Program Branch Chief
Veronica Malabey, Property Management Specialist
Rochelle Akamine, Resident Services Program Specialist
William Richardson, Resident Services Program Specialist
Taryn Chikamori, Secretary to the Board

OTHERS: Ene Augafa, Mayor Wright Homes resident
Ira Calkins, Punchbowl Homes resident
Bob Loren, Punchbowl Homes resident
Jesse Wu, U.S. Department of Housing and Urban Development, Director, Office of Public Housing

Proceedings:

Vice Chair Yoshioka declared a quorum present.

Approval of Minutes:

Director Espero moved,

> **To approve the Regular Meeting Minutes of June 20, 2013.**

Director Yokoyama requested that his comments regarding programs for youth at Lanakila Homes, during Representative Cabanilla's presentation, be reflected in the minutes.

Designee Yamashita moved,

> **To defer the Regular Meeting Minutes of June 20, 2013 to the August 15, 2013 Board meeting.**
>
> The motion was unanimously approved.

Vice Chair Yoshioka stated that the Executive Session minutes will be deferred to Executive Session.

Public Testimony:

Vice Chair Yoshioka reminded the testifiers that they have three minutes to speak on each agenda item according to the Board's rules. She also asked that the testifier state which item on the agenda they are addressing.

Ene Augafa, Mayor Wright Homes resident, reported that a group of people entered Mayor Wright Homes (MWH) with a camera early Monday morning and he felt that it was an invasion of his privacy. He reported that the tenant association is trying to move forward. Mr. Augafa questioned whether management has anything to do with creating the tenant association.

Bob Loren, Punchbowl Homes, declined to testify.

Ira Calkins, Punchbowl Homes resident, stated he will be testifying on items I, II, and III. He stated that the Board did not take roll call. Mr. Calkins questioned why the public is not allowed to review the minutes before the Board approves the minutes. He believes that only a few people testify at the Board meeting because tenants do not know that the Board meeting is being held.

Bob Loren, Punchbowl Homes, stated that he feels like he is living in a prison because security is too tight. He stated that tenants are being frisked and security is peeping in tenant's windows.

Vice Chair Yoshioka asked if there was any other public testimony. There being none, Vice Chair Yoshioka moved on to the next order of business.

For Action:

Director Espero moved,

> **To Adopt Resolution No. 62, to Authorize the Hawaii Public Housing Authority's Executive Director to Execute the Declarations of Trust to be filed with the Bureau of Conveyances as Required by Federal Regulations on Behalf of the Hawaii Public Housing Authority Board of Directors.**

Executive Director Ouansafi reported that the Declarations of Trust (DOT) need to be filed according to the U.S. Department of Housing and Urban Development (HUD) mandate.

Designee Yamashita questioned whether a DOT needs to be completed for every property.

Executive Director Ouansafi responded that the HPHA hired a title company to conduct the title searches, once it is received; the Attorney General's Office enters the information received from the title company into the HUD specified form, which is then filed.

Designee Yamashita asked if the HPHA is preparing to turn over the homeless shelter properties to Department of Accounting and General Services (DAGS) or Department of Land and Natural Resources (DLNR).

Designee Yamashita asked if this is the same process for the homeless shelter properties to be transferred. Executive Director Ouansafi responded that the HPHA will need to determine the ownership and then decide if the property will be kept in HPHA's inventory or turned over to the DAGS or DLNR.

Executive Director Ouansafi responded that he does not feel this is the time to discuss the transfer of the properties because the HPHA is focusing on HUD's mandate. He stated once the HPHA completes the HUD mandate then the HPHA will focus on the other properties. He stated that the recommendation to the Board may be that the HPHA keep the shelter properties in the HPHA inventory. The shelters are capital assets that could be used as leverage for re-development.

The motion was not approved by the vote of: Ayes: Vice Chair Yoshioka

Director Espero
Director Shimizu
Director Tokishi
Director Yokoyama

Nays: Designee Yamashita

Designee Yamashita clarified that she is opposed because she is unsure what is happening with the homeless shelter properties.

Executive Director Ouansafi responded that the homeless shelter properties are not part of this motion because this is only for federal properties.

Jesse Wu, U.S. Department of Housing and Urban Development, Director, Office of Public Housing, reiterated the importance of the DOTs being filed. He stated that HUD and the HPHA have an Annual Contributions Contract which provides for ongoing operating and capital subsidy. HUD requires that the DOTs be filed for the federal properties that receive federal funds.

Designee Yamashita moved to reconsider,

> **To Adopt Resolution No. 62, to Authorize the Hawaii Public Housing Authority's Executive Director to Execute the Declarations of Trust to be filed with the Bureau of Conveyances as Required by Federal Regulations on Behalf of the Hawaii Public Housing Authority Board of Directors.**
>
> The motion to reconsider was unanimously approved.
>
> The motion was unanimously approved.

