MINUTES OF THE REGULAR MEETING
OF THE HAWAII PUBLIC HOUSING AUTHORITY
HELD AT 1002 N. SCHOOL STREET, BLDG. E
ON THURSDAY, NOVEMBER 20, 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, November 20, 2008 at 9:17 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 Carol Ignacio
Director Linda Smith
Director Rene Berthiaume
Director Sam Aiona
Director Sherrilee Dodson
Designee Henry Oliva

Executive Director, Chad Taniguchi
Deputy Attorney General, Krislen Chun

EXCUSED:
Director Clarissa Hosino
Director Eric Beaver
Director Kaulana Park
Director Matilda Yoshioka

STAFF PRESENT:
Barbara Arashiro, Executive Assistant
Rick Sogawa, Acting Contract & Procurement Officer
Kamalani Rodrigues, Public Housing Specialist
Janice Mizusawa, Public Housing Supervisor
Allan Sagayaga, Program Specialist
Gary Murashige, Chief Financial Management Advisor
Dexter Ching, Section 8 Subsidy Program Branch Chief
Glori Inafuku, Housing Compliance Office & Evaluation Specialist
Marcel Audant, Acting Construction Management Chief
Patti Miyamoto, Chief Compliance Officer
Sandra Miyoshi, Homeless Program Administrator
Taryn Chikamori, Secretary to the Board

OTHERS:
Annie Sesph, Palolo Valley Homes resident
Avala, Sefo, Palolo Valley Homes resident
Beverly Estrella, Mayor Wright Homes resident
Bina Gurerro, Palolo Valley Homes resident
Dalphine Nisa, Palolo Valley Homes resident
Desiree Kihano, Palolo Valley Homes resident
Donna Saxapheth, resident
Elizabeth Ho, Maluhia Senior Housing, resident
Faleupolu Toa, Waianae Community Outreach
Fetu Kolio, Mayor Wright Homes resident
Gloria Ahnee, Maluhia Senior Housing, resident
Gloria Castro, Mayor Wright Homes resident
Hana Eliapo, Mayor Wright Homes resident
Helsa Malolo, resident
Iosua Sefo, Palolo Valley Homes resident
Jan Fi, Palolo Valley Homes resident
Jean Peters, Kalakaua Homes resident

Jesse Ponce de Leon, Kalakaua Homes resident
Junior Hernos, resident
Kanani Bulawan Waianae Community Outreach
Kelly Conlin, Kalakaua Homes resident
Koreena Sefo, Palolo Valley Homes resident
Linda Kamikawa, resident
Maryann Sefo, Palolo Valley Homes resident
Mercedes Agrisol, Mayor Wright Homes resident
Meriah Pach, Mayor Wright Homes resident
Obra Morris, resident
Roy Matsunaga, private resident
Roy Nakamura, Kalakaua Homes resident
S. Agrisol, Mayor Wright Homes resident
Saipeti Lafaele, Mayor Wright Homes resident
Sharleen Chang, Kalakaua Homes resident
Sharlene Chang, Kalakaua Homes resident
Teuk Ham, resident
Theresa Cummings, Mayor Wright Homes resident
Thon Vongsj, resident
Tom Oshiro, resident
Treena Sefo, Palolo Valley Homes resident

QUORUM

Chairperson Thompson declared a quorum present.

APPROVAL OF MINUTES REGULAR MEETING 10/16/08

Chairperson Thompson stated that the October 16, 2008 minutes will be approved at the next meeting.

PUBLIC TESTIMONY

Fetu Kolio, Mayor Wright Homes (MWH) resident, testified that his main concern is that the security has not improved. On October 6, 2008, his neighbor was struck by a sling shot. People are loitering at the project and there is no security present. He considers it a breach of contract that security is not doing their job. Mr. Kolio's reported his window was broken at 2:30 am and he notified security. The security said he was not willing to testify or make a police report for fear of his life.

Chairperson Thompson cautioned the Board not to comment on the testimony, due to work on Act 34 that should be on next month's agenda.

Jesse Ponce de Leon, Kalakaua Homes resident, testified that senior citizens living in public housing did not know they could get help from the community. Also, seniors should be separated on different floors from residents that cause disturbances. He read a portion of a letter he sent to the manager.

Sharlene Chang, Kalakaua Homes resident testified on false allegations and harassment by another tenant (Lester Lopes) and management and wants the Board to look into it. Copies were distributed to the Board.

Director Smith asked whether this is the same individual that the previous person testifying spoke of. Ms. Chang said "yes", and added that management has not done anything about Lester Lopes since her previous testimony in September.

Roy Nakamura, Kalakaua Homes resident, testified that false allegations were made against him by Mr. Lester Lopes and that management sided with him. He provided letters and statements to the Board for review.

Jean Peters, Kalakaua Homes resident, testified that she comes to the Board to

speak up for others. Residents would like to go the manager for help but no options are given to them. There are a lot of people afraid to approach the managers because they feel intimidated or embarrassed. Residents want to be able to speak with the managers freely, find solutions, and implement changes in order for residents to work together. Ms. Peters would like the Board and the administration help to resolve problems to make a better life for them.

Chairperson Thompson asked Ms. Peters if she fears retribution by the managers. She responded "yes". Chairperson Thompson asked whether Ms. Peters notified Chad Taniguchi, Executive Director or Stephanie Fo, Acting Property Management and Maintenance Section Branch Chief that she was not getting a response from the manager. Ms. Peters said that she emailed Mr. Taniguchi, Ms. Fo and Clarissa Hosino, Board of Director and has received some responses, but is unsatisfied with those responses.

Director Ignacio asked to give an example of resident fears. Ms. Peters said that a resident went to see the manager a couple of days ago to talk about her situation and the manager responded if "you are in fear of your life or cannot deal with your health, you should call 911." Some options should have been given or some solution. Ms. Peters commented that the manager's attitude is not appropriate. She commented that no one should be talking to anyone in that way and tenants should not have any fear when they go to the office.

Roy Matsunaga, private resident, read his letter of testimony regarding the Community Neighborhood Board's concerns. Concerns included unacceptable noise, after hour drinking near Maluhia Elderly housing, littering by Puahala Homes tenants and visitors at the vacant lot near Keola Street, and their friends sleeping in cars at night. The community feels that the rise in criminal activity is related to the relocation of homeless families to the transitional units at Puahala Homes. Mr. Matsunaga asked for a written reply to the concerns stated in his testimony to present to the Neighborhood Board by December 1, 2008 before their next meeting. He also requested security procedures applied to Puahala because of problems, including Arial fireworks. He reported that when the police come to check, it stops. He wants to know what security measures have been taken. He asked if transitional shelter families pay rent at Puahala.

Theresa Cummings, Mayor Wright Homes (MWH) resident, testified that the residents are not against ACT 34. The petition from MWH relate to the definition and clarification of designated common. Ms. Cummings said that they want clarification of the yard they are taking care of and paying rent for and wants to know if the HPHA is claiming eminent domain of her yard. If so the rent should be lowered and the HPHA should pay her for upgrading the yard. She mentioned that the association has monthly meeting. They have worked with security and management, and they have not heard anything about the complaints on security that Mr. Kolio presented.

Director Aiona requested at the next Board meeting the Attorney General's opinion. Ms. Chun stated that a Task Force is working on Act 34 and is scheduled to meet on December 4, 2008.

Linda Kamakawa, resident testified that Mr. Matsunaga stated all her concerns and that is how she feels and wants the Board to solve these problems because it is hard to sleep at night wondering who might come in the area and do bad things. The fireworks are so loud. She stated "I thought it was a terrorist attack and it terrifies me." She is asking that the Board help to solve the problems.

Director Aiona asked her to describe the fireworks. Ms. Kamakawa said that it sounds like bombs or 55 gallon drums being dropped, three to five going up at one time and each time getting louder and louder. There was one near Lanakila Park, but it sounded like it came from Alewa Heights, but we cannot call the police because we do not know where it is and I have not seen it.

Bina Gurerro, Palolo Valley Homes (PVH) resident, said that she wants to live in

a safe place where her four children can go out and play. She has been in housing for two years and it was good, but has changed due to people living in this one house with chronics and many fights. She wants the HPHA to help them live in a safe place, but the HPHA is not doing the job.

Chairperson Thompson stated that based on testimony provided in previous months, Palolo Valley Homes will be discussed later in the Agenda.

Desiree Kihano, Palolo Valley Homes resident, presented pictures of trash all over the project, vacant units with graffiti, and that management has painted over the graffiti.

Dalphine Nisa, Palolo Valley Homes resident, testified that her concern is the same as MWH issue on Act 34's common area. The community wants to upkeep their common areas by keeping it clean and cutting the grass. She also wants the HPHA to provide the gas for their personal weed eaters and blowers, paint, and trash bags. This will be on a trial basis with the managers. She commented "this is how we can work together."

Director Dodson commented that as a community organizer you are asking management for help with materials. Ms. Nisa said "yes."

Director Smith asked about the security component that was raised by other tenants. Ms. Nisa said that Palolo would be the first project to do it, that they already do security night walks.

Kanani Bulawan, Waianae Community Outreach, requested to add on the Board's Agenda next month, the issue on the readmission on policy to public housing. She has experience on the unsheltered and homeless population and there is definite evidence that families that were in public housing and evicted, are now recycling into homeless services and are being given the opportunity for rehabilitation. Part of that rehabilitation is addressing criminal behavior and becoming wholesome citizen and they should be given an opportunity another chance. She suggested community services for residents who are paying zero rent, with community service of 160 hours a month (full time work, 40 hours a week). She challenges the Board to think about this and to participate with the associations in different complexes. She recommends the HPHA "rebuild the housing rules by seeing and not only hearing the issues."

Director Berthiaume asked if the policy for readmission to public housing is a rule that the U.S. Department of Housing and Urban Development (HUD) can makes or can the Board can make the change. Ms. Bulawan stated that there are two levels where a task group can break up to investigate rules that HUD mandate, which is on the federal level and State Administrative rules.

Chairperson Thompson stated that the Board will consider and do research for the next meeting.

Director Smith acknowledged that some of the Board members had an opportunity to go to Onelau'ena and thanked Kanani Bulawan for briefing the Board on the homeless shelter.

Director Aiona commented that at the next meeting when the Board discusses the issue of readmission is it better to do it in an open discussion for resolution.

Ms. Chun advised after discussion, and after public testimony, then the HPHA may need an administrative rule change. Chairperson Thompson stated that the process is to do research, discuss what needs to be done, then what changes can be made in the administrative rules. Laws cannot be changed by the Board. Then decision making, recommendation from staff and then to the Board for approval.

Elizabeth Ho, Maluhia Senior Housing resident, testified that public housing residents use the no parking area on Keola Street (across from the Maluhia Senior

Housing) to drink, loitering from 11:45 p.m. to 5:00 a.m. and play loud music. She has called the police many times and by the time the police get there, they leave. They have contacted Senator Corrine Ching and they need help with the problem.

Director Berthiaume commented that he personally put up the signs there and it has been an ongoing problem for years. That property will be an extension of Kuakini Street.

Director Smith asked what solution Ms. Ho would propose. Ms. Ho said to chain up the area or block up the area, so they do not park there.

Gloria Ahnee, Maluhia Senior Housing resident, said that not only are the loud music and fireworks bombs going problems, but the area has become a rubbish dump, and there is loud swearing and talking where the whole neighborhood can hear.

RECESS/ RECONVENED

Chairperson Thompson declared a recess at 10:25 a.m. and reconvened at 10:38 a.m.

RECOGNITION OF PUNAHELE RESIDENT ASSOCIATION AS A DULY ELECTED RESIDENT ASSOCIATION

Director Aiona moved, Director Dodson seconded,

> To Approve the Recognition of Punahele Resident Association as a Duly Elected Resident Association.

Allan Sagayaga, Program Specialist presented that the Punahele Resident Association started in 2006 and in February 2008, a Board was formed. Mark Gomes (President); Mona Livsey (Vice President); Pearl Uratani (Secretary); Anna Carlos (Treasurer); and Kaainoa Enaena (Sergeant In Arms) were elected by the community. The recognized resident association totals 49, with 30 presently active.

Director Berthiaume asked why Punahele never had a board before.
Mr. Sagayaga said that some resident associations take a while to develop and it depends on the residents to get active in their associations.

Designee Oliva asked if organizing the associations is better on the outer islands or on Oahu. Mr. Sagayaga explained that the neighbor island associations are more active and some of the elderly projects have small groups to represent them instead of an association, due to the work involved in running an association.

Chairperson Thompson asked how many projects are without associations.
Mr. Sagayaga said approximately ten.

Director Ignacio asked if there is a plan to train the leadership. Mr. Sagayaga responded that he is working with resident leaders on how to get more residents to attend meetings. Director Ignacio said that there are groups that have those facilitation skills and train for free. Mr. Taniguchi commented that the court system will provide three types of training for staff and residents in communication, meeting facilitation and conflict resolution or mediation.

The motion was unanimously carried.

Mr. Taniguchi commented that the neighbor island Associations will be recognized on their island and the Oahu associations will be recognized at the HPHA Board meetings.

REPORTS

Chairperson Thompson deferred the Executive Session to be discussed during lunch, and moved to the Reports of the Task Force Committees. There were no reports from the Finance/Audit/Asset Management, Human Resources/Personnel,

and Public Housing Operations/Tenant/Tenant Relations.

HOMELESS-NESS

Chairperson Thompson stated that at the Special Meeting on November 19, 2008, during the tour of the homeless shelters, a new Homelessness Committee was formed including Designee Oliva, Director Smith and Chairperson Thompson to gather information, and then the committee was turned back to Directors Park, Ignacio and Berthiaume as the Homelessness Committee. Reports on the tour will be discussed in Executive Session.

MIXED INCOME PROJECTS

Director Berthiaume commented that he spoke to Director Beaver regarding the hearing with Senator Chun-Oakland on the Mixed Use Development and was disappointed that there were no updates.

EXECUTIVE DIRECTOR'S REPORT/FY 2009 BUDGET

Mr. Taniguchi reported that the 2008 year to date budget is showing a positive balance of$10 million, but this is because the HPHA is on a cash basis reporting system. The cash basis system is not showing liabilities that are not paid.

Director Smith asked because the Homeless Programs got their allocation at the beginning of the Fiscal Year of $12M, how will this be addressed under an accrual based accounting system. Mr. Taniguchi introduced Gary Marushige, Chief Financial Management Advisor, who explained the goal to match the expenses to the revenues. In the present cash basis, the revenue is recorded in the first month when the allotment was received. In the accrual method, the allotment will be put in a prepaid account, and the revenues recorded every month from this prepaid account. Then, revenues should match the expenses every month as the invoices are paid. Chairperson Thompson commented that no money will be spent unless there is an appropriation.

Mr. Taniguchi reported that the rent collection for the federal public housing for the first four months of this fiscal year is 97% and the state public housing is 98%.

Director Smith would like to see the data in summary form and tracked by the Asset Management Projects (AMP).

Mr. Taniguchi reported that the turnaround plan depends on the HPHA earning $900,000 more than budgeted by increasing occupancy and increasing rent collections.

Chairperson Thompson is concerned that with 473 families in arrears the number of families evicted for non-payment of rent. Ms. Fo explained that the rent collection team has been reassembled to help the AMPs with the eviction packets and grievance packets. Chairperson Thompson said that the Institute for Human Services (IHS) has volunteers to do follow-up calls. Mr. Taniguchi will follow up on this.

Director Ignacio commented that managers say that it takes long to process evictions. Ms. Fo explained that the federal and State laws and rules differ and if the tenant does not comply, the process starts over. Ms. Chun stated that the State projects have a rental agreement which still include a grievance process (which is 45 days) so the rental agreement and Administrative rules need to be revised Ms. Chun will also look into whether tenants should be allowed to request a grievance for rent owed and whether amending the rental agreement is required.

Mr. Taniguchi reported that page 28 of the State LIPH report (far right column) should read State Waiting List, not Federal. The island of Maui and Hawaii has the major problems and will be sending in the teams. Director Berthiaume will speak with the Correctional Industries to also help. Barbara Arashiro, Executive Assistant commented that they have been working with the group and that they send out a team to verify the site can be secured when the work is going on.

Director Aiona asked how many units become available on a monthly basis. Mr. Taniguchi said that the AMPs responsibility is to do the new vacant units that become available, but we are falling behind in this area. From July to September, there were 127 units that became vacant (average of 41 month), 28 were repaired, and 99 remained to be completed. The reason for not keeping up is the REAC examination occurred 6 months after the previous one.

Director Ignacio asked how much of what gets done or not done is reflected in the performance evaluation of management. Ms. Fo explained that they are given all the goals at the time of their performance appraisal, such as collect rent 95%, re-certifications completed 95%, look at vacant unit within 24 hours, lease up in 48 hours. The managers monitor the maintenance staff on the vacant units.

Mr. Taniguchi said that we had positive feedback with the HGEA and UPW unions showing them the progress reports. He asked UPW to have their stewards visit the maintenance members at the AMPs and talk to them about addressing the 99 vacant units.

Mr. Taniguchi reported that the HPHA's audit reports are delayed and the auditors are now using the right materials. The EmPhasys trainer has seen improvements in the past 2 years. Submittal of HUD Financial Data Schedules is planned for December 2008.

MIXED INCOME REDEVELOP-MENT UPDATE

The mixed income redevelopment update on the Request For Proposal (RFP) for consultant is being worked on. Chairperson Thompson said that the task force should help with the RFP.

Director Berthiaume wanted clarification on the November 5, 2008 legislative briefing on the statement that when the tenants lose their job, and we cannot evict them and collect any rent. Mr. Taniguchi stated that if the resident has no income, then the rent goes to $0.

PROPERTY MANAGEMENT & MAINTEN-ANCE SERVICE BRANCH

Ms. Fo said that the HPHA is proposing that the Public Housing Agency (PHA) Plan to raise the minimum rent up to $50. There are 303 families that have rents between 0 and $50. The negative rent is 272 people where we pay them with the utility allowance. The HPHA has paid out an average of $21,500 per month.

Director Ignacio commented that the HUD and the security company have a totally different version of what is happening.

Director Aiona commented that there were some discussions about the job descriptions for resident managers regarding security and wants to know what that is about. Ms. Fo explained that it is a pilot program that is being proposed. The HPHA intends to have a tenant monitor on site at night and on weekends to do security patrolling.

Chairperson Thompson commented that some individuals testifying did not talk to their resident association first to get the answer.

Director Berthiaume said that there were no monitoring of the resident association funds and asked for an audit. Mr. Taniguchi stated he saw some checks written out to cash and there were no receipts or accounting of it. Ms. Fo stated that the HPHA is doing the audit now and the association will not get the funds until the audit is complete and the remedy is made. Ms. Fo said that a response to the Legislature will be made regarding security; the manager did meet with the security company and invited the association and any concerned residents to attend the meeting. Nine meetings were already held with the security company and it is ongoing.

Director Smith asked if the problems are in terms of communication, security guards not understanding or appreciating the scope of their responsibilities or

more fundamental where we need to reexamine what we are hiring the security company for. Ms. Fo said the main problem is there is a high turn over at the security company.

ELEVATOR REPAIR REPORT

Mr. Taniguchi reported at Kuhio Park Terrace (KPT) one elevator was fixed and three months later it broke down again. Kone Elevator Company does not have the elevator parts and the consultant recommended hiring another company to look into repairing this one elevator. The plan is to spend more money to keep the operable elevators operable. Chairperson Thompson stated that at the next meeting, to have firm plans to replace or fix the elevators.

EXECUTIVE SESSION

Chairperson Thompson declared a recess at 12:02 p.m. and reconvened at 12:15 p.m.

Director Aiona moved, Director Dodson seconded,

> To go into Executive Session at 1:12 p.m. Pursuant to Sections 92-4, 92-5(a)(2), and 92-5(a)(4), Hawaii Revised Statutes, the Board may Convene in Executive Session to Discuss Possible Personnel Action and to Consult with the Board's Attorneys on Questions and Issues Pertaining to the Board's Powers, Duties, Privileges, Immunities, and Liabilities as it Relates Possible Personnel Action Regarding a Former HPHA Employee on Employment related Issues.

The motion was unanimously carried.

RECONVENED

The meeting reconvened at 1:12 p.m.

Chairperson Thompson reported that the Chairperson will take appropriate action with the Executive Director regarding personnel action regarding a former HPHA employee. Regarding the HPHA's homeless programs no conclusion was reached and it will be an ongoing subject.

PALOLO VALLEY HOMES: DISCUSSION OF THE ISSUE OF PUBLIC VERSUS PRIVATE MANAGEMENT OF PALOLO VALLEY HOMES

Chairperson Thompson discussion of the issue of public versus private management at PVH raises the issues where a decision was made whether to continue State management or go back to private management. The major concern is the HPHA is responsible to do an excellent job with the residents and is committed to do that.

Director Ignacio is clarifying what she heard at the testimonies in the morning is that PVH had an on-site private management and is now under the HPHA management, and the two top management are at Kalakaua Homes and there is no on site management at PVH. Some of the reason for the garbage at Palolo is because there is no on-site management. Ms. Fo agrees and confirmed that management share responsibility for PVH and Kalakaua Homes.

Ms. Fo thanked Janice Mizusawa, Public Housing Supervisor, and Kamalani Rodrigues, Public Housing Specialist, for attending the Board meeting and being willing to work with the residents, even though they are under personal attack.

Ms. Mizusawa stated Kalakaua Homes has 582 units and PVH has 118 units. She has been with HPHA for 20 years and started as a Public Housing Specialist. She later became the Deputy Manager and for the past 6 years has been the manager.

Ms. Rodrigues said that she has been with the Housing Authority since 1996 and started off as a Social Services Assistant, and was also to a Public Housing Specialist and Tenant Relations Advisor. She was with Mayor Wright Homes

and Kaahumanu Homes, Puuwai Momi and Kalakaua Homes for 10 years. She has been doing the tenant relations, re-certifications, and tenant complaints along with Ms. Mizusawa for 700 households and has been temporary assigned to do the Deputy Manager.

Chairperson Thompson asked if there was a full time person at Palolo Valley. Ms. Mizusawa explained that there is one person in the office during the week, and that she goes to Palolo once a week for half to a full day, Ms. Rodrigues spends more time there because of the re-certifications.

Director Ignacio asked if there is a possibility for one manager to be housed at each project all the time. Ms. Mizusawa stated it is a possibility that can be considered, but based on the number of position we have, and the work they are responsible to do it does not make sense to her to have one body dedicated to 117 units. Kalakaua Homes interviews are done at Kalakaua Homes, and she can't see the HPHA asking the Kalakaua Homes tenants to go to PVH to be interviewed.

Director Ignacio said that the conditions at Palolo should not be in that state that it is in. Ms. Mizusawa agreed but the lack of employees is the problem. Ms. Fo explained that the many of the current staff are on light duty and not working 100%.

Director Ignacio stated that there are health and safety issues and what is the plan. Ms. Rodrigues said the areas are cleaned every week and half of the problems are educating the tenants. She has asked the residents to be responsible, but trash and bulky items are just thrown and not tied up or put in the bin. It is an eye sore, but staff does come out and clean. It has been a constant issue for staff. It is an issue for both sides and management needs to work with Ms. Nisa. Ms. Nisa agreed to do her part in educating the residents.

Director Dodson asked if private management should come back to Palolo and if 700 units are too much to handle. Ms. Rodrigues said that compared to other projects they have scattered sites and does not have offices at each site and it is burdensome to do interviews. From her experience, it has been a lot of work bringing PVH into compliance with HUD requirements. The Board has options to sell to Mutual Housing to keep state management, but we are asking to be fully staffed and allow management to run one office. Ms. Rodrigues stated that the HPHA has saved $130,000 by having it State managed. By comparison, the private management agent had 7 fulltime employees paid by their contract. When the HPHA took over, the REAC score was 43 and this year it is 48, but there is still millions of dollars of work to be done.

Designee Oliva asked if there is a plan for the garbage. Ms. Rodrigues said that there are a lot of trash cans but they are not full. Three more containers for bulky items were ordered for 118 units. In comparison, with the 600 units at Kalakaua Homes, management didn't have to order more containers. Ms. Mizusawa commented that we have been paying for bulky items for the holiday season, and we are educating the tenants to tie up their bulky items.

Chairperson Thompson asked Mr. Taniguchi what is the plan for Palolo. Mr. Taniguchi would like to hire a tenant monitor on December 15, 2008 to overlook the issues.

Chairperson Thompson stated that if the HPHA has staffing problems, the residents do not want to hear this; the HPHA needs to find a creative way to solve the problem.

Director Ignacio stated all the issues that was discussed during public testimony with the exception of the garbage was with interpersonal relations.

Ms. Rodrigues stated that each tenant has the right to due process. Once a decision is made, managers are not able to discuss the outcome with any other resident.

Ms. Mizusawa and Ms. Rodrigues clarified that Kalakaua Homes is a general occupancy project including 8 buildings and low rise apartments. It has historically housed elderly because of the unit sizes, and as such other tenants question why there are children living at Kalakaua Homes.

Director Berthiaume commented that there are similar problems at Kupuna Home O Waialua, where young disabled tenants meet the federal definition of "elderly" for elderly projects. Executive Director Taniguchi added the HPHA would like to pursue the designation of elderly only projects next fiscal year.

Director Aiona questioned whether the HPHA staff in general receives training on interpersonal relationships and how to deal with tenants. Ms. Fo responded that a manager's job is to meet with a tenant who is non-compliant with the rental agreement and that the tenants will not always be happy with the decisions made. Ms. Mizusawa added that the manager's first responsibility is to enforce the terms of the rental agreement, including allowing other tenants to "the peaceful enjoyment of the premises."

Ms. Mizusawa stated there have been several meetings between management and the tenants, and that the complaints that the Board is hearing are old complaints. Ms. Fo also clarified that the property managers does not rule on the grievances that are filed. The grievance hearing officer(s) decides the outcome and that it appears that the current hearing officers should be retrained.

Chair Thompson asked whether the HPHA has a plan to resolve the conflict between tenants at Kalakaua. Ms. Mizusawa responded that there were several meetings between the tenants and the management, another meeting with Ms. Fo, and a third meeting with Mr. Taniguchi and it is more a matter of the tenants not accepting the decision of the hearings officer.

Chair Thompson directed Mr. Taniguchi to resolve the issues at Kalakaua between the tenants. Ms. Rodrigues stated that only a letter from Ms. Fo or Mr. Taniguchi will bring closure to the complaints at Kalakaua.

Mr. Taniguchi indicated that the tenant has engaged an attorney which has delayed the grievance process. Mr. Taniguchi also stated that a great majority of tenants who attended the community meetings indicated that they like the management staff at Kalakaua Homes. Also, program statistics (e.g., vacant units) indicate that the AMP is performing well.

Director Smith recalled that in 2005 or 2006, 100+ residents from Palolo Valley Homes signed a petition indicating an interest in conversion of Palolo Valley Homes similar to Palolo Homes (under Mutual Housing). However, later in the Legislative session, a small group from Palolo Valley Homes said they were opposed to the conversion. Director Smith asked whether Ms. Mizusawa knew why the tenants had changed their minds. Ms. Mizusawa responded that it seems like the residents are again open to entertaining the concept of having the community sold like Palolo Homes.

Director Smith asked whether the former management company hired residents and asked them to lobby the HPHA Board to discontinue pursuing the disposition of Palolo Valley Homes.

Ms. Mizusawa and Ms. Rodrigues indicated that they have heard similar rumors. Chair Thompson asked Mr. Taniguchi to research history of the sale of Palolo Homes (to Mutual Housing) and the impact on the fiscal and operational activities.

Director Smith recommended that the HPHA Board reconsider the sale of Palolo Valley Homes.

Chair Thompson asked for Mr. Taniguchi's recommendation and assessment of the decision to manage Palolo Valley Homes with State employees. Mr. Taniguchi responded that he would have made the same decision to end the private

management contract, but would have added tenant monitors sooner. Mr. Taniguchi wants the tenant monitor program to start and spread to other public housing sites.

Chair Thompson expressed serious concerns about the conditions at Palolo Valley Homes and the perceived lack of response from management. Chair Thompson indicated that the photos of the trash piled up at the site were disturbing and unacceptable.

Director Ignacio asked about the tenant monitor's function and how he/she would relate to the tenants and the management staff. Ms. Fo clarified that the tenant monitor would be on-call when the management office is closed and would respond to calls from tenants for emergencies, to disturbances, serve as a contact for the police department, and check common areas. Ms. Fo indicated that the tenant monitor would work with the management staff. Director Aiona added that the resident association needs to be communicated with.

Director Ignacio asked how the tenant monitor was selected. Ms. Fo responded that she had been working with the resident association. Ms. Fo stated that the tenant who was already volunteering her services said she would be interested in being a tenant monitor.

Ms. Rodrigues encouraged the Board to review all of the program statistics and reports on Palolo Valley Homes and decide whether there is a long term plan for Palolo. Ms. Rodrigues and Ms. Mizusawa commented that Palolo Valley Homes requires millions of dollars of modernization work in order for the project to be "fully functioning", not just staff time and a tenant monitor program. Director Smith agreed and commented that the Board needs to consider different options to making renovations and bringing the buildings up to decent standards.

RECAP OF TOUR OF THE LEEWARD HOMELESS SHELTERS

Chair Thompson reported that the Board convened a special meeting to tour the homeless facilities on the Leeward Coast.

Director Aiona reported that the Board toured several homeless shelters and felt that the establishment and enforcement of shelter rules helps to keep the shelters clean. He indicated that perhaps there are lessons that can be applied in public housing. Director Dodson responded that the shelters are also successful because they provide wrap around services.

Chair Thompson compared the flexible operations of homeless programs and the highly regulated low income public housing program. Director Smith added that the homeless providers: (1) all work with a passion for their work; (2) talk about a feeling of ohana and manage through "tough love"; (3) provide services the homeless families need to improve; and (4) set goals and timelines for people to move on.

Designee Oliva observed that homeless participants needed to work for "village bucks" and that helped create ownership for the facilities and the success of the program among the residents.

Director Ignacio stated that the big difference is that the homeless shelters do not operate under the Landlord-Tenant Code and that the homeless shelter is a supportive service program, not just housing. Chair Thompson stated that the public housing program is also bound by the State Procurement Code. Director Berthiaume added that many companies will donate to a non-profit, but not to a State agency so it is easier for the homeless shelters to benefit from those donations. He added that the neighbor(s) to the shelter were included in operations as a partner.

Mr. Taniguchi reported that HUD has a Moving To Work (MTW) Demonstration project that allows 32 designated PHA's more flexibility with federal rules. Mr. Taniguchi is researching how the HPHA can get the MTW designation. Chair Thompson indicated that the Board is willing to hear more information regarding the MTW designation. Director Berthiaume indicated that the Step-Up program would

work well with the MTW designation.

AGENCY OUTLOOK FOR 2009

Chair Thompson asked for comments from the Board on the Agency Outlook 2009. The list was drafted by the Chair based on previous meetings and he asked for reactions / revisions.

Director Dodson commented that the Board should pursue (#5) mixed use developments as it allows people to move "up and out" of public housing. Director Berthiaume added that there are participants at Maili Land that have been there for 2 years and have no where to move to. The mixed income developments could address that. He added that Housing Hawaii (working group) is working to increase affordable housing.

Chair Thompson asked whether the Board generally supported the concept of putting a time limit on tenancy in public housing. Mr. Taniguchi clarified that currently, the HPHA would only be able to do that under a MTW designation. Director Aiona suggested that HPHA impose a time limit on tenancy in State public housing.

Director Smith commented that considering the economic conditions locally and nationally, HPHA may need to address an increase in families needing assistance. Sandra Miyoshi responded that HPHA's Housing Policy Study normally shows that the need for low income housing and homeless services when the economy is depressed is decreased. Conversely, when the economy is healthy, the number of homeless families increases. Director Ignacio cautioned that the number and effect of the Micronesians were not accounted for in the previous Housing Policy Study.

Chair Thompson asked whether, given an option, a Micronesian family would prefer to stay here, or return home with a free plane ticket. Director Ignacio responded that whether the entire family could stay or all return is what would affect their decision.

Director Berthiaume reported that the City & County of Honolulu is holding public hearings on the Consolidated Plan. Mr. Taniguchi stated that the HPHA would not be interested in transferring the section 8 program to the City as the program pays for itself, brings extra administrative fees to the HPHA, and the HPHA would need the vouchers (to project base) for a mixed income redevelopment. Director Berthiaume added that HUD's Elderly 202 Program also allows PHAs to project base vouchers to pay down debt service.

Director Aiona recommended that the Board form a task force to help with training of Managers to (#9) improve the management of projects. Chair Thompson responded that the Human Resources subcommittee could handle that suggestion. He also cautioned that the Board needs to balance the people voicing their concerns against the numbers who may be pleased with Management, but are not coming forward. Director Dodson agreed that the number of residents who attended the Maui meetings dwindled as issues were getting resolved and they no longer had complaints.

Chair Thompson requested a summary of the REAC scores for Palolo Valley Homes.

Mr. Taniguchi reported that the 2 lowest scoring projects were Palolo, which scored a 45 (out of 100), and Kuhio Park Terrace which scored a 43. Director Aiona commented that the homeless shelters inspect the units once a week. Ms. Fo indicated that the management staff conducts 4 inspections a year: 1) home inspection, 2) annual unit inspection, 3) pre-Real Estate Assessment Center (REAC) inspection, and 4) REAC inspection.

Mr. Taniguchi clarified that (#4) the goal to aggressively privatize projects is possible only if HPHA does mixed income redevelopment. He added that the law that allowed HPHA to privatize services that have historically been provided by civil service employees sunset last year.

Director Smith cautioned that the State is faced with an economic situation where we may need to consider furloughs, reductions-in-force, or layoffs. She remarked that management and labor need to be creative in their provision of public services in order to avoid layoffs. Chair Thompson stated that HPHA has worked hard to avoid layoffs and we should communicate that to the union.

There being no further items to be discussed,

Director Aiona moved, Director Dodson seconded,

ADJOURNMENT

That the meeting be adjourned at 3:07 p.m.

MATILDA YOSHIOKA
Secretary

Approved