MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BLDG. E
ON THURSDAY, DECEMBER 18, 2008,
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, December 18, 2008 at 9:06 a.m.

ORDER/ ROLL CALL

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

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

Executive Director, Chad Taniguchi
Deputy Attorney General, Krislen Chun
Deputy Attorney General, Diane Taira

EXCUSED:
Director Carol Ignacio
Director Eric Beaver

STAFF PRESENT:
Alan Sarhan, Chief Planner
Barbara Arashiro, Executive Assistant
Dexter Ching, Section 8 Subsidy Program Branch Chief
Josephine Garcillo, Office Assistant
Karen Oshiro, Secretary II
Rick Sogawa, Acting Contracts & Procurement Officer
Sandra Miyoshi, Homeless Programs Administrator
Stephanie Fo, Acting Property Management and Maintenance Service Branch Chief
William Keahi, Personnel Management Specialist
Deesha Piiohia, Office Assistant

OTHERS:
Annie Joseph, Palolo Valley Homes resident
Cuey Sefo, Palolo Valley Homes resident
Delphine Nisa, Palolo Valley Homes resident
Desiree Kihano, Palolo Valley Homes resident
Fetu Kolio, Mayor Wright Homes resident
Fina Hilongo, Palolo Valley Homes resident
Francis La Batte, Kalakaua Homes resident
Jan Ii, Palolo Valley Homes resident
Jean Peters, Kalakaua Homes resident
Jesse Ponce de Leon, Kalakaua resident
Joelle Chiu, Pacific Housing Advisors
Kelly Conlan, Kalakaua Homes resident
Koreena Sefo, Palolo Valley Homes resident
Leonard Lester, Mayor Wright Homes
Lowell Kalapa, Urban Housing Communities
Roy Matsunaga, private resident
Roy Nakamura, Kalakaua Homes resident
Sara Browning, Pacific Housing Advisors
Sharlene Chang, Kalakaua Homes resident,
Tim Garry, private resident

Treena Sefo, Palolo Valley Homes resident

Chairperson Thompson declared a quorum present.

QUORUM

Director Dodson moved, Director Beaver seconded,

APPROVAL OF MINUTES SPECIAL MEETING 11/19/08

That the minutes of the Special Meeting held on November 19, 2008 be approved as circulated.

The motion was unanimously carried as amended.

PUBLIC TESTIMONY

Fetu Kolio, Mayor Wright Homes resident, stated he feels that the Board does not need to be at the projects to see what goes on. The Board relies on management and the residents to report problems. The Act 34, drinking in commons areas is great. Security is still lacking; he called security five times with no response and the sixth times he called the police for noise disturbance. Mr. Kolio submitted pictures of fireworks rubbish in Mayor Wright Homes parking lot.

Jesse Ponce de Leon, Kalakaua Homes resident, stated he would like to see a change in management. Mr. Ponce de Leon stated Kamalani Rodrigues, Deputy Manager for Asset Management Project (AMP) 34 refused volunteer work from the senior citizens and she refused to allow separate tenant associations for the elderly and family projects.

Leonard Lester, Mayor Wright Homes, stated five years ago a neighbor was selling illegal fireworks and would have large party. Every year, since then there is at least one car that gets damaged. This year, children are throwing fireworks under his car. The security guard told all the children that it was okay to continue what they were doing.

Francis La Batte, Kalakaua Homes resident, stated that a few residents lost power and property because the roof was leaking during a past storm. Since then, the power is being shut off and work was being done on the roof. There has been no letter or call to apologize or inform residents on how to claim for the lost of items. On December 11, 2008 the power was out for 33 hours and he wants to know how the residents can claim their losses as a project or group instead of individuals.

Roy Nakamura, Kalakaua Homes resident, on October 27, 2008 stated he filled out a claim for new carpets. On December 15, 2008 he filled out a new claim for his losses because the power was out for 33 hours. Why is there so much red tape just to get such things as reimbursements completed?

Tim Garry, private resident, stated he brought fireworks rubbish that has been going off for the last few weeks. He would like to see the Board continue the discussion of the mixed use.

Director Smith asked if Mr. Garry is saying that if Hawaii Public Housing Authority (HPHA) takes the vacant units, plus the delinquencies, plus the people who pay zero rent, the HPHA has over one third of the over all housing units that the HPHA is not getting any money from.

Sharleen Chang, Kalakaua Homes resident, stated that she wants her record wiped clean of harassment charges. She did have a meeting with Stephanie Fo, Acting Property Management and Maintenance Service Branch Chief.