Resolution No. 62

Hawaii Public Housing Authority
State of Hawaii

RESOLUTION TO AUTHORIZE THE HAWAII PUBLIC HOUSING AUTHORITY'S EXECUTIVE DIRECTOR TO EXECUTE THE DECLARATIONS OF TRUST TO BE FILED WITH THE BUREAU OF CONVEYANCES AS REQUIRED BY FEDERAL REGULATIONS ON BEHALF OF THE HAWAII PUBLIC HOUSING AUTHORITY BOARD OF DIRECTORS

WHEREAS, in accordance with the U.S.Housing Act of 1937 (Act) and the Annual Contributions Contract with the United States Department of Housing and Urban Development (HUD), under which the Hawaii Public Housing Authority (HPHA) receives operating subsidy for its federally-assisted low-income public housing program, the HPHA is required to record current Declarations of Trust (DOT) against all properties that have been acquired, developed, maintained, or continue to be assisted with funds under the Act; and

WHEREAS, a DOT is a legal instrument that grants HUD an interest in public housing property and provides public notice that the property must be operated in accordance with all Federal public housing requirements, including the requirement not to convey or otherwise encumber the property unless expressly authorized by federal law and/or HUD; and

WHEREAS, the HPHA desires to update the Declarations of Trust for its entire federal public housing inventory, consisting of 69 properties, in accordance with these requirements; and

WHEREAS, HUD has instructed the HPHA to use HUD Form 52190-A for the Declarations of Trust, which calls for the Chairperson of the Board of Directors to execute these Declarations of Trust; and

WHEREAS, the HPHA has received guidance from HUD that it is acceptable to HUD that HPHA's Executive Director execute the DOTs, with Board approval for the delegation of authority; and

WHEREAS, the HPHA has received advice from the Department of the Attorney General that execution of the DOTs by the HPHA's Executive Director is in accordance with state law; and

WHEREAS, the staff will submit all Declarations of Trust to the Department of the Attorney General for review and approval prior to execution; and

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the HPHA hereby authorize the Hawaii Public Housing Authority's Executive Director to execute the Declarations of Trust.

The UNDERSIGNED, hereby certifies that the foregoing resolution was duly adopted by the Directors of the Hawaii Public Housing Authority on July 18, 2013, in Honolulu, Hawaii.

Approved by the Board of Directors
on the date set forth above

By:
Its:

For Action:

Director Tokishi moved,

> **To Approve Compensation for the Hawaii Public Housing Authority's (HPHA) Executive Director Effective July 1, 2013 and to Delegate Authority to the Executive Director to Approve the Salary for the Key Positions Included in Act 152, SLH 2013 Pursuant to an Approved Schedule.**

Executive Ouansafi deferred to the Board for discussion.

Designee Yamashita asked for clarification because she thought the Executive Directors salary was 91% of the DHS Director's salary. Executive Director Ouansafi clarified that it was 98% of the DHS Director's salary. Executive Director Ouansafi reported that the calculations in the (For Action narrative) were compared to the Governor's salary to be consistent with the law.

The motion was unanimously approved.

Executive Director's Report:

- Executive Director Ouansafi reported that the HPHA has been meeting many of the goals that were set.

- Executive Director Ouansafi reported that the Kauai manager resigned as of last Monday. He reported that Kauai was taken off the HUD watch list as occupancy has stabilized. Now that Kauai does not have a manager, the HPHA will continue to monitor programs at the AMP.

- Executive Director Ouansafi reported that the HPHA has been taken off the federal Corrective Action Order by the HUD. He thanked the staff for all their hard work.

- Executive Director Ouansafi reported that the HPHA is purging the public housing waitlist which has not been purged since 2007. The HPHA mailed out 12,000 letters and received approximately 7,000 responses. The HPHA also instituted a short application form which includes only basic information. Once it is an applicant's turn, then they will be requested to complete a more detailed application.

- Executive Director Ouansafi reported that the consultants hired for the Fiscal Management Office (FMO) has gone through the process of reviewing every transaction for the past 10 years to figure out where the issues were. Now the HPHA will be converting the information into the new financial system. This will give the HPHA accurate data and timely reports. Executive Ouansafi reported that HUD is helping the HPHA procure a consultant to provide additional technical assistance. The HPHA is reviewing the scope of work because the original scope is outdated.

- Executive Director Ouansafi thanked Kiriko Oishi, Compliance Officer and Deputy Attorney's Sugita, Wilson-Ku and Wong for all their hard work on completing the DOT's and getting the Confirmation of Ownerships recorded.

- Executive Director Ouansafi reported that the Hawaii Civil Rights Commission (HCRC) found in favor of the HPHA on a discrimination case that has been on-going for almost two years.

- Executive Director Ouansafi reported that he was just made aware that people are entering tenants units without permission. He asked the manager to make a police report because it is not HPHA staff. The HPHA will be investigating this thoroughly because School Street staff and management have not authorized anyone to go into units without notice to take videos. The comfort, security, and privacy of the tenants are taken very seriously.

- Director Shimizu questioned on page 41, under "reason for referral for eviction" there is rent and other, what are the "other" reasons that people are referred for eviction. Executive Director Ouansafi responded that the "other" items are violence, criminal, violation of rules, disturbance, trespassing or anything else that is a violation of the lease.

- Director Shimizu asked if the whole family gets evicted. Executive Director Ouansafi confirmed Director Shimizu's statement that depending on the situation, the whole family is referred for eviction. He also stated in some circumstances when the violator is an adult child the HPHA will agree to allow the family to stay under the condition that the violator is removed from the household.

- Director Shimizu asked on the CIP-CFP hand out what does the "?" for CFP 723, obligation deadline represent. Executive Director responded that it is pending HUD award. He stated that a change will be made on the next report to reflect that the deadlines are "pending HUD award."

- Director Tokishi questioned on page 50 "year to date General Expenses variance" is 21% but it is not explained on page 48. Clarence Allen, Acting Chief Financial Management Advisor, responded the variance is for depreciation. Director Tokishi asked if that can be documented in the future variance reports.

- Director Tokishi asked for an update on the administrative rules. Executive Director Ouansafi responded that the DHS is not approving the rules until some concerns are answered. The HPHA is unclear what the concerns are. He stated that anything the HPHA sends for Governor's approval needs to go through DHS even if the Board approves the motion.

- Vice Chair Yoshioka questioned why the rent collection has gone down. Executive Director Ouansafi responded that he will speak to the managers to figure out the exact reasons.

Executive Session:

Director Tokishi moved at 10:25 a.m.,

> **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:**
>
> 1. **Executive Session Minutes, April 18, 2013 and June 20, 2013**
>
> 2. ***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)***

The motion was unanimously carried.

The Board reconvened from Executive Session at 10:44 a.m.

Vice Chair Yoshioka reported that the Board discussed the Kolio case; approved April 18, 2013 Executive Session Minutes; and approved as amended the June 20, 2013 Executive Session minutes.

Executive Director Arashiro asked whether corrections can be made to the June 20, 2013 Board minutes prior to the next meeting since the approval of the minutes was deferred. Deputy Attorney General Sugita responded affirmatively to Executive Assistant Arashiro's question. Deputy Attorney General Sugita further clarified that if anyone requests the June 20, 2013 Board minutes a draft copy must be provided.

Executive Director's Report cont.:

- Executive Director Ouansafi reported that the HPHA will be having a first annual service provider's conference. The HPHA will identify each property's specific needs and will invite all the service providers to a conference. The goal of the conference is to have the specific service providers volunteer their specific service at each property as deemed necessary.

- Executive Director Ouansafi reported that the HPHA will be holding a celebration to recognize key staff and their families for reaching the Board and agency goal of 97% occupancy. The Board will be invited.

  Vice Chair Yoshioka asked if this will be part of the Board meeting. Executive Director Ouansafi responded that the event would not be part of a Board meeting and the HPHA will be having a fun day. The first year and a half was business, now we are also focusing on the employees.

- Director Shimizu asked for an update on the Choice Neighborhood Initiative (CNI) Grant Dole Middle School event. Executive Director Ouansafi reported that the HPHA and Michaels Development will be hosting a neighborhood meeting chaired by Councilmember Joey Manahan. Executive Director Ouansafi reported that the HPHA meets with Michaels Development consistently every Wednesday and that staff are negotiating with an architect. Executive Director Ouansafi reported that a facilitator has been procured for the steering committee.

  He also stated that Councilmember Joey Manahan and Benjamin Park, Housing Planner, went to Washington D.C. for the CNI grant meeting. Executive Director Ouansafi reported that the HPHA website has an updated link of all of the CNI events including pictures.

Adjournment:

There was no further business to discuss, Vice Chair Yoshioka asked for a motion to adjourn the Regular Meeting.

Director Yokoyama moved,

To adjourn the Regular Hawaii Public Housing Authority Board meeting.

The motion was unanimously approved.

The meeting was adjourned at 11:01 a.m.

MINUTES CERTIFICATION

Minutes Prepared by:

Taryn T. Chikamori — AUG 15 2013

Taryn T. Chikamori
Secretary to the Board

Date

Approved by the Hawaii Public Housing Authority Board of Directors at their Regular Meeting on August 15, 2013: [✓] As Presented [ ] As Amended

AUG 15 2013

Jason Espero
Director/Board Secretary

Date