Director Smith asked that some thought be given to hiring an ombudsman to help with resident complaints.

Lowell Kalapa, Urban Housing Communities, presented for consideration an

unsolicited proposal for the rehabilitation of public housing without using any state funds. Urban Housing Communities would seek $142 million in low-income housing tax credits, $239 million in total for rehabilitation costs, a pledge from Morgan Stanley of $150 million in private investment funds and 100 jobs. Urban Housing Communities, would like to purchase the facility, not the land.

Jan Ii, Palolo Valley Homes (PVH) resident, stated that because it is difficult for HPHA to have a full-time manager at Palolo Valley Homes some suggestions are: 1) changing the office hours to 7:45 am – 11:45 am and 2) have a manager there from 4:30 pm – 8:30 pm. The PVH Tenant Association polled the PVH residents to ask them if they wanted the following choices: 1) Mutual Housing; 2) R & L (former private management); or 3) homeownership.

Delphine Nisa, Palolo Valley Homes resident, stated that the poll results were: 1) Mutual Housing 9 votes; 2) Private Management 33 votes; 3) homeownership 8 votes.

Jean Peters, Kalakaua Homes resident, stated that the relationship between management and residents needs improvement. If residents must comply with timely responses then she feels that managers should have to comply also.

Kelly Conlan, Kalakaua Homes resident, stated she has been applying for a handicap unit since October and got a response in December. She has been trying to meet with the managers to file the rest of her paper work and has been unsuccessful.

Desiree Kihano, Palolo Valley Homes resident, stated that at last month's Board meeting Ms. Rodrigues stated that the State saved $30,000 changing to State management. The savings should be greater because the managers also run other properties. Why is the HPHA telling the residents that they only have one option for management. The resident should have choices.

RECESS/ RECONVENED

Chairperson Thompson called a recess at 10:08 a.m. and reconvened at 10:13 a.m.

TO APPROVE/ RATIFY TO ENTER INTO LEASE AGREEMENT WITH HAWAII COMMUNITY DEVELOPMENT AUTHORITY FOR BUILDING 36 KALAELOA FOR USE AS A HOMELESS TRANSITIONAL SHELTER FOR ADULT FAMILIES.

Director Dodson moved, Director Berthiaume seconded,

> To Approve/Ratify to Enter into Lease Agreement with Hawaii Community Development Authority for Building 36 Kalaeloa for Use as a Homeless Transitional Shelter for Adult Families.

Sandra Miyoshi, Homeless Programs Administrator, stated that the HPHA has 13 acres of land with four buildings at Kalaeloa. Building 36 initially went to the Department of Education for the University of Hawaii from the Navy. The University did not need the building so they returned it to the Navy, who is in the process of giving it to the Hawaii Community Development Authority (HCDA), who will then sub-lease the property to the HPHA. The renovations are almost completed and ready to house homeless adult families. The provider is Hawaii Community Action Program (HCAP).

Director Yoshioka asked what "adult families" are. Ms. Miyoshi stated that the entire household is over the age of 18.

Ms. Miyoshi stated last month the Board approved the Villages of Maili lease.

Director Aiona asked why it is a month to month lease. Ms. Miyoshi stated this is until HCDA gets title of the property.

Chairperson Thompson asked for a projection on when HCDA will get title. Ms.

Miyoshi stated projection is six months.

Director Yoshioka asked how much the renovations cost and what funds are being used. Ms. Miyoshi responded that the renovations cost $2 million funded through an appropriation that the Homeless Program received two years ago to do renovations.

The motion was unanimously carried.

Chairperson Thompson stated that within the coming new year he will ask the Board to review reports submitted by Chad Taniguchi, Executive Director, and ask questions prior to the Board meeting.

TASK FORCE REPORT/ FINANCE/AUDIT

Chairperson Thompson stated Financial/Audit/Asset Management task force has no report.

HUMAN RESOUCES

Designee Oliva stated the Human Resources/Personnel task force has no report.

HOMELESSNESS

Director Park stated he hopes the Board can see the importance of the homeless shelters. Currently the Homeless Programs are getting the support of private agencies and the support of the Legislature.

PUBLIC HOUSING OPERATIONS/ TENANT/ TENANT RELATIONS

Director Hosino stated the Public Housing Operations/Tenant/Tenant Relations task force has no report.

Chairperson Thompson asked if the Board has any input regarding having an ombudsman person. Director Smith stated the State has a good role model and there needs to be a balance between using the ombudsman and staff doing what they are supposed to do. Director Berthiaume asked if the ombudsman would be part of the HPHA staff. Director Smith stated, not necessarily. Director Smith asked maybe the HPHA should invite the States ombudsman to the next meeting. Director Dodson suggested that a spreadsheet be made on the complaints that be can be reported to the Board. Director Berthiaume asked how do the neighbor islands residents get their concerns voiced. Chairperson Thompson stated that with the resident meetings, the neighbor islands don't seem to have the same problems that Oahu has. Designee Oliva stated that the ombudsman should not be used as a cure all. Director Smith stated maybe the HPHA needs to look at policy issues to help with some of the concerns. For example: 1) how many units can a manager manage; and 2) should people with disabilities be with the elderly people.

Chairperson Thompson asked is there a Board policy on fireworks. Michael Hee, Contracts Administration Branch Chief, stated the HPHA has a "no firework policy", but enforcement is hard because it almost always happens after hours. Chairperson Thompson stated that the Board needs to address the problem. Director Aiona stated that he believes it is the managers' responsibility to enforce the policies. Director Smith stated that she feels it is not only the manager responsibility there needs to be a creative way to deal with fireworks because the firework problem is not only in public housing, but it is in many neighborhoods. Mr. Taniguchi stated that the HPHA cannot only hold managers responsible because at 6:30 at night he hears fireworks outside the School Street office, but when he goes outside to check the violator is gone. Director Hosino stated that the HPHA needs the tenant monitors to help the managers.

Director Aiona asked for a report on how managers are evaluated and what kind of training are managers provided.

MIXED INCOME PROJECTS

Director Berthiaume stated the Mixed Income Projects task force has no report.

EXECUTIVE DIRECTOR'S REPORT/FISCAL MANAGEMENT OFFICE

Mr. Taniguchi stated that the total positive cash flow is $6,612,345 but this is misleading because the report is on a cash flow basis. The goal to correct to accrual basis was December 31, 2008. Gary Marushige, Chief Financial Management Advisor, stated the Fiscal Management Office is trying to finish the 2008 audit documents, which will not be done until January 31, 2009, so the goal will not be met.

Director Smith asked whether the HPHA 2009 deficit is getting smaller or larger. Mr. Hee stated that the deficit is getting smaller except on the State public housing.

Mr. Taniguchi stated that when the HPHA did the budget the revenues were based on actual rent collection experience, which included bad debt. The HPHA also budgeted bad debt as an expense, which resulted in double-counting the effect of bad debts. Therefore, the HPHA projected $3.5 million in bad debt expenses, most of which won't be realized.

Chairperson Thompson asked if the HPHA is going to revise the budget revenues. Mr. Taniguchi stated Real Estate Assessment Center (REAC) suggested that for the current year the HPHA leave the budget revenues based on experience and remove the bad debt from expenses. Next year the HPHA will use 100 percent of rents for revenues and estimated bad debt will be listed as expenses.

PROPERTY MANAGEMENT & MAINTENANCE SERVICE BRANCH

Mr. Taniguchi stated that the managers report that in November, rent collection usually goes down because of the holidays. The HPHA is looking at possibly creating a saving account so residents can prepare for the holidays.

Mr. Taniguchi stated the collection rate is close to the 95% goal, but the HPHA is behind in fixing the vacant units to reach the 95% occupancy goal.

Chairperson Thompson stated he is concerned that Maui's occupancy is at 71% when all the other islands are at 90% or higher. Ms. Fo stated that the office was not fully staffed. Two people have been hired and Ione Godsey, Manager AMP 39 now will be concentrating on filling units.

Mr. Taniguchi stated that the target is to have 50 vacant units by the end of the fiscal year.

Ms. Fo stated that the first Monday in January the HPHA will be assembling the Collections Teams to help Maui and Kalihi Valley Homes with their write offs.

Mr. Taniguchi stated that the vacant unit special teams are on target for the repairs and Managers are putting people from the waitlist in the units right away.

Mr. Thompson asked if the HPHA is going to review, evaluate, and take action on any of the recommendations REAC made. Mr. Taniguchi stated the HPHA will review, evaluate, and take action on the items.

Mr. Taniguchi stated that the HPHA has a rentready pool of 176 applicants.

Mr. Taniguchi introduced Alan Sarhan, Chief Planner.

Allan Sagayaga, Program Specialist, stated he feels that in the year and a half he has been doing grievances, he has noticed that many of the tenants use the grievance process to buy time so that the evictions are delayed.

Mr. Taniguchi stated that by the next Board meeting there will be at least one tenant monitor at one project.

Mr. Taniguchi stated that all of the $1.5 million is spent on security guards. This has not been effective, so at the next Board meeting the HPHA will have a "For Information" on changes that the HPHA may make with security.

Chairperson Thompson stated that some private residents stated that the problems at Puahala began when the transitional shelter tenants moved in; is this factual? Mr. Sagayaga stated at the last Puahala Resident Association meeting, residents stated that it is the public housing residents causing the trouble, not the transitional shelter tenants. Director Smith stated that at the last Neighborhood Board meeting she attended, the police reports for three months before the transitional shelter tenants moved in and three months after they moved showed no difference in crime. Most of the crime is in the vacant lot on Keola Street.

Ms. Fo stated REAC inspected Palolo Valley Homes. The HPHA had a score of 45 out of 100. Point were as follows: 1) site: 0.0 points out of 20.0; 2) building exterior: 13.5 points out of 17.0 points; 3) building system: 16.8 points out of 16.8 points; 4) common areas: .4 points out of .4 points; and units 30.7 points out of 45.7 points plus a Health and Safety deduction of 16.2 points.

Ms. Fo stated there were 13 health and safety issues. Ten units had a hasp on exterior rear door, one unit had furniture blocking an egress, one unit had a double lock, and one electrical outlet was missing the cover plate.

Director Smith stated maybe the HPHA needs to address door lock standards with U.S. Department of Housing and Urban Development (HUD) because tenants are putting locks on their door to feel safe.

Director Yoshioka asked what managers are doing about the AMPs that are in the red. Mr. Hee stated that the budget needs to be adjusted for the increased subsidies from HUD.

RECESS/ RECONVENED

Chairperson Thompson called a recess at 12:07 p.m. and reconvened at 12:15 p.m.

EXECUTIVE SESSION

Director Aiona moved, Director Aiona seconded,

> To go into Executive Session at 11:07 a.m. pursuant to sections 92-4, 92-5(a)(2), and 92-5(a)(4), Hawaii Revised Statutes, 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 issues.

The motion was unanimously carried.

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

RECESS/ RECONVENED

Chairperson Thompson called a recess at 1:09 p.m. and reconvened at 1:15 p.m.

RESIDENT COMMUNITY MEETINGS STATUS

Mr. Taniguchi stated the AMP managers are creating status reports on the previous meetings for discussion at future meetings.

Director Berthiaume asked if AMPs will be having regular meetings. Mr. Taniguchi stated that the AMPs should be having monthly meetings.

ECONOMIC STIMULUS

Mr. Taniguchi stated Director Smith is working with the Governor to see if a list of seven projects for a total $35 million can be included in the Governor's

stimulus package. The projects do not currently have any source of funding. Director Smith stated these projects were included in a December 12, 2008 letter to President-Elect Barack Obama.

FOR PUBLIC HOUSING

Mr. Taniguchi stated that the HPHA plans to do elevator modernization for 34 elevators. The modernization plans are being designed by Gordon Ernst (Elevator Consulting Services). The bid opening for Kuhio Park Terrace (KPT) is today. The modernization of the first elevator in each tower would begin August 2009. Director Berthiaume asked why it will take so long. Mr. Taniguchi stated because the elevators are made on the mainland and the parts will need to be ordered and the shop drawings will need be done by the contractor.

ELEVATORS

Chairperson Thompson asked whether Gordon Ernst is confident that this is the fastest the elevators can be modernized. Mr. Taniguchi responded, yes.

Mr. Taniguchi stated that the HPHA is looking into ways to prevent storm water from getting into the elevators at Kalanihuia, which made the elevators stop running.

Director Smith asked if it is possible to give an incentive to the contractor for completing the modernization sooner. Mr. Taniguchi stated he will need to check because the bid opened today.

Chairperson Thompson asked what is happening with all the vacant positions. Mr. Hee stated that because the HPHA positions are federally funded, the Legislature will not do anything to them. Mr. Taniguchi asked if the HPHA can have help with Budget & Finance (B & F) allowing the HPHA to hire. Director Smith stated that the HPHA has been helping communicate to B & F because the HPHA has been only filling essential positions.

PERSONNEL

Chairperson Thompson asked on the sale of Banyan Street Manor why is the Request for Proposal (RFP) at the Attorney Generals for redrafting, why can't the HPHA use the same RFP as the Wilikina Apartment Inc. RFP. Mr. Hee stated details need to be changed.

Director Smith asked if there is no staff in the Resident Services Section (RSS) and how does this affect the HPHA's ability to work with residents. Mr. Hee stated that the RSS was shut down several years ago and the staff was disbursed to other sections. Most of the work was given to Property Management & Maintenance Services Branch (PMMSB), but the bodies were not given to PMMSB. Director Hosino stated she is concerned that there is no one in the Resident Services Section.

There being no further items to be discussed,

ADJOURNMENT

Director Aiona moved, Director Yoshioka seconded,

That the meeting be adjourned at 2:00 p.m.

MATILDA YOSHIOKA
Secretary

Approved

MINUTES OF THE REGULAR MEETING
OF THE HHA WILIKINA APARTMENTS PROJECT, INC.
HELD AT 1002 N. SCHOOL STREET
HONOLULU, HAWAII 96817
ON THURSDAY, JUNE 19, 2008
IN THE COUNTY OF HONOLULU, STATE OF HAWAII

The Board of Directors of the HHA Wilikina Apartments Project, Inc., met for their Regular Meeting at 1002 N. School Street, on Thursday, June 19, 2008 at 1:15 p.m.

CALL TO ORDER/ ROLL CALL

The meeting was called to order by Vice Chairperson Matilda Yoshioka and, on roll call, those present and absent were as follows:

PRESENT: Director Yoshioka, Vice Chairperson
Director Hosino
Director Ignacio
Director Park
Director Smith
Director Thompson

Executive Director, Chad Taniguchi
Deputy Attorney General, Sandra Ching

EXCUSED: Chairperson Beaver

STAFF PRESENT: Barbara Arashiro, Chief Contracts & Procurement Officer
Michael Hee, Contract Administration Section Chief
Taryn Chikamori, Secretary to the Board

OTHERS: Dave Nakamura, Mutual Housing
Dirk Aulabaugh, Alvarez & Marsal
Fred Koerber, Alvarez & Marsal
Henry Oliva
Sam Aiona
Sherrilee Dodson

QUORUM

Vice Chairperson Yoshioka declared a quorum present.

APPROVAL OF MINUTES REGULAR MEETING 05/15/08

Director Thompson moved, Director Park seconded,

> That the minutes of the Regular Meeting held on May 15, 2008 be approved as circulated.

The motion was unanimously carried.

Vice Chairperson Yoshioka asked for public comment. There being none he moved on with the next agenda item.

EXECUTIVE SESSION

Director Thompson moved, Director Hosino seconded,

> To go into Executive Session at 1:16 p.m. Sections 92-4 and 92-5 (a), (3), (4), and (8) and Section 103D-105, Hawaii Revised Statutes, for Alvarez & Marsal to present their recommendations to the Board for deliberation.

The Board reconvened from Executive Session at 1:37 p.m.

Director Thompson moved, Director Smith seconded,

To accept the recommendation of Alvarez & Marshal to proceed with final negotiations of sale of HHA Wilikina Apartments Project, Inc. to Amerland Group.

TO ACCEPT THE RECOMMENDATION OF ALVAREZ & MARSHAL TO PROCEED WITH FINAL NEGOTIATIONS OF SALE OF HHA WILIKINA APARTMENTS PROJECTS, INC. TO AMERLAND

Director Thompson asked what will happen to money from the sale. Michael Hee, Contract Administration Section Chief stated it will come to Hawaii Public Housing Authority (HPHA).

The motion was unanimously carried.

Director Thompson moved, Director Hosino seconded,

The approval to establish a checking account for HHA Wilikina Apartments Projects, Inc.

APPROVAL TO ESTABLISH A CHECKING ACCOUNT FOR HHA WILIKINA APARTMENTS PROJECTS, INC.

Mr. Hee stated that when Wilikina changed managing agent the checking account was closed. Since then the U.S. Department of Housing and Urban Development (HUD) has been unable to transfer the money to Wilikina. Also when the sale is finalized, the money can go into this account.

Vice Chairperson Yoshioka asked who signs the checks. Mr. Hee stated Chad Taniguchi, Executive Director and one Board member.

The motion was unanimously carried.

Director Thompson moved, Director Hosino seconded,

That the minutes of the Executive Session Meeting held on May 15, 2008 be approved as circulated.

APPROVAL OF MINUTES EXECUTIVE SESSION MEETING 05/15/08

The motion was unanimously carried.

There being no further items to be discussed,

ADJOURNMENT

Director Ignacio moved, Director Hosino seconded,

That the meeting be adjourned at 1:42 p.m.

The motion was unanimously carried.

Linda S. Smith

LINDA SMITH
Secretary

Approved